

Mieczysław Sprengel

Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975

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Mieczysław Sprengel

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List of Key Abbreviations

AHC	Australian Housing Corporation
AIDC	Australian Industry Development Corporation
ALP	Australian Labor Party
AMA	Australian Medical Association
ANZUS	The Australia, New Zealand, United States Security Treaty
API	Australian Planning Institute
ASEAN	Association of South-East Asian Nations
AUD	Australian dollar
AWC	Australian Wool Corporation
BHP	Broken Hill Proprietary Company
CAEs	Colleges of Advanced Education
CP	Country Party
CPI	Consumer Price Index
CSHA	Commonwealth State Housing Agreement
DLP	Democratic Labor Party
DURD	Federal Department of Urban and Regional Development
EEC	European Economic Community
FIRB	Foreign Investment Review Board
GDP	Gross Domestic Product
IAC	Industries Agricultural Company
IAC	Industries Assistance Commission
IMF	International Monetary Fund
IUCN	International Union for Conservation of Nature and Natural Resources
LCP	Liberal Country Party Coalition
LPA	Liberal Party of Australia
NPA	National Party of Australia
NSW	New South Wales
NT	Northern Territory
NURDA	National Urban and Regional Development Authority
OECD	Organisation for Economic Co-operation and Development
PMA	Petroleum and Minerals Authority
PNG	Papua New Guinea
PRC	People's Republic of China

QLD	Queensland
SA	South Australia
SALS	South Australian Land Commission
SEATO	Southeast Asia Treaty Organization
SWC	Social Welfare Commission
TAFE	Technical and Further Education
TAS	Tasmania
TPM	Thies Peabody Mitsui
UAP	United Australia Party
USD	American dollar
VHC	Victoria Housing Commission
VIC	Victoria
VULC	Victorian Urban Land Council
WA	Western Australia

Preface and Acknowledgments

The book presented here, *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*, is the twenty-third volume in the Adam Mickiewicz University Law Books series. In this series, scholars affiliated with Adam Mickiewicz University in Poznan present the results of their research, independently or in co-operation with other institutions.

In many popular science and scientific publications, there have been questions that bother researchers. One such fundamental question is: Why are some nations rich and others poor? This topic is partly answered by works in economic history such as *A Concise Economic History of the World* (2016) by L. Neal and R. Cameron, *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor* (1993) by David S. Landes, and *A Farewell to Alms: A Brief Economic History of the World* (2007) by Gregory Clark. Given that some countries have recorded significant economic development, it is worth taking a closer look at the actions of individual ruling teams that contributed to positive changes in a specific period.

One of the important and outstanding Prime Ministers in Australia's history was Gough Whitlam, who significantly changed the course of events in the country. Many works have been published on Whitlam and his rule. Whitlam himself published many texts. He wrote the following important books: *The Whitlam Government 1972–1975*, published in 1985, *The Truth of the Matter*, published in 1979, and *Abiding Interests* (1997). The first book includes 21 chapters concerning significant matters reformed by Whitlam. The work is concise and extensive, but it is Whitlam's own subjective view, which is why references to other opinions and data are important in this work. Whitlam repeatedly describes various issues in detail, but these assessments are rather positive, and the references often concern criticism of the Fraser government. The second mentioned item concerns the dismissal of the Prime Minister in 1975 by Governor-General John Kerr. The book is a response to the version of events previously described by the governor himself. *Abiding Interests* is Whitlam's book on politics and social perspective, as well as international relations. Less known is *On Australia's Constitution*, published in 1977. Whitlam was very fond of travelling, which is why the fruit of this passion is, e.g., the book

My Italian Notebook, published in 2002. The database of these materials is important for getting to know the position of the Prime Minister itself, but it is not inherently exhaustive material in any way for the subject of this work. It is necessary to get to know the materials and positions of other people to verify their views, thus subjecting the issue under study to scientific criticism.

The person who has written the most about Whitlam is Jenny Hocking. The most important are two biographies: *Gough Whitlam: A Moment in History* (2008) and *Gough Whitlam: His Time* (2012). Both works are extensive and accurately describe the profile and political conditions during the Prime Minister's time, but there are no tables or references to economic data. Hocking's last work is *The Palace Letters: The Queen, the Governor-General, and the Plot to Dismiss Gough Whitlam* (2021), devoted to the letters between the Governor-General and Queen Elizabeth II, regarding the dismissal of the Prime Minister in 1975. This work explains the initiative that led to the Prime Minister's dismissal. In 2017, Jenny Hocking published a paper entitled *Making Modern Australia—The Whitlam Government's 21st Century Agenda*. It contains chapters of a political science nature. An interesting book is Paul Kelly's *The Unmaking of Gough* from 1976, additionally mentioning: Brian Carroll's *Whitlam* from 2011, *Menzies to Keating* from 1992 edited by Patrick Weller and the collective work published in 2021 entitled *The Palace Letters: The Queen, the Governor-General, and the Plot to Dismiss*. The biography of the Prime Minister's wife, Margaret Whitlam, compiled by Susan Mitchell in 2006, should be considered helpful. The figure of Whitlam is also referred to by authors of books about Australian Prime Ministers, such as Blamchet d'Alpuget in his work entitled *Robert J. Hawke* (1982), or Kerry O'Brien's *Keating* (2015), and Lazarus Rising in an extensive book entitled *John Howard* (2010). The author hopes this work will contribute to a fuller look at Gough Whitlam's premiership period. One of the valuable books is the work edited by Troy Bramston entitled *The Whitlam Legacy*, published in 2015. The book consists of five parts, the third part being the most useful for the purposes of this monograph and deals with issues most similar to the chapters in this book. However, there are no such data as in this work. There are economic themes in all of the mentioned publications, but they are not presented systematically, referring to the time before and after Whitlam. There is also no such extensive theoretical chapter in these works relating to the welfare state and development economics.

* * *

The book could not have been written without the support of people full of devotion and kindness. I would like to express my special thanks to the reviewers of this work, Professor Izabela Zawiślińska and Professor Ewa Cieślík. I would like to thank Professor Joachim Osiński for his valuable comments. I would also like to thank the Dean, Professor Tomasz Nieborak, for all the financial support and help in publish-

ing this book. Over the many years of my work, Peter Vogels has been particularly helpful, helping me to explore the meanings of more sophisticated texts during our meetings. I received considerable help in obtaining materials at the last stage of writing the book from the staff of the Whitlam Institute in Sydney, professor and director of the institute John Juriansz and Paivi Lindsey from the archive of the Whitlam Institute. During the creation of this work, my wife Maria, as always, offered me support amid the loneliness that writers surround themselves with in writing.

Introduction

Although many works have been written about Prime Minister Whitlam, they do not explicitly emphasise and broaden the description of the phenomena taking place, especially in the context of economic history and politics. Although the economic changes during his reign are described, the economic parameters are not shown in detail, especially in tables, which would be clearer. It makes it all the more necessary to take a closer look at the Prime Minister's economic and political reforms and decisions, also due to his decisive stance and—one might say—authoritarian style of managing the country. Individual chapters of this book systematise the changes and take up selected directions of the most important political and economic reforms carried out by Whitlam. It was a reference to the most important problems faced by the Whitlam government.

This work's author intends to present the actions of the Prime Minister of Australia, Gough Whitlam, who made many changes in the Antipodes. The monograph analyses the economic reforms that began in Australia between 1972 and 1975. The main aim is to show that Whitlam and his party's political and economic reforms have led to major changes in the Australian area of social life. A key factor in this process was the decision-making centre in the person of Prime Minister Whitlam, on which the administration's involvement in implementing political and economic changes depended. Whitlam served in office from 5 December 1972, to 11 November 1975. The Prime Minister did not last long, but his actions were very intense in the number and importance of his economic reforms and political changes. Therefore, the book's title is *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*.

To achieve the goal set in the work, the main thesis is to be verified, which is contained in the form of the following formulation: **economic and political reforms**

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Open Access chapter, distributed under the terms of the CC licence (BY-NC-ND, <https://creativecommons.org/licenses/by-nc-nd/4.0/>).

during the premiership of Gough Whitlam in 1972–1975 were very effective and initiated and caused positive changes in the living standards of the population in Australia. Moreover, the empirical chapters contain detailed theses that have been verified. Gough Whitlam's economic and political reforms covered many areas. In the face of these conditions, particular attention is be paid to important economic sectors, the activities of political parties, and international relations. The main thesis is complemented by research questions: Why was there a change of government in Australia in 1972? Have the reforms contributed to improving the life of the population? Did the political decisions taken have their continuation after the end of the Labor Party government in 1975? Why, despite the reforms, was Prime Minister Whitlam dismissed from office in November 1975?

In order to solve the research problem and properly verify the thesis, the work employed: a normative approach—especially in relation to reform programmes, an institutional approach in the description of political institutions and their mechanisms of operation, and a historical approach in showing the genesis of phenomena and processes of political history. From the perspective of this study, the basic research method used in the work is the interpretation of the acquired materials and conclusions, as well as the analysis of documents and statistics. The sciences that proved helpful were sociology, economics, and history. In order to properly verify the hypothesis, specific research methods were used in the study. As part of the work, a descriptive method was used, referring in particular to the analysis of: scientific publications, documents, laws, bills and reports, and statistical data. The basic research method used in this study is comparative analysis. Andrzej Antoszewski believes that the comparative method is one of the basic research methods of political science, which allows to determine the similarity and differences of objects representing a specific class of phenomena, which allows to go beyond the description of individual features and to formulate generalisations constituting the basis of the theory.¹

Another method used by the author is the method of analysis and logical construction. According to Apanowicz, this method consists in dividing the research problem into smaller factors and examining each of them individually. The results obtained form the basis for determining the conclusions. The next method on which the author relied is the monographic method. This method is based on a detailed analysis of a specific case.²

The last method used by the author is the method of examining documents. Apanowicz states that this method of examining man-made documents express a certain thought, mission, achievement, and proposal. They are used to reconstruct the real activity or state of the analysed organisational structure in the form of a le-

¹ Andrzej Antoszewski, "Komparatystyka polityczna," in *Encyklopedia politologii*, vol. 1: *Pojęcia, teorie i metody*, eds. Wojciech Sokół and Marek Żmigrodzki (Zakamycze, 1999), 153–54.

² Jerzy Apanowicz, *Metodologia ogólna* (Bernardinum, 2002), 60–77.

gally or customarily prepared document. This method consists of collecting, selecting, describing, and scientifically interpreting data from a given document.³ In this way, international relations, economic statistics, state activities of the administration and political parties, especially the ALP from the Whitlam era, were examined.

Among Australians, opinions about Whitlam are not unambiguous. He himself fits into the policy of the Labor Party, with which he has been associated since the beginning of his political activity. It is therefore interesting to ask to what extent his rule contributed to Australia's development? Were the decisions taken economically correct and how can the Whitlam period be assessed in a broader perspective? The work is intended to contribute to filling the gap in the Polish literature in political science and economic history of Australia and to fill in threads that have not been developed in Australian literature. Although the author of this study published a book in 2006 entitled *Zarys historii gospodarczej Australii w XX wieku* [An Outline of the Economic History of Australia in the 20th Century], we will find only a dozen or so sentences about Whitlam in chapter five, which has an intriguing title: "Złote lata gospodarki australijskiej w latach 1946–1974 [The Golden Years of the Australian Economy in 1946–1974]." Although the mentioned work is the only publication in this field of research in Poland, there is no detailed study focusing on the period of Whitlam's premiership. Therefore, it is interesting to show the role and activities of Whitlam's team in the context of this golden period, although his reign lasted a little longer, until 11 November 1975.

In assessing this period, the available source and archival materials and publications are of great importance. Whitlam's experiences, apart from the research conducted in libraries and archives, also shaped the author's views on many issues. His long stay in Australia helped him to better understand and relate to some of the issues related to the history of this country. This experience was not without influence on the previously published articles and monographs. For many years, the author of this work has been collecting primary materials, the latest publications, articles, and those that appeared after Gough Whitlam died in 2014. Thanks to these efforts, the author reached interesting materials related to the economic history of Australia at the time described. It can be said that there is a certain continuity of research that is also quite often included in the articles published so far. It is very important to use the existing literature on Whitlam along with his self-published studies. A special source is the collection from the Archival Collection located at the Whitlam Institute at Western Sydney University in Australia. The author travelled to this institute in late October and early November 2023, used archival materials, and interviewed prominent professors on topics related to Whitlam's time. The author was greatly impressed by a visit to Whitlam's home in Sydney, where he lived for many years. The house is now in the care of Whitlam Institute Director Professor John Juriansz.

³ Apanowicz, *Metodologia ogólna*, 60–77.

This publication is maintained in the convention of economic history, which is one of the basic subjects in economic studies. Economic history combines economic and historical sciences. Nowadays, due to the subject and some research methods, this field belongs more to economic sciences, especially economics. Such a view was represented, among others, by Witold Kula. Some current views also fit the proposed title of this work. The first one says that economic history deals with management in the past. The second view, promoted by Oskar Lange, emphasises the task of economic history and its formulation of concrete-historical laws in specific economic systems.

The importance of economic history also results from its cognitive, application, and didactic functions. Thanks to the cognitive function, it is possible to discover unknown facts and economic processes. Thanks to the study of economic history, it can be applied in practice and theory at the same time. In many cases, economic policy draws on the knowledge of economic phenomena and processes from the past. Analogies come to mind quite often in the present day. Economic history is used especially in processes related to economic growth and related economic reforms. Finally, this subject plays a didactic role and, based on the comparing phenomena, processes, and regularities, creates opportunities to build the foundations of economic thinking. Therefore, the method of falsification can also be used, requiring verification of existing knowledge. The social function of economic history is expressed in its 'legitimacy'.

The book structure is based on the presentation of knowledge in a problem-time system, considering Australia's economy development during the Whitlam government. Each chapter of the work has been adopted according to the criterion of its importance in the described and researched issue. The monograph contains ten chapters and begins with an introduction and a list of abbreviations.

In the first, theoretical, chapter entitled "Welfare State and Development Economics in Economic Theory," which includes theoretical and systemic typologies of the welfare state, reference is made to Australia as a country that fits into that concept. Researchers and their classification of Australia within a specific research method are shown. The welfare state evolution in the system-wide dimension is also presented. The political economy of the welfare state represented by J.M. Buchanan is also emphasised. The third chapter presents Australia as a welfare state and presents the results of Castels and Uhr's analysis of social assistance from 1900 to 1980. Although it directly refers to counteracting poverty on a global scale, the idea of development economics complies with Whitlam's goal, which was to increase the society's wealth, which is applicable to the existing state of life of the Australian population.

The second chapter presents the initial situation in the context of the economy's condition, i.e., macroeconomic conditions (national income, labour market, etc.), as well as the broader context of political changes or the takeover of power

by the Labor Party. This chapter deals with the Australian economy before Whitlam's reforms.

The third chapter contains very important content on housing policy, urban development and transport. The size of Australia's population and changes in immigration policy have been considered when describing these issues. Attention was paid to smaller cities and neglected areas outside them, especially when it comes to infrastructure and improving the quality of suburban housing in large cities. The issue related to road safety and transport in Australia is also described.

The fourth chapter discusses the environment and the agricultural sector. Natural conditions, including climatic conditions and the specificity of Australia's natural resources, are described. Natural resources are a very important element influencing Australia's position globally. This chapter combines the environment and agriculture, and also includes the fight against natural disasters. Agriculture is a very important part of Australia's economy, especially in terms of food exports. This chapter shows the activity in promoting reforms that bring lasting benefits to the rural community.

The fifth chapter is devoted to the mining industry and infrastructure. The chapter presents one of Whitlam's most important political goals, i.e., regaining land from foreign investors' hands and limiting foreign capital inflow. In addition, the focus was on environmental protection, which was an important challenge for the Prime Minister.

The next chapter concerns changes in education and healthcare. One of the most important points was to enable more people to study with easier opportunities to access education at universities. Changes in this area have been implemented since 1973. Moreover, the chapter presents reforms concerning educational institutions. The second important aspect is healthcare. Whitlam's efforts to reverse the neglect of the time of Prime Minister Menzies are presented. Australia's economy was strong enough to provide citizens with a wider use of health services from advances in medical science.

Chapter seven focuses on immigration policy, wages, and the social security system. The presentation of Whitlam's attitude to racial issues, discrimination, the tasks of implementing a policy of tolerance towards immigrants is presented. The issues of obtaining Australian citizenship are presented and the rights of Aborigines to land are discussed. The second subchapter discusses wage policy. The Labor Party's approach to social assistance is described in more detail, not only in the context of financial support, but also in the context of help in looking for a job.

The eighth chapter discusses support for art and culture. The state's commitment to enriching Australia's cultural and intellectual heritage was discussed. The institutions covered by the analysis include galleries, libraries, museums, theatres, and symphony orchestras. Plans and implementation of the construction of facilities for these purposes related to art and culture were also presented.

Chapter nine deals with the analysis of Australia's foreign policy relations. An important event was the establishment of contact with the People's Republic of China and closer cooperation with Japan. Economic cooperation has been given a strong priority over political issues. Relations with the United States have always been important for Australia, which also gained importance under Whitlam. The concluded treaties, agreements, and protocols were discussed.

Finally, the tenth chapter presents economic and social indicators throughout the 1970s, reaching back to the early 1980s. This chapter presents GDP, the price index of goods and services, and unemployment. Foreign trade indicators in 1970–1983 and trade with selected countries are also presented. The book ends with a synthetic ending with conclusions and an indication of the most important bibliographic items.

In writing this study, the available international literature was used, especially Australian literature and the Polish press, especially *Tygodnik Polski* published in Australia. Extensive commentaries on political and economic issues were made by Eugeniusz Bajkowski, a long-time editor born in 1931 in Harbin, who died last year. In recent years, he has provided statistical analyses to the author of this work. The chapters on Whitlam's reforms are based on scientific and professional literature studies, mainly by Australian, American, and British authors. Numerical and factual material, as well as original publications on statistical sources were also used. Documents and source texts from the Sydney archive, monographs, and studies, as well as articles and official websites were also used. Valuable publications are also in the libraries of the State Library NSW, Sydney University, and Western Sydney University.

Welfare State and Development Economics in Economic Theory

ABSTRACT: The chapter includes theoretical and systemic typologies of the welfare state, reference is made to Australia as a country that fits into that concept. Researchers and their classification of Australia within a specific research method are shown. The welfare state evolution in the system-wide dimension is also presented. The political economy of the welfare state represented by J.M. Buchanan is also emphasised. Section 3 of the chapter presents Australia as a welfare state and presents the results of Castels and Uhr's analysis of social assistance from 1900 to 1980. Although it directly refers to counteracting poverty on a global scale, the idea of development economics complies with Whitlam's goal, which was to increase the society's wealth, which is applicable to the existing state of life of the Australian population.

KEYWORDS: Australia; Whitlam; typologies; welfare state; society

THEORETICAL AND SYSTEMIC TYPOLOGIES OF THE WELFARE STATE

Contemporary countries are affected by a dilemma concerning the direction of choosing between the development paths. These decisions concern development in the social, economic, and political spheres. Since the sixteenth century, it has been possible to look at it from two distinct perspectives, each of which poses different questions. The first, as Adam Szirmai writes, concerns the formation and dynamization of the global economy. The second perspective refers to exploitation and the increase in inequality in the global economy.¹ Nowadays, it has changed.

¹ Andrea Szirmai, *The Dynamics of Socio-Economic Development* (Cambridge University Press, 2005), 63.

Larger countries and international organisations in particular try to ensure that their policies align with the expectations of significant social groups, such as political parties, social movements, pressure groups, and communities of diverse nature, such as women, children, or people with disabilities. Quite often it is the case that intentions remain in the realm of plans. However, only some of them take real shape over time. Some processes even have the hallmarks of revolutionary changes. However, it happens that a new policy in the sphere of improving the life of the population is carried out in parallel with the old one. In many developed countries, there are continuous processes of transformation, which can be particularly observed in the sphere of domestic politics. Even as a result of the crisis of the 1980s, when it was assumed that the end of the welfare state would come, nothing like this happened, the concept of the “only right way” of the market concept was not chosen. In many European countries, as well as in the Nordics, there has been no radical reduction in state interventionism. The provisions concerning the “end of history” of the welfare state and the institutional welfare state did not come true. An important dilemma of the twentieth century was the choice of the path in the implementation of social and economic policy, which was important from the social, economic, and political perspectives.

Since the dawn of time, the impact of social policy has focused on human needs. As a result of research carried out in the early 1970s, e.g., Chenery in 1974, the theory of basic needs was developed in a key document, entitled *Employment, Growth and Basic Needs: A One-World Problem* (International Labour Organization, 1976). The theory of basic needs did not reject growth and modern industrialisation *per se*, but sought to expand the development agenda beyond the issues of growth and the material dimension of development. The latter was seen as an opportunity for personal and social development and improving their life chances.²

Man is a herd creature by nature and basically needs the help of other members of the community. From this perspective, we should also look at the social policy of states and their assistance to societies to a greater extent than just individual cases. Therefore, it is not only dependent on the causative power of politicians. However, it should be emphasised that the modern twentieth-century social policy had its significant theoretical and institutional background in the form of a strong state. In the second half of the twentieth century, such states were referred to as an unambiguous distinguishing feature of the welfare state.³

“Welfare state” is an ambiguous term. In Western countries, the meaning of the term also implies that it is about better social order. Starting from the end of World War II, the issue of welfare state became the subject of a broad discussion devoted to

² Anthony Payne and Nicole Philips, *Rozwój* (Wydawnictwo Sic!, 2010), 145.

³ Wojciech Nowiak, *Nordycki model “welfare state” w realiach XXI wieku: Dylematy wyboru i ewolucja systemu w społeczeństwach dobrobytu—wnioski praktyczne* (Wydawnictwo Naukowe WNPiD, 2011), 10.

structural changes in capitalist countries. Economists, lawyers, politicians, and sociologists took part in this dispute. Discussions were held on the functioning of modern capitalist states. The following authors have published their works on this social problem in relation to developed capitalist countries: Titmuss (1958, 1962, 1968, 1974), Marshall (1950, 1964, 1981), Wilensky (1965, 1975), Parker (1975), Mishra (1981, 1984, 1990), Gilbert (1983), Johnson (1987), Esping-Andersen (1990, 1996), George and Page (1995), and Cavann (1998). The interests of these researchers in the theory and practice of the state referred to as welfare state has not only become the subject of political discussion, but also found a place in the scientific discourse.⁴

Many authors consider state interference in economic life as the most important feature of welfare state. Such an interpretation can be found in American authors. They claim that the United States is a welfare state, and the beginnings of the welfare state were formed during the period of F.D. Roosevelt's New Deal. Similarly, state intervention is linked to welfare state by Swedish economist and sociologist Gunnar Myrdal.⁵ In addition to Myrdal at that time, the capitalist state was characterised in terms of the "welfare state" by Wallace C. Peterson in *The Welfare State in France* (1960), Douglas V. Verney in *Analysis of Political Systems* (1959), and Kenneth C. Wheare in *Modern Constitutions* (1956), who wrote that "Politicians of all parties, if they really want to maintain power, must finally accept the general principles of the welfare state."⁶ We can clearly see a lively discussion in the second half of the twentieth century, when theoreticians and practitioners of political life expressed their opinions. Economist Gustave Heckscher, one of the leading representatives of *political science* in Sweden and former president of the International Political Science Association, considered this issue fundamental for all social sciences. As a result of unfinished disputes, there were various terms and definitions of the welfare state in the literature. Currently, the functioning of the term is "welfare state."⁷

The issue of the welfare state itself is a frequent subject of discussion. There are still many misunderstandings and mistakes resulting from the fact that the discussion goes far beyond the space of science and takes place in the journalistic and political field. However, it is important to explain the development of the welfare state in the long run. First, attention should be paid to the subject matter of the dispute itself. In English, the term "welfare state," which is quite popular also, for example in Polish, is used, often translated into Polish as "caring state" (Pol. "państwo opiekuńcze") or "prosperity state" (Pol. "państwo dobrobytu") and such names appear in Polish scientific and economic literature. Marek Radzikowski believes, how-

⁴ Nowiak, *Nordycki model "welfare state" w realiach XXI wieku*, 10.

⁵ Gunnar Myrdal, *Beyond the Welfare State: Economic Planning in the Welfare States and Its International Implications* (Yale University Press, 1960), 45.

⁶ Sylwester Zawadzki, *Państwo dobrobytu—doktryna i praktyka* (PWN, 1970), 6.

⁷ Stanisław Rudolf, *Szwedzka "polityka dobrobytu"* (PWN, 1978), 9–10.

ever, that these two terms are incorrect, because they are evaluative and normative, imply effects (such as “prosperity” and “care”), and if they do not imply such effects, they refer to declarative goals.

Rather, we should say about the “welfare state” than “welfare states” due to the historical aspect, where the latter exist and can rather be classified in different models, with different political shades. However, it does not mean that every country is unique. Individual welfare states can be identified by classifying them into a specific group of welfare state models that have similar characteristics. Much of the research work has been devoted to establishing these patterns, their genesis, and chances of survival. The same author thinks it is more appropriate to use alongside welfare state the term “social state.” By the way, it can be considered that the very definition of the social state may contain erroneous inclinations. For example, a “fair distribution of wealth” is not sharp, because there is no consensus on what is fair and what is not. There is also no consensus that the state implements the principle of equal opportunities. However, there are examples that states violated this principle. On the other hand, some people understand the social state as aimed exclusively at the poor. What is known is that the social state is open to a large part of the population, and not just limited to a small group.⁸

Gøsta Esping-Andersen made a significant contribution to the debate on this research in his 1990 book entitled *Three Worlds of Welfare Capitalism*.⁹ In this monograph, we can find a precise typology of welfare states. The author referred to simple associations and identified countries between the level of social spending and the level of the welfare state. For Esping-Andersen, how much these countries give is not so important, but how they provide this help. The basis for the formation of welfare states after World War II was, among others, the following conditions: continuous economic growth, the influence of trade unions, and a common coalition policy.

Gøsta Esping-Andersen constructed three models of welfare states based on decisive factors. One of the models is the social-democratic Scandinavian model, showing a high level of independence from commodity prices on the markets and the functioning of interclass solidarity, which results in a system of generous benefits and strong statism. The second is the liberal or Anglo-Saxon model, with typically low dependence on commodity prices and a strong preference for private spending for well-being purposes. The third model—conservative-continental—shows little dependence on commodity prices. It declares a little more help and there is a narrow sphere of solidarity related to the maintenance of traditional native structures typical of continental European countries.¹⁰

⁸ Marek Radzikowski, ed., *Welfare state—państwo socjalne: Zagadki ekspansji* (SGH, 2021), 15.

⁹ Wil A. Arts and John Gelissen, “Models of the Welfare State,” in *The Oxford Handbook of the Welfare State*, eds. Francis G. Castles et al. (Oxford University Press, 2010), 569.

¹⁰ Arts and Gelissen, “Models of the Welfare State,” 569.

Peter Abrahamson wrote in 1999 in his very important article entitled “The Welfare Modelling Business” that many authors believe that the world consists of a limited number of clearly limited social regimes. It is interesting to see Abrahamson’s prediction of the discussion that has begun and its relevance in the twenty-first century. In this context, another confirmation of the purposefulness of the research can be found. Abrahamson also stated, referring to the Esping-Andersen publication, *The Three Worlds of Welfare Capitalism*, that “it was the starting point for the entire academic dispute.”¹¹ Seeing the issue from a historical perspective, it is important to note the attempts at typologisation that took place in the 1950s. Harold Wilensky and Charles Lebaux, judging welfare state as a characteristic sign for the world of that time after World War II, distinguished two types or models of states: residual and institutional. For the residual model, the basic institutions standing “on the front” are those that deal with the family and the market. In the institutional model, on the other hand, social services come first and are an expression of the functioning of developed and modern industrial countries.¹²

However, theoretical typologies and systemic considerations concerning the welfare state in the 1970s and 1980s were not subordinated to the model proposed by Wilensky, but by the model proposals of Richard Titmuss. Based on Weber’s division of types of welfare policy, he postulated three models: marginal (residual), motivational (industrial achievement—performance), and institutional redistributive. These models only distinguish a certain approximate picture of the assessment. The criteria adopted by Titmuss were adequate to the situation in the 1970s. He was mainly interested in practical solutions in the axiological context, the practical aspect was less important, and the models corresponded to ideological orientations. We can see the functioning of two different systems. On the one hand, the material side of the project has been made visible through industrialisation and urbanisation, and on the other hand, there are ideas and political mobilisation in which social issues are the motive. It should be mentioned that the researchers discussing at the time remembered that earlier poverty itself was treated as a crime, and the fight against this phenomenon was more in terms of prevention than a desire to help.¹³

In his 1975 work, Star Parker distinguished three types of social policies: *laissez-fair*, liberal, and socialist. Esping-Andersen, considered a classic in the contemporary typology of welfare state, in the theoretical sphere, could rely on the works of Marshall and Titmuss. In the empirical sphere, he used comparative studies by authors such as Wilensky, Flora and Heidenheimer, Mommsen.¹⁴ Esping-Andersen introduced within welfare state empirical features that objectified research on this

¹¹ Peter Abrahamson, “The Welfare Modelling Business,” *Social Policy and Administration*, 33, no. 4(1999): 394.

¹² Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 58.

¹³ Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 59.

¹⁴ Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 60.

subject. He clarified the typology and formulated three basic regimes illustrating the three global dimensions of the “welfare states,” and these are: the liberal (residual) model, the social-democratic (egalitarian) model, and the Christian model. Esping-Andersen stressed that the approach to welfare state should be treated as more than a numerical accumulation of programmes. According to Esping-Andersen, each type reflects distinct experiences and paths leading to their realisation. In fact, in the world, ideal types mix and take on a hybrid character. In his article entitled “Hybrid or Unique” of 1997 published in the *Journal of European Social Policy*, Esping-Andersen stated that “there is no longer a one-dimensional state, representing one of the pure forms. Today, each country represents a mixed system.”¹⁵

Many researchers in the twenty-first century have recognised Esping-Andersen’s authority and stated that a whole range of other people refer to his work. However, this fact does not mean that other scholars have not created a different classification. For example, Sven Bislev and Henning Hansen have added more tips. Their typology referred to Europe, they saw in it the following four models of social policy: Catholic, corporatist, liberal, and social-democratic.¹⁶

Stefan Svallforst, on the other hand, introduced a major modification of the welfare state regimes presented by Esping-Andersen. It is very interesting that he also indicated the fourth type represented by Australia and New Zealand. It is described as antipodal or radical, and is found in the works of Castels, Mitchell, and Hill. Considering the Esping-Andersen typology, they have been classified as liberal due to the low level of redistribution with the participation of the state, but it is actually high due to the prevailing regulations within labour relations. Castles’ approach is very interesting, as he considered distinguishing features similar to Esping-Andersen. In his opinion, the division could look like this: Western European social security states, English-speaking poverty alleviation countries, and Scandinavian high social services countries.

Yet another division was distinguished by Leibfried, Ferrer, and Bonoli. It was of the Mediterranean or southern type, conservative with an undeveloped system of social institutions. Ferrera in particular stressed the need to distinguish the Mediterranean model. Still other researchers have addressed the issue of poverty (“poverty regimes”) and presented their proposal in the early 1990s. Ivar Lodemel and Bernt Schulte asked the question whether the poor have a legalised right to a minimum income? According to poverty regimes, a welfare state should guarantee income security for all citizens as part of social citizenship.

In addition to this type of research, there were many considerations by researchers relating to Eastern Europe, especially regarding the situation after the collapse of the USSR and former satellite states. Such research was undertaken by Bob Dea-

¹⁵ Gösta Esping-Andersen, “Hybrid or Unique? The Japanese Welfare State Between Europe and America,” *Journal of European Social Policy*, 7, no. 3(1997): 179.

¹⁶ Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 62.

con, Nick Manning, Stanisława Golimowska, Maciej Żukowski, and others. Anthony Giddens himself, referring to the old continent in his work entitled *The Third Way: The Renewal of Social Democracy* wrote that the European welfare states can be divided into four institutional groups (the British, Scandinavian or Nordic, Central European, and Southern European models). Another researcher, Jos Bergham, distinguished “three distinct traditions: Scandinavian, Atlantic, and continental” within the European model in general.¹⁷

Based on that analysis of the typologisation of the welfare state, which was based in the early 1950s by Titmuss and Wilensky, the discussions concerned the actually functioning states and the relations between the main actors within the state, i.e., the market, the family, and the state. There were also other proposals.

In the context of the elaborated issue, attention should be paid to the Anglo-Saxon countries. Even though they belong to the world of prosperity, they differ significantly. The commitment of these countries to prosperity is inadequate. There is a big difference between American and European social policy. The United States itself is aware of the fact that it is a specific exception among the group of English-speaking countries. The literature in this field is relatively new and undeveloped, because the phenomenon itself is relatively new. In Anglo-Saxon countries, 25 years after the end of World War II, complete patterns appeared, which differed from each other within the framework of welfare countries. In the mid-1970s, neither the US nor the UK were typical members of this group of English-speaking countries. The United States was seen as a country that merely covered up the social problems of its citizens. On the other hand, Great Britain was seen as a pioneer of prosperity for its inhabitants and was pointed to as a model for others in a broad approach to social policy.¹⁸

Regarding the scientific approach, it should be stated that the scientific literature devoted to English-speaking countries is poor and this topic needs to be explored more thoroughly. The comparative classification used in Esping-Andersen's book *Three Worlds of Welfare Capitalism* is particularly useful here. There is a large gap between researchers interested in the countries that make up the English-speaking group (from the United Kingdom and the United States) and scientists from Germany, France, or other continental Europe, who are willing not to go into details. Another reason for the lower amount of scientific literature was the similarities between these countries in the decades after the 1970s. Nevertheless, in the 1980s, more scientific studies appeared showing a strong basis in social policy in those countries where English is spoken and where the characteristics according to the Esping-Andersen regime were returned.¹⁹

¹⁷ Jos Bergham, “Can the Idea of Benchmarking Be Applied to Social Protection?,” *Bulletin Luxembourgeois des Questions Sociales*, no. 4(1997): 119–29.

¹⁸ Francis G.C. Castles, “The English-Speaking Countries,” in *The Oxford Handbook of the Welfare State*, eds. Francis G.C. Castles et al. (Oxford University Press, 2010), 575–76.

¹⁹ Castles, “The English-Speaking Countries,” 632.

According to Esping-Andersen, in 1989, three types of welfare states were distinguished: the US, Canada, and Australia (states of the liberal regime); Denmark, which is approaching the model of a liberal regime, and Switzerland and Great Britain, which belong to the social-democratic type. In the book *Three Worlds of Welfare Capitalism* the author included Ireland and New Zealand. In the 1930s, the latter was widely perceived as one of the leaders among welfare states in the world. Castles believes that Esping-Andersen describes not only the new world of welfare capitalism states but also a completely different model of these roles.²⁰

In the 1980s, empirical methods of measuring the state of welfare were used, especially in England, where the following were studied: economic growth rates, increase in the level of unemployment, days not used at work as a result of strikes, inflation rates and the level of poverty among children, etc. Castles tried to link the state of prosperity with the influence of politics in his research. This empirical research has led to a slightly different classification, considering common geographical, linguistic, cultural, and historical characteristics. The concept of the Esping-Andersen regime particularly articulates class polarisation.

As can be seen from these considerations, there is an effort to organise the forms existing within the welfare states. Esping-Andersen himself supported the appearance of both the antipodal and the Mediterranean model in typologies, although he himself opted for his tripartite division. It is characteristic for humanity and researchers that they try to define and systematise the space of social structures. These attempts are not entirely successful and the classification of individual countries varies. Table 1 shows the investigators and their classification for Australia within a specific analytical method.

Table 1. Names of researchers within a specific analytical method

Researcher	Australia types and classification	Analytical method
Olli Kangas (1994)	radical	cluster-analysis
Charls Ragin (1994)	liberal	qualitative comparative analysis
Michael Shalev (1996)	undefined	factor Analysis
Herbert Obinger and Uwe Wagschal (1998)	radical	cluster-analysis
Bernard Davis (2003)	liberal	cluster-analysis
Martin Powell and Armando Barrientos (2004)	conservative	cluster-analysis
Clare Bambra (2006)	liberal	face-value tabular analysis of descriptive statistics (replication of Esping-Andersen's procedure)

²⁰ Castles, "The English-Speaking Countries," 633.

Researcher	Australia types and classification	Analytical method
Lyle Scruggs and Allan Meltzer (2006)	liberal	face-value tabular analysis of descriptive statistics (replication of Esping-Andersen's procedure)
Francis Castles and Herbert Obinger (2008)	liberal (english)	cluster-analysis
Martin Schröder (2009)	anglo-american	principal component analysis and cluster analysis
Pauline Vrooman (2009)	liberal	categorical principal component analysis

Source: Author's own work based on: Wil A. Arts and John Gelissen, "Models of the Welfare State," in *The Oxford Handbook of the Welfare State*, eds. Francis G. Castles et al. (Oxford University Press, 2010), 575–76.

Evidence and material collected based on empirical evidence in relation to Esping-Andersen and his three-worlds typology is mixed with other many types. When discussing this typology, it is worth paying attention to Scandinavian solutions, which Robert R. Meyer has already written about in his article entitled "Globalization, Europeanization, Complexity, and Future of Scandinavian Exceptionalism." The Nordic model is still a challenge for European, and not only European, liberals—because the Scandinavian countries apply high taxes and social spending. It certainly aroused reflection among liberals of the Anglo-Saxon model. The liberal theory of the Anglo-Saxon model did not fit the practice observed in the Nordic model of welfare state. Besides, the crisis of the neoliberal model, which occurred as a result of the events that took place in 2009, was referred to as the "end of liberalism." Given such suggestions, it is therefore worthwhile to review the typologies and models of welfare state once again, to consider which of them is the most proven or its existence is possible. Such conclusions can be constructed based on a historical assessment of individual countries. However, it is necessary to see in the context of economic history what it looked like at the beginning in wealthy countries with high GDP *per capita* and entering the "arena" of the international economic market. Such an assumption and facts from the events of the twenty-first century confirm the author of this monograph of the correctness of the research topic concerning the economic reforms carried out by the Prime Minister of Australia Gough Whitlam in 1972–1975.

However, before we discuss the research objective, it is necessary to emphasise the aspect of the complexity of the welfare state issue, which touches on several scientific disciplines, such as economics, sociology, and political relations. The issue of the welfare state showed the need to continue integration in the social sciences. Therefore, it is necessary to refer to its historical, social, and cultural genesis. One of the external expressions of this ambiguity is the lack of terminological uniformity. Therefore, it is justified to delve into the semantics of the terms "welfare state" and

“welfare society,” as well as the history of the idea of social security. As synonyms of “welfare state,” one can find, although not fully corresponding to it, terms such as: “social state” (L.T. Hobhouse), “social service state” (H. Laski and W. Beveridge), “service state” (R. Pound, K. Mannheim, E.B. Schultz, N. Herlitz), or “planned state” (P. Sering, G. Eisermann), “*L'état social*”, “trade-union welfare state”, “semi-socialist welfare state” (M. Stewart). The differences are that the accents are distributed differently in individual authors.²¹ Nevertheless, the term “welfare state” will be consistently used in this book due to its popular use in the literature. This term is also used in English literature and combines the element of security and assistance in relation to society with the element of the state. This term is used for a specific group of countries in the context of their social policy and broader socio-political and socio-economic meaning. It is mainly about the perspective concerning the second half of the twentieth century, where the type of state policy and the model of social policy appeared in common use only in the 1950s.

Theoretical analysis should also have a practical overtone. Historically, it is about changing the orientation of the state in social and living issues. This issue affects various countries, e.g., the United States, Great Britain, or France, but also others. It is especially true of highly developed capitalist countries, and above all of the United Kingdom, which seems a typical example of a welfare state. The concept of the welfare state is relatively extensive in that country, also in terms of literature on the subject.

The concept of the welfare state gained wider publicity after World War II, and explaining its origins and essence can be useful. The typical point of reference is the United Kingdom. It also makes a relatively major contribution to developing the concept of the liberal state through the philosophy of John Locke, the precursor of liberalism, Adam Smith, the founder of classical political economy, and J. Bentham, the founder of utilitarianism. Through the doctrine of John S. Mill and in the twentieth century John M. Keynes, Great Britain has paved a new path, which is reflected in the concept of the welfare state. The views of English theorists found fertile ground in the United States. It is also important to have an open debate on the definition of criteria that unambiguously attribute the right of states to be among the welfare states. It is mainly applied to industrial countries whose governments have offered basic social security to their citizens. However, it is necessary to reflect, namely that there may be a kind of abuse here, because at the end of the twentieth century almost all modern states offered some form of security—sometimes in relation to the elites, other times to people in extreme poverty. Therefore, it remains an open question to which countries the term “welfare state” can be applied. It seems that at the historical and security stage, as Wojciech Nowiak writes, such a term can be used, but not in relation to states and systems of the late twentieth century.²² Nowiak explains this by the fact that the impact of the welfare state in the case

²¹ Zawadzki, *Państwo dobrobytu—doktryna i praktyka*, 9.

²² Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 33.

of developed models has a system-wide impact. It should be emphasised that the welfare state was an important undertaking to achieve stability, equality, and social justice in the conditions of a market economy, with varying degrees of interventionism. At the same time, Esping-Andersen used the statement that "social scientists too often and too quickly accept countries that have given themselves such a status ... They are too quick to conclude that introducing basic social standards means the birth of the welfare state."²³

Making a certain analysis of a state that uses public, social assistance with various options requires perceiving this phenomenon from a historical perspective and with reference to the research of specific scientists. John Kenneth Galbraith took part in the discourse on the fate of highly developed countries. Apart from it, many authors even pointed to the welfare state as a common tendency for the development of highly developed capitalist countries. Myrdal stated at the end of the 1950s that all rich countries of Western Europe were gradually becoming "welfare states" within a few decades.²⁴

Another researcher, J. Albert, noted that the term "welfare state" means a set of policy responses to modernisation, which consists of political interventions in the functioning of the economy and the social distribution of life chances in highly mobilised industrial societies.²⁵ As mentioned, poverty is heterogeneous and has different meanings depending on the period of socio-economic development in which it occurs. Therefore, considering modern industrial states' development, the welfare state model can be treated in a dynamic rather than a static approach. The meaning of the "welfare state" was certainly different after World War II and in the 1950s than at the turn of the twentieth and twenty-first centuries. Therefore, Titmuss was right to criticise the lack of criteria in defining such concepts and the difficulty in distinguishing states. He presented his views on this subject in essays from 1963.²⁶

The concept was also referred to by D. Wedderburn, who stated that "welfare state" means the involvement of a state with a force used in various ways, resulting in the security of a minimum income for all.²⁷ However, it should be noted that the reference to the minimum income criterion has become completely outdated in the context of the developed welfare state model from the end of the twentieth and twenty-first centuries. This social security as a form of guaranteeing a decent minimum income is of course considered an expression of a form of social policy

²³ Gösta Esping-Andersen, *The Tree World of Welfare Capitalism* (Cambridge Polity Press, 1990), 20.

²⁴ Gunnar Myrdal, *Teoria ekonomii a kraje gospodarczo nierozwinięte*, trans. Stanisław Ficowski (Polskie Wydawnictwo Gospodarcze, 1958), 63–64.

²⁵ Jens Alber, "Continuities and Changes in the Idea of the Welfare State," *Politics and Society*, 16, no. 4(1988): 456.

²⁶ Richard M. Titmuss, "The Welfare State: Images and Realities," *Social Service Review*, 31, no. 1(1963): 3.

²⁷ Dorothy Wedderburn, "Facts and Theories of the Welfare State," *The Socialist Register*, 2, 1965: 127–28.

included in the welfare state model.²⁸ This idea was confirmed by Wilensky, who used the statement that the essence of the welfare state is the protection of citizens by the government in terms of the minimum level of income, food, health, housing and education in the context of law, not charity. Clauss Offe, on the other hand, strongly emphasises the class dimension. The welfare state was the main formula for peace after World War II, which emphasised the direct obligations of the state apparatus to provide assistance and support to citizens. It was also noted that citizens can make legal claims for such assistance. The formal role of trade unions in collective disputes was also recognised. Taken together, these two components are intended to mitigate class conflict and balance the asymmetric power relations between labour and capital.²⁹ In summary, it can be stated that the post-war welfare state was considered a political solution to social contradictions, and that it can be seen as a level of development of democratic capitalist societies. It is the result of a complex of gradual socio-political processes taking place in democratic industrial societies. Thus, we can speak of a certain evolution that found its place in Pierson's work and indicate several stages of the evolution of the welfare state. Table 2 was compiled by Pierson.

Table 2. The evolution of the welfare state in the system-wide dimension

Stage	Period	Characteristics
The emergence of state interventionist activities	1880–1914	introduction of workers' systems and local social insurance
Consolidation around insurance solutions and the consequence of the Bismarck model	1918–1940	extending the category of citizens' rights to include social benefits and services
Development associated with the "golden period" in the history of the welfare state	1945–1975	expanding the sphere of services and benefits, increasing expenditure on the social sphere
Crisis and the need to modify some institutional solutions	1975–1995	the need for a pragmatic response to the new socio-economic challenges posed by the crisis
Changes within the system, the emergence of new social investments	1995–2005	trying to adapt the welfare state to the challenges of globalisation
Expanding dialogue and increasing citizens' responsibility for the model implementation	2005–	stabilisation of the system in relation to post-consumer societies

Source: Christopher Pierson, *Beyond the Welfare State? The New Political Economy of Welfare* (Polity Press, 1991), 103–04, based on the study: Wojciech Nowiak, *Nordycki model "welfare state" w realiach XXI wieku: Dylematy wyboru i ewolucja systemu w społeczeństwach dobrobytu—wnioski praktyczne* (Wydawnictwo Naukowe WNPiD, 2011), 37.

²⁸ Nowiak, *Nordycki model "welfare state" w realiach XXI wieku*, 35–36.

²⁹ Claus Offe, "Some Contradictions of the Modern Welfare State," *Critical Social Policy*, 2, no. 5(1982): 7.

Based on Table 2, it can be seen that the period of economic reforms of Prime Minister Whitlam under study falls on the stage referred to as 'Development associated with the "golden period" in the history of the "welfare state"' from 1945 to 1975 and concerns the extensive sphere of services and benefits and the increase in expenditure on the social sphere.

Summing up the issue of using the term "welfare state," it should be connoted in a broad sense, considering both the historical and contemporary perspectives. Three important aspects of the welfare state must be considered: the social sector, political activities, and the identity of the goals of the state and governments. Wojciech Nowiak put it well in his book:

It can then be assumed that the moment of the emergence of such a state, which can be described as a welfare state, takes place when both the society and its political and bureaucratic elites are convinced that the security of individuals and social groups is so important that it cannot be determined by tradition and informal activities, but should be the subject of concern of the authorities.³⁰

To sum up, I agree with the statements of W. Nowiak and Claus Offe that the practical dimension of the welfare state should be adopted, treating the relationship between the social security of individuals and groups and their rights guaranteed directly or indirectly by the state. It is also important to treat the term "welfare society" as the highest goal of universal welfare. Giddens, in turn, in his work *The Third Way*, drew attention to the categories of citizenship that is aware and co-responsible for the emergence of risk, as well as its prevention. Researchers studying these relations between the welfare state and welfare societies consider the interactions between these entities.

It is also worth noting the terms "welfare state" and "welfare society," which are used in parallel. W.A. Robson in his work *Welfare State & Welfare Society: Illusion and Reality* writes that the parliament will decree and the government will give, while the *welfare society* is a matter related to what people do, feel about the source of their security in a general sense.³¹ Considering these remarks, it should be emphasised that the term "welfare state" should be used in reference to a dynamic, not static phenomenon. Such an interpretation is justified by the fact that the term referred to different periods of its development in relation to countries distinguished by socio-economic activity, without a broader analysis of the causes and nature of this activity. In general, the welfare state was characterised by highly developed countries with a certain level of economic development and high GDP indicators engaged in the social sphere. W. Nowiak believes that the contemporary time allows us to conclude that this term should be used in relation to democratic

³⁰ Nowiak, *Nordycki model "welfare state" w realiach XXI wieku*, 39.

³¹ William A. Robson, *Welfare State and Welfare Society: Illusion and Reality* (Allen & Unwin, 1977), 7.

countries, when social security covers all citizens and is a universal category and does not have the character of a privilege. Therefore, nowadays, a welfare state is a state in which individuals' social rights and security are related to their rights and are guaranteed by the state. In such a state, citizens, as well as political and bureaucratic elites, are convinced of the purposefulness of the actions of public authorities in this area and legitimise them. These goals are achieved by an extensive social sector, which is a collection of not only public entities. It should be emphasised that "welfare societies" are an important element in the "chain of democracy," because through their activity they co-decide on the distribution of measures affecting the social security of citizens.

The main research objective is to show the key economic reforms in Australia during the government of Prime Minister Gough Whitlam, which had an impact on improving the life of the society, i.e., in the field of GDP, education, healthcare, infrastructure, wages, culture, and social welfare. It should be recognised that the changes taking place were an evolutionary process within a permanent systemic solution in Australia. To what extent Prime Minister Gough Whitlam's actions resulted from a previously adopted plan, and to what extent they were the result and consequence of changes is also an interesting issue. Especially since the Oxford Advanced Learner's Dictionary defines the "welfare state" as a "system in which the government provides many free services to people who need them, e.g., medical care, money for the unemployed, care for the elderly, etc."³² It is also confirmed by the Cambridge Dictionary Online, which indicates that the "welfare state" is a "system that allows the state to provide social services, such as healthcare, unemployment benefits, etc., to people who need them, which is financed by taxes."³³ Therefore, it is also advisable in this quote to secure the needs and sources of financing the welfare state only from taxes, i.e., from the fiscal channel. Therefore, Marek Radzikowski proposed the following definition, which seems correct, namely: a welfare state is a state that makes a significant redistribution of income and/or wealth.³⁴ The positive side of this definition is its universality. It should also be emphasised that while for some the level of the welfare state is "significant," for others it may not be so. At this point, it should be noted that redistribution can be called any state intervention that transfers funds to the public. In this sense, activities such as providing pure public goods, e.g., national defence, justice, foreign policy, or police, are excluded. In this context, drawing and delineating clear boundaries of the welfare state is not as easy as it might seem. Nevertheless, that is why the study is still interesting.

By the way, it should be mentioned that the name "welfare state" is used only in relation to capitalist countries, i.e., the so-called Western world. However, following Radzikowski and Buchanan, the functioning of two types of social states stands out:

³² Radzikowski, ed., *Welfare state—państwo socjalne, zagadki ekspansji*, 15.

³³ Radzikowski, ed., *Welfare state—państwo socjalne, zagadki ekspansji*, 15.

³⁴ Radzikowski, ed., *Welfare state—państwo socjalne, zagadki ekspansji*, 16.

communist and transfer. The communist ones take it upon themselves to provide people with goods they have previously produced, and the transfer ones provide these goods and make some pay taxes and then give them to others in the form of social benefits. Such an approach is certainly more factually correct. A similar view may contribute to understanding the genesis of the welfare state. It is worth mentioning that redistribution in communist countries takes place through controlled factors of production such as labour, capital, or land. In capitalist countries, on the other hand, this form of redistribution is very limited. Importantly from a scientific point of view, the redistribution channel through regulation is often strong in capitalist countries, but neglected in scientific research. George Stigler pointed out the importance of such regulations in 1971, when he wrote that the total public expenditure is already determined and interest groups compete for a better position.³⁵

The welfare state, acting through various channels, develops different varieties. The most popular is the Esping-Andersen study, but it is incomplete, because it concerns only “capitalist” social states. To sum up, it can be said that the welfare state is a complex issue involving various channels of action, the common denominator of which is redistribution. Adopting the previous definition of the welfare state, it can be noted that it guarantees expenditure on: education, healthcare, and the so-called social protection, i.e., pensions, disability pensions, unemployment benefits, family benefits, and other less significant forms of assistance.

For the period after World War II, data are available for a much larger number of countries. In this way, countries can be grouped according to geopolitical criteria. As for Anglo-Saxon countries, post-World War II social spending varied to a similar extent as in continental Western Europe, ranging from less than 10% in the United States and Canada to more than 15% in the United Kingdom and Ireland. The following countries recorded high increases in social spending throughout the post-war period in average annual GDP expenditure: Great Britain—0.8%, the United State—1.6%, New Zealand—1.0%, Canada—1.4%, and Australia—1.4%. Social spending in Anglo-Saxon countries was not stable throughout the period. When we consider longer ranges, it can be said that they fell in the 1950s in Great Britain, and in Australia from the second half of the 1970s to the end of the 1980s. On the other hand, they were stable in New Zealand and Australia in the 1960s and from the first half of the 1990s to 2009.³⁶ To sum up, social spending after World War II increased in most countries, although to different extent.

The political aspects and motivation of Prime Minister Gough Whitlam will therefore be very important here. Moreover, legal, economic, sociological, and cultural developments have played an important role and must also be considered in the assessment. Therefore, specific features as symptoms of the welfare state as

³⁵ Radzikowski, ed., *Welfare state—państwo socjalne, zagadki ekspansji*, 18.

³⁶ Radzikowski, ed., *Welfare state—państwo socjalne, zagadki ekspansji*, 31–32.

part of the economic reforms carried out should be included in the analysis of the concept of the welfare state from the “golden period” in the welfare state’s history according to Pierson. Based on a comprehensive analysis of the end of the twentieth century, Nowiak concluded that not all contemporary states implementing the enigmatic formula of social policy and trying to reconcile the interests of the state and society can be included in the category of the welfare state. It applies to the former Soviet Union, the US, and many Asian countries, because social policy in their case, means only a system of benefits and services addressed to privileged groups.³⁷

In this approach, only a selected group of countries associated with Western Europe, representing alternative solutions to capitalism and socialism, can be identified with the welfare state. In this situation, it is important to determine the scope of benefits and link it to economic and political activities. It is noted that the country-by-country assessment should consider the approach of Franz-Xaver Kaufmann, who distinguishes individual countries within the welfare state and considers: (1) the relationship between the state and society; (2) defining and locating social problems; (3) the structural and institutional dimension of social policy in the sphere of production, redistribution, and reproduction. Historically, there are differences in perception of what and from when something can be referred to as welfare state. We can talk about individual stages of the concept formation, although nowadays, countries are considered that are characterised by a specific socio-economic and political system functioning after World War Second.

THE POLITICAL ECONOMY OF THE WELFARE STATE ACCORDING TO J.M. BUCHANAN

In the previous section, Buchanan was mentioned, who also begins his argument by formulating some basic definitions. He clearly distinguishes between a “socialist state” and a “transfer state”. The former is the direct producer, which is undoubtedly in line with the Marxist model of the state controlling the means of production. On the other hand, the transfer state—at least as an ideal type—does not provide goods or services, nor does it finance them. The transfer state obtains funds by collecting taxes from certain individuals and groups, then transfers these funds to other individuals and groups of a given political community in monetary payments.

Buchanan sees the welfare state as a form of transfer state. However, this researcher points out that the state must be distinguished from its other possible form, which he calls the “churning state”. In such a state, taxes are levied on certain groups and then offered in monetary form to other groups, depending on the political balance of the rival coalitions involved in the political decision-making process.

³⁷ Nowiak, *Nordycki model “welfare state” w realiach XXI wieku*, 44.

The rules for the transfer of funds in a churning state are determined solely by the struggle between competing participants in the political process and may be completely incompatible with the normative principles of redistribution.

According to Buchanan, the welfare state—obviously as an ideal type—must be contrasted with the churning state precisely because it implements and supports established welfare norms in its operation. These norms of care, in turn, set goals traditionally considered important, at least for many members of the community. The transfer carried out in the welfare state embodies certain systematised patterns. Such a *quasi*-legitimised transfer is determined by something other than the interplay of special interest groups that seek political gain. The basic principles of the welfare state are widely known and recognised. They involve taxing society, both directly and indirectly, which includes income from the sale of products and services, investments and property to pay for elderly people (pensions), as well as sick people and other groups eligible for assistance due to their difficult life situation. According to Buchanan, in almost every modern state, the welfare state coexists with the churning state. Despite this, it is important to maintain the distinction between the two forms of transfer state. The main difference lies in the presence, in the case of the welfare state—as the author of the argument defines it—of a *quasi*-legitimised base for collecting taxes and other monetary levies and for making financial transfers. According to Buchanan, the classification of the transfer programmes that actually exist is not an easy task. All such programmes are presented as pursuing certain general social goals, and there will always be economists who will provide reliable justifications on this subject. At one end, there may be programmes that embody normatively acceptable principles of welfare extension, and at the other end, those that generate welfare reduction. The difference between the two types of transfer state is contained in the presence of *quasi*-legitimacy in the case of the welfare state and its absence in the case of the churning state.

To shorten the line of thought, it can be stated that we have a lot of justification for institutions that are associated with the term “welfare state,” and at the same time, there is no comparable justification for the institution of fiscal transfers that are related to the “churning state.” It led Buchanan to conclude that it was obvious that the dividing line between the two “pure” forms of the transfer state was difficult to determine in practice. Moreover, he expresses the opinion that any constitutional sanctioning of the welfare state institution opens up the possibility of political manipulation in a short time. After all, the government has a strong incentive to use the power to make transfers, because thanks to them it gains political support. For this reason, it will seek to expand the scope of persons eligible for transfer and reduce the scope of taxpayers who create transfer funds. Regardless of how it is organised, the government is interested in expanding the group of those who receive money from it—from one to three or four lowest deciles, within the range of up to 50% of the electorate with the lowest incomes. For this reason, some political leaders tend

to expand the scope of transfer powers, regardless of how the aid programme was originally authorised.³⁸

Buchanan argues that both in theory and in practice, there may be an overgrowth of the welfare state. Any institution with a philosophical justification at some basic constitutional level will grow beyond the limits set by that constitutional justification. It may mean that the welfare state will always be larger in operation and more extensive than it results from the principles on which it is founded. This conclusion suggests that any analysis of the justification for the institution of the welfare state must consider the costs of its possible excessive growth.

The overgrowth of the welfare state is a natural result of the development of the institution of fiscal transfers, operating in a political structure that is susceptible to voter pressure, which is undoubtedly present in almost all political structures. Thus, the critical step lies in the initial constitutional power to implement welfare state transfers. According to Buchanan, the initial constitutional powers could determine restrictions on transfers, which in turn are justified by normatively acceptable redistributive rules. If there were such limitations, it would lead to the elimination of the possibility of overgrowth. However, it should be noted that the problem lies in the fact that it is unlikely that the institutions of majoritarian democracy will respect the limitations of constitutional powers if they are contrary to the motives of politicians. Therefore, it should be noted that transfer programmes that have constitutional authorisation or legitimacy must be implemented by ordinary state institutions and bodies. Most modern states have a broader basis than just initial constitutional authorisation. Welfare states exist together with churning states. The institutions of these two types of state are present in most, if not all, modern societies.

In his further arguments, Buchanan reflects on the economics of welfare transfers and the resulting profits. It should be recognised that the overgrowth of the welfare state comes from the natural tendencies of government politicians who try to respect voters' demands. On the other hand, expectations exist on the part of groups of potential transfer recipients. In the modern theory of public choice, this activity is referred to as "rent-seeking."³⁹ Buchanan uses the example of the United States to find that in the thirty years leading up to 1988, more and more "lobbying" groups organised and established headquarters in Washington. Such an effort and such an investment are beneficial for groups that will gain government support. However, these efforts are unfortunately socially worthless, because they do not contribute to the multiplication of national wealth. Furthermore, Buchanan believes that people receiving cash transfers have less incentive to work, and therefore to earn income. In the United States, when the possibility of making more and more funds available in the form of cash transfers was sought, the number of potential customers of such

³⁸ Józef Tarnowski, ed., *Filozofia liberalizmu* (Wydawnictwo Oficyna Liberałów, 1993).

³⁹ "Rent-seeking" is an action that brings benefits to one at the expense of another, e.g., one social group at the expense of another social group, but without general multiplication.

transfers increased dramatically, especially since the introduction of the so-called Great Society programme during the presidency of Johnson in the 1960s. Charles Murrey, in his 1985 book *Losing Ground*, documented the increase in demands on the welfare state created by the welfare state itself. Buchanan described that in the United States in 1988, there was a discussion about how certain programmes of the modern welfare state have created a permanent subclass of welfare recipients, i.e., people who do not know what work is.

The care transfer programme covers those who pay the taxes necessary to finance the assistance and those who receive financial assistance in various forms. If the taxes collected from the income obtained are so high that they make the effort almost unprofitable, there will be a reduction in the amount of effort spent, which in turn will generate an excessive financial burden on the state and, as a result, reduce its welfare.

In view of these doubts about the political economy of the welfare state, Buchanan wonders about the possibilities of reforming this type of state. He states that the mentioned consequences of the welfare state reduce the productive potential of the national economy. At the same time, welfare state programmes fail because they do not deliver on the norms for which they were created. It should be emphasised that there is a consensus on these issues among modern economists who have analysed such programmes in almost all countries. Buchanan emphasises that it is extremely difficult to implement effective reform that would involve dismantling the welfare state. Moreover, Buchanan mentions the existence of many obstacles to this type of reform. Firstly, the current recipients, and at the same time the beneficiaries of the transfers, expect continuation, and secondly, it would end up with the cancellation of political plans to win the elections and continue to maintain power. At the end of his reflections, Buchanan writes and refers to the mentality of people using the welfare state. His concerns relate to the implications of such care, which is the disappearance among citizens of the traditional work ethic that motivated Japanese, Koreans, and Taiwanese, but not societies in North and South America and Europe. According to Buchanan, dealing with work ethics was abandoned, which is harmful because ethics contains a certain economic content. According to Buchanan, the decline in the work ethic is partly due to the overgrowth of the welfare state. Therefore, it is necessary to work to restore the importance of the fundamental values according to which productive effort is considered a good.

AUSTRALIA AS A WELFARE STATE

This work aims to show Australia's specificity by describing specific solutions that function in this area. Presenting them allows for a fuller understanding of the phenomenon, and not just treating it as a detached system. Therefore, it seems neces-

sary to take a comprehensive approach, and Esping-Andersen favoured such a solution in his scientific works.⁴⁰ Many Western researchers, analysing the phenomenon from the perspective of the 1960s, approached countries as implementing the development of technology and industry. But there is something more important in this study, namely the perception of the welfare state as a system whose analysis based on political reflection and the cognitive aspect can lead to valuable conclusions. Therefore, one of the main assumptions is to recognise the economic reforms carried out in Australia and explain the activities that fit into the welfare state.

Australia's economic development as a state that implements the welfare state model, concerning the role of the Australian Constitution, plays an important role. On the surface, the Australian question fits remarkably well with theoretical accounts of the likely impact of federalism on evolution. However, theoretical paradigms differed in their diagnoses.

Australia can be seen as a social laboratory for progressive reforms in democratic politics, labour relations, and social security. Within employment relations, the demand for an eight-hour working day was won in relation to some professions as early as 1850 and this working time was in force until the end of the nineteenth century. After the great strikes in the early 1890s, all of Australia's colonies created *quasi*-legal mechanisms for the functioning of the social security system.

Contemporary commentators would probably judge these events as a demonstration of the strength of the Labor Party government in introducing state-wide social liberalism. The Labor Party quickly gained an electoral advantage and real political power. As early as 1891, it won in the lower house of the New South Wales Parliament. Although the party had almost no influence on the constitution's content in the 1890s, it quickly gained a strong position in the Commonwealth Parliament during the federation period, similar to what it had previously achieved in NSW. The Labor Party intended to introduce changes in further progressive social policy. However, these intentions were limited by federalism itself, and the expansion of social support faced constitutional obstacles. The biggest barrier, as G. Castles and J. Uhr write, was the procedure for making changes to the Constitution, and even more so the views on the Constitution expressed by the High Court.⁴¹

In a sense, Australia became a key testing laboratory, and to a greater extent than other modern countries at the time. Australia has shown the separation between outstanding classical politics and democratic-socialist duty. However, the Labor Party has not often governed at the federal level, so the development of social security in Australia has been slow. Canberra was a pioneer in many activities. Social benefits began to function in NSW from 1900 and depended on people's financial status and income. Only Denmark—from 1891 and New Zealand—from

⁴⁰ Martin Rein et al., eds., *Stagnation and Renewal in Social Policy: The Rise and Fall of Policy Regimes* (Political Science, 1987), 6.

⁴¹ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 100.

1898—at that time—implemented the right to benefits. Australia can be an example of social security for citizens. Pensions in NSW were paid from 1900, Victoria from 1901, and Queensland from 1908. All three projects originating from these states have been approved by the Commonwealth. In 1908, the NSW Commonwealth legalised disability pensions for people over 16 who were unable to work because of their disability. As early as 1912, the federal government of the Labor Party, ignoring the restrictions imposed by the constitution, legalised benefits for women after childbirth in the form of a lump sum.⁴² Thanks to these measures, the Labor Party government quickly gained an electoral advantage and strengthened itself politically. As early as 1891, the government was winning in the lower house of parliament in NSW, declaring that its goal was to use its parliamentary position. Although the ALP had almost no influence on the drafting of the constitution in the 1890s, in the post-federation period it quickly rose to prominence in the Commonwealth Parliament, as it had previously had in NSW. The Labor Party was then the third party in terms of power, which influenced the formation of pensions and various benefits.

Over the next three decades, the government struggled with formal problems related to constitutional obstacles regarding the provision of aid and the expansion of social support. In this case, the biggest barrier was the procedure concerning changes in the constitution, and even more so the views and opinions that the Supreme Court had on the constitution. The Labor Party's rule came at a bad time for Australia. The party ruled during World War I, the Great Depression, and World War II and immediately after it. However, the High Court set another issue, e.g., namely, the level of the minimum wage that would support a family of four or five people at a modest standard of living (payment for electricity, clothing, shoes, furniture, instalments, life insurance, trade union contributions and unemployment insurance, train tickets, holidays, tobacco, alcohol, etc.). Moreover, there was still a strong correlation in Australia considering the combination of decisions with the Commonwealth, which was the central reference point for determining wages in Australia.⁴³

During these first decades of the twentieth century, except for the launch of a system for soldiers returning from war after 1918, building a new social security within the Commonwealth was impossible. Moreover, the lack of strategies to fight poverty and the occurring unemployment contributed to the misery of almost one in three Australians who are unemployed. Some states, to save the unemployed and relieve them, applied food reliefs and launched public works of a non-productive nature. Regarding this area, Australia was definitely backward compared to other countries.⁴⁴

In the 1930s, pensions for the elderly, pensions for the disabled and even for repatriates were reduced and thus the difficulties of people in a difficult situation

⁴² Rein et al., eds., *Stagnation and Renewal in Social Policy*, 100.

⁴³ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 102

⁴⁴ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 102–03.

increased even more. Some states have established their social security plans. They hedged themselves by setting a limit on the number of aid provided. Queensland implemented a system of unemployment support and security in 1923. The state of NSW introduced a widow's pension in 1926 and a child pension in 1927. However, there were areas in Australia where the system of assistance without limits worked well. Sickness entitlement was such an area, and despite some cuts in the early 1930s, pensions in the time immediately before World War II were even higher than in most other countries.⁴⁵

The lack of developed social programmes in the Commonwealth during this period does not mean that the Australian parliament is not interested in social security issues or that there is no legislative effort. In the 1920s, there was a major discussion about child pensions or family benefits at the Commonwealth. However, this was not implemented, as the Royal Commission did not recommend this issue. A plan to reduce unemployment was also discussed, but it was not developed. In 1929 and 1938, these rights were in Parliament under social insurance plans in the vast majority of the British National Insurance Acts of 1911 and 1925, although unemployment insurance was excluded from the proposed legislative path in Australia. The Conservative coalition governments supported both of these rights. The first law collapsed due to general elections, and the second passed through both houses of parliament before being postponed due to the threat of war.⁴⁶

From today's perspective, it may seem that the idea of social insurance should have almost automatically appeared in the interwar period. One of the negative reviews was that benefits would not work in Australia due to the large number of roving workers. Quite quickly, the parties opposing the Labor Party began to worry about the impact of social spending on the state budget. Nevertheless, in 1913, the national insurance plan became part of the Liberal Party's electoral programme. This topic became very important for these parties, especially after World War II, i.e., first for the National Party and the United Australia Party. The problem of costs in this area has become as important as economy and moral aspects. How to finance the rising costs of pensions in the context of the pre-war recommendation of the Royal Commission on National Insurance has become a concern for politicians of all parties. In 1929, this commission came up with a draft of legislation for the new law. The proposed 1929 amendment would have been 13.1% of the total expenditure budget and would have been the same amount as the total tax revenue of the Commonwealth. On the other hand, in 1938, when the second legislative stage was put into force concerning pensions, expenditure on social pension insurance exceeded 18%. In the interwar period, we are dealing with the state's passivity. On the one hand, the issue of the influence of political forces was important, and on the other

⁴⁵ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 102–03.

⁴⁶ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 103.

hand, the responsibility for obtaining funds, which was not so obvious at the time. For political theorists, it will be obvious to explain the Labor Party's passivity on welfare, since the party was in power for only two years between the wars. Despite this, it should be emphasised that the Labor Party inspired social security initiatives in those states where the party was in power.⁴⁷

The years before World War II were characterised by a significantly limited increase in the development of social security. These were the beginnings of initiatives that supported the role of the Commonwealth in the area after World War II. A financial agreement was established between the states and the Commonwealth in 1927, ratified the following year, resulting in the constitution of the Australian Loan Council, giving the Commonwealth the power to act. The next innovative institution in this field was the Commonwealth Grants Commission, established in 1933 to provide additional funding for smaller states that were unable to pay the cost of these services from their sources, e.g., to the unemployed. The Commonwealth Grants Commission sought to ensure that all states had the same level of payments depending on how much money each state raised through tax returns. It turns out that the war period was also important, because the fiscal centralisation of those years was important for expanding social services in the states during the Labor Party rule in the 1970s and 1980s.⁴⁸

Thus, it can be concluded that the Commonwealth was not responsible for the freezing of social security spending before the 1970s, but was mainly the result of the policy of conservative governments in the states. The Commonwealth itself sought to move toward fiscal centralisation. It was mainly about co-financing expenses for the army.

In the 1970s, there was an increase of more than 50% in social spending as a percentage of GDP, which was a doubling of spending on health and education from 4.3% to 8.2% of GDP.⁴⁹ Looking at Australia, it should be noted that Australian commentators saw the 1970s, especially 1972–1975, as a time when the country recovered from the long stagnation of the conservative Liberal Country Party coalition.

In relation to other OECD countries in the 1970s, Australia increased its spending as a percentage of GDP from 42% to 58% of the OECD average. Education spending grew much faster than other spending categories, but Australia was still at a lower level than the OECD group of countries in 1970. For instance, Canberra was lagging behind in this area (health and education) due to a lack of funding from the Commonwealth. Therefore, the coalition implemented a new health policy in the 1950s and 1960s, built through subsidies for private health treatment.

In the early 1970s, the medical community exerted pressure and took every constitutional opportunity for the Labor Party government to begin publicly funding

⁴⁷ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 104.

⁴⁸ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 105.

⁴⁹ Rein et al., eds., *Stagnation and Renewal in Social Policy*, 108.

national healthcare. The Whitlam government used funding from the Commonwealth to expand spending as quickly as possible. As mentioned, Whitlam opposed federalism in the traditional old formula of the Labor Party. In 1972, he spoke of a new federalism that would include grants to finance health and education reforms, as well as city and regional planning. It was also about financing universities and independent schools. Both liberals and members of the Labor Party had the opportunity to use the same solutions, but the former were not interested in healthcare and social services to the same extent as the Labor Party. To answer why the liberals did not do so, it should be noted that the coalition partners from the Country Liberal Party were conservative and their ideology was against public spending of money for these purposes. After 1975, when the Liberals were back in power, this trend of spending declined significantly and did not return until Bob Hawke was elected Prime Minister for the Labor Party in 1983. It turns out that spending decisions depended largely on the Commonwealth's social policy.

SIGNIFICANCE OF DEVELOPMENT ECONOMICS

After World War II, there was a need to counteract poverty on a global scale. These activities were the result of increased economic activity and consumption of goods. In this way, development economics appeared, the emergence of which had complex causes. In its initial stage, developmental economics was influenced by classical-neoclassical and Keynesian economics, and then developed its own research methods. These were natural (geographical) and historical-institutional approaches. Population theories were important in this. Development economics is an independent discipline of economic sciences, which uses a specific research approach. This study uses a natural-historical (geographical-historical) approach, which considers factors of economic growth ignored in classical-neoclassical economics.⁵⁰

With the increasing search for ways to combat poverty, the question arises: is it possible? It is also mainly about the resources existing in nature that can be available in economic activity. A manifestation of this context are population theories. Due to the natural and historical approach, the economics of development somehow forces knowledge of the world's history and its geography, including physical geography. Therefore, the location of a given country, region, or continent is important.

Regarding the essence of economic activity, micro- and macroeconomic approaches should be considered. The ultimate goal of business activity is to increase wealth. It was also the goal of the government of Gough Whitlam in the early 1970s.

⁵⁰ Zbigniew B. Romanow, *Historia myśli ekonomicznej w zarysie* (Akademia Ekonomiczna w Poznaniu, 1999), 166–81.

This criterion is also the basis of the contemporary economic thought. In this process, the state's role and its regulations concerning the operation of economic entities is important. In Australia, we have been dealing with a market economy for years. In the context of the global economy, it is classified as a wealthy country.

The historical-institutional approach is important in development economics, which was almost pushed out of economic analyses. In addition to the theoretical and historical approaches, a distinction can be made in economics between purely economic and institutional approaches. The first one is used in classical-neoclassical economics, according to which man acts egoistically and rationally in economic activity, i.e., he chooses better solutions from the economic perspective. In the second approach, we can talk about the multifaceted way of looking at the lives of both individuals and societies. In short, the institutional approach is expressed in non-economic factors. Such an approach allows it to be combined with new economic history into a single scientific discipline. As a result, a historical-institutional approach is created. We dealt with such activity in Australia.⁵¹

Another context is the natural (geographical) approach. In this case, the efficiency of the economy is largely due to the geographical location, where climate and communication opportunities play a major role. The location determines the development of societies and the nature of their economic institutions. In this way, we are dealing with a natural approach with a historical-institutional one, which is defined as natural-historical. The source itself lies in the nineteenth-century German theory of location, whose creator was Paul Krugman. This approach is widely used in development economics. The geographical factor is divided into two parts. One part is natural resources processed by humans in the production process, and the other is the territory for living and running a business. The second factor can be more easily measured than natural resources. Charles Darwin's theory shows that every species existing in nature strives to increase its number. Such a process is taking place in Australia, where the increase in the number of inhabitants occurred naturally and as a result of a planned immigration policy. On the other hand, the first factor, i.e., the resources of Australian land, contributed in a decisive way to the development of Australia and the well-being of the people living there.⁵²

The changes that have occurred have to do with the Labor Party itself and its leader Gough Whitlam, who has lived to see meticulous descriptions of his personality. In terms of stature, Whitlam was physically well-built. He was a tall man, strong and healthy, and his energy translated into many initiatives. Taking up these initiatives and ideas brought him the leadership of the party. His intellect, significant verbal skills, and hard work laid the foundation for his political career. Whitlam's strength lay in constructing descriptive critique, bringing up issues that needed to

⁵¹ Ryszard Bartkowiak, *Ekonomia rozwoju* (PWE, 2012), 19–23.

⁵² Bartkowiak, *Ekonomia rozwoju*, 24–25.

be solved in front of the citizens, and doing it in a way that they followed him. Although he saw himself as a theoretician, in reality he turned everything into practice. Whitlam travelled a lot and this opened his horizons to many issues. As Prime Minister, he took great care of his appearance and personally chose a white Mercedes as a vehicle to match the position. He was very determined to ensure that Australia was well perceived internationally. According to him, the country was to be part of its region, not a European enclave on the periphery of Asia.

In addition to the indicated advantages, Whitlam always pursued knowledge and treated it as the basis for building civilisation. His solid legal knowledge undoubtedly provided the ground for carrying out lawful systemic transformations. Whitlam played the role of not only a leader, but also a teacher who gave advice. He could not stand it when ministers did not inform him about important issues. His unyielding attitude won him over ambitious people, striving for their goals like him. Prime Minister Whitlam made key decisions after long preparations. His oratorical skills gave him an edge over his rivals and made him the centre of attention. Whitlam received support from voters to implement his political plans. For him, implementing promises was the most important thing and was a test of his self-credibility. Therefore, his pressure on the Council of Ministers was very high, and decisions were made quickly. The head of the legislative department could not even cope with these changes. Over time, however, this model of building one's case met with resistance and this led to the crisis in 1975, when Whitlam was removed from the post of Prime Minister.⁵³

By the way, we can point to natural (geographical) determinism, which is the belief that the life of societies, i.e., the way of conducting and the effectiveness of economic activity, is determined by geographical location and the natural environment, including available natural resources. To summarise this fragment, it should be stated that since the natural factor is decisive, the primacy belongs to the natural approach. The organisation of society, which is shaped over time, depends largely on the location, so the historical-institutional approach is secondary to the natural approach. However, it is so important that a combined natural-historical approach should be used. It is very useful in correctly describing and understanding economic events occurring in the world in the past and present. Development economics is a very good example of this application. Although, as Ryszard Bartkowiak writes, not all of its creators accept this approach.

When analysing the development of the world's population, it should be emphasised that the human species has so far successfully avoided the Malthusian trap, constantly increasing its numbers. Leaving aside the fourteenth and seventeenth centuries, when significant epidemics and wars devastated Europe and much of Asia, it is safe to write about the constant increase in the number of people inhabiting the world and using natural resources. Despite such conclusions, it is possible

⁵³ Alan Reid, *The Whitlam Venture* (Hill of Content Publishing Company, 1976), 1.

to notice a downward trend in this pace since the 1970s. There is probably a deliberate reduction in the rate of population growth.⁵⁴ In order to analyse this process in more depth, it is necessary to refer to population theories.

When it comes to measuring the effect of economic activity, it is illustrated by the level of national income and GDP *per capita*. All countries, regardless of the degree of economic cooperation, together with other entities form elements of the global economy. This global perspective is sometimes overlooked, but every time the future of the global economy is discussed, it will be returned. Two dates in the world's history are crucial here. Since the Industrial Revolution, the growth of income *per capita*, or wealth on a global scale, has been almost uninterrupted. It was also the case with Australia. However, there have been differences in wealth between regions and countries. According to Bartkowiak's map, Australia and Oceania were assigned to North America. The average income *per capita* in the richest countries is almost 30 times higher compared to the poorest countries, but carbon dioxide emissions *per capita* are 40 times higher. At the same time, there is a global pattern: income *per capita* increases almost in direct proportion to the increase in carbon dioxide emissions *per capita*. The situation is similar in Australia.⁵⁵

Another interesting aspect of development economics is looking at life expectancy in the richest countries. Some authors, such as Amartya Sen, propose using it as a measure of management efficiency. Nevertheless, the relationship between life expectancy and the value of national income *per capita* is emphasised. With the increase in wealth, life is longer and in better condition. When it comes to the relationship between the rate of growth in the number of people and income *per capita*, regularity can also be noticed.⁵⁶

When considering Australia's economic growth within development economics, it is important to look at the three phases after World War II. The first, from 1950 to 1973, is the "phase of modest golden age" the second, called the "phase of turbulence and tigers," falls between 1974 and 1989, and finally the last, from 1990, is the "phase of transition and turmoil." In the first phase, an important event was the economic reconstruction of Western European countries and Japan after World War II,⁵⁷ including establishing economic cooperation between Australia and Japan. Since 1952, after the ratification of the peace treaty, commissions between the governments of Australia and Japan have discussed the main problems affecting both countries. From 1954 onwards, issues aimed at trade negotiations with Japan were addressed.⁵⁸ As for China, it has experienced two destructive transformations dur-

⁵⁴ Romanow, *Historia myśli ekonomicznej w zarysie*, 66–68.

⁵⁵ Bartkowiak, *Ekonomia rozwoju*, 46–49.

⁵⁶ Bartkowiak, *Ekonomia rozwoju*, 51.

⁵⁷ Bartkowiak, *Ekonomia rozwoju*, 54–55.

⁵⁸ Mieczysław Sprengel, *Polityczno-gospodarcze relacje Australii z Japonią w latach 1945–1976* (Uniwersytet im. Adama Mickiewicza, Wydział Pedagogiczno-Artystyczny, 2010), 69, 71.

ing this time. The first was the Great Leap Forward (1958–1961), and the second was the Cultural Revolution (1966–1976).⁵⁹

The second phase falls on the remaining period of Prime Minister G. Whitlam's government. While until 1973 the world income was growing rapidly and without interruptions, in 1974 the situation changed. Countries in the poorer part of the world have decided to raise the price of oil—the main energy resource. It caused a slowdown in economic growth in the wealthy countries of Western Europe and North America. At the same time, however, the prices of other raw materials fell, causing the situation of their exporters to deteriorate.⁶⁰ In the second phase, spectacular events took place that permanently changed the image of the global economy. There was a liberalisation and opening of some East Asian countries, which were called Asian tigers. There have also been South Korea's development and China's economic transformation since 1978.

In economic thought, two important categories are distinguished: economic growth and social development. Usually, we talk about the important role of economic growth, while social development is more important and is a broader category than the former.⁶¹ In addition to the level of wealth, attention is paid to the following factors: the degree of equality in the distribution of national income, which indicates the degree of social cohesion, the standards of nutrition, in this case extreme poverty, maternal and child mortality and average life expectancy, the degree of literacy and universality of education (schooling), the quality of housing, including access to drinking water and sanitation, gender equality, which is a great emphasis these days, participation in political life, which consists of political freedom and the pursuit of rights.⁶²

As for the degree of wealth in the global economy, it is measured in GDP *per capita* and varies. The reasons for this differentiation are natural and historical-institutional factors. Ryszard Bartkowiak writes that if a single economic thought was created to describe these forms, it would probably be too general to have a practical meaning. It is not surprising, then, that numerous economic theories have been developed. Therefore, to show the emergence of development economics, it is necessary to know that many other theories, which make up a complex pedigree, were developed before it. The economic changes made under Prime Minister Gough Whitlam fit into this pattern. For this book, it is enough to outline such trends. Although classical-neoclassical economics and Keynesian economics have dominated the fallibility of the neoclassical and Keynesian approaches in explaining important economic events has given rise to new approaches. Within this group there are three

⁵⁹ Jonathan Fenby, *Chiny: Upadek i narodziny wielkiej potęgi*, trans. Jan Wąsiński and Jerzy Wołk-Laniewski (Wydawnictwo Znak, 2009), 541, 597.

⁶⁰ Bartkowiak, *Ekonomia rozwoju*, 55.

⁶¹ Romanow, *Historia myśli ekonomicznej w zarysie*, 66–68.

⁶² Bartkowiak, *Ekonomia rozwoju*, 60.

theories in which institutional, historical, and natural (geographical) approaches are used. Considering them, we are talking about a new institutional economics, a new economic history, and a new economic geography.

During the short period of Whitlam's rule, who ignored warnings from the tax office, inflation and unemployment rose to levels not seen since the 1930s. To save the day, one of the ministers negotiated with shady international financiers to take out unauthorised loans of \$4 billion—all this to maintain state control over Australian oil, gas, and uranium. The opposition, which controlled the Senate, used the loan scandal as a reason to deny funds to the government, hoping that it would force the authorities to call elections. The United States and other countries also assessed the governments in Australia negatively; for example, the US ambassador and CIA agents were very critical of the Labor Party government, especially criticising the actions regarding increased control over state institutions.

Finally, on 11 November 1975, the Governor-General of Australia dismissed the government and nominated the leader of the Liberals, Malcolm Fraser, as Prime Minister after Whitlam. This resignation led to the most significant constitutional crisis in the country's history. As a result, two chambers of parliament were dissolved. Protests began in Australia, but Whitlam agreed to resign, and the Australian Council of Trade Unions leader forbade even talking about a strike. Despite such a departure from the political scene, the years of Prime Minister Whitlam's rule and his merits were exceptional, which is what this work is devoted to.

CHAPTER II

Australia's Economy and Its Position Before Whitlam's Reforms

ABSTRACT: The chapter presents the initial situation in the context of the economy's condition, i.e., macroeconomic conditions (national income, labour market, etc.), as well as the broader context of political changes or the takeover of power by the Labor Party. This chapter deals with the Australian economy before Whitlam's reforms.

KEYWORDS: Australia; Whitlam; economy; Labor Party; reforms

When discussing the state of Australia's economy before economic reforms, it is impossible to ignore the issue of natural resources, which fundamentally determine the growth capacity of economies. It was especially important in the pre-industrial and industrial periods. Their importance declined as economies shifted towards the service sector and the knowledge-based economy model. Access to raw materials (in particular energy) and food remains important. These elements are crucial to ensuring the strategic security of any country.

In the case of Australia, natural conditions are an important element determining its economy development, as well as the specificity of its international economic relations. In particular, significant mineral resources, including many strategic raw materials, are of great importance. Australia has the world's largest identified reserves of gold, silver, zinc, nickel, lead, and uranium. In the case of iron ore, lignite, diamonds, tantalum, and bauxite, Australia's reserves are the second largest in the world. Copper reserves, on the other hand, place Australia in third place in the global ranking.¹

Gas production from coal for public use began in Sydney in 1837 and gradually spread to other cities and towns over the next five decades. Mainly due to the costs

¹ Paweł Kozielski, *Australia i jej rola w kształtowaniu procesów integracyjnych w obszarze Azji i Pacyfiku* (CeDeWu.pl, 2015), 76–78.

Sprenkel, Mieczysław. "Australia's Economy and Its Position Before Whitlam's Reforms." In Mieczysław Sprenkel, *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*, 49–63. Adam Mickiewicz University Press, 2025. © Mieczysław Sprenkel 2025. DOI: 10.14746/amup.9788323244547.3.

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of supplying such energy, towns have never had a large share in the consumption of this type of raw material. In the 1970s, gas from coal was replaced by natural gas. Although the first public supply of electricity began in the nineteenth century, it was not until after World War II that the electric power industry developed rapidly. Coal-fired steam power plants have always been the main source of electricity in Australia. Natural gas, on the other hand, is used to fuel steam power plants in Victoria and South and Western Australia. Power generation from dams is mainly limited to Tasmania, the mountainous areas of Victoria and New South Wales, and the far north in Queensland. A characteristic feature was the decreasing relative importance of hard coal and its replacement by gas in industry, households, railways, and urban industry.

Earth's resources and climatic conditions create Australia's potential for agricultural production. Agricultural land accounts for more than half of the country's area (about 410 million hectares), most of it is intended for pastures, which is caused by insufficient rainfall. The country's small population meant that most of its agricultural and pastoral production was exported to Great Britain. This arrangement took place until January 1973, when the United Kingdom became part of the European Economic Community. At that time, Australian agriculture lost its traditional market.²

It should be emphasised that natural conditions position Australia very well in relation to the demand reported by the countries of Asia and the Pacific. Many of the country's raw materials are in demand among Asian economies that have little or no resources. Similarly, in the case of agricultural goods, Australia's agricultural potential is in line with the food demand of some countries in the region, but in this area, strong market protection by some countries (e.g., Japan, South Korea) and competition from other producers in Asia Pacific (e.g., Vietnam, the Philippines, New Zealand) are also of greater importance.

Natural resources are an important part of the composition of production factors in most economies. An analysis of Australia's situation against the background of the countries of Asia and the Pacific shows that it has the most appropriate combination of resources necessary for the effective exploitation of mineral resources among the economies of this region, as it has significant natural and capital resources.

Australia's economy emerged, like other Asia-Pacific economies, from the British empire. It had a decisive impact on the structure and nature of the country's economic relations many years after it had regained independent statehood. Among the internal factors of development that are productive and determine economic growth, we can distinguish those of a human, natural, and technological nature.³ Their po-

² Carl Bridge, "Australia, Britain and the British Commonwealth," in *The Cambridge History of Australia*, eds. Alison Bashford and Stuart Macintyre, vol. 2 (Cambridge University Press, 2013), 530–31.

³ Józef Misła, *Międzynarodowa konkurencyjność gospodarki narodowej* (Polskie Wydawnictwo Ekonomiczne, 2011), 14.

tential, shaped by these factors, is important for the development of economies. In order to correctly assess the situation after the implementation of the reforms, it is necessary to describe the state of the economy before introducing changes in the laws. Internal factors of economic development affect not only its directions, but also determine the economy's condition and international competitiveness.

An important factor in economic development is population. Table 3 shows the population of Australia and its average annual growth rates from 1950 to 1955 and from 1960 to 1971.

Table 3. Population of Australia in 1950, 1955, and 1960–1971

Year	Population [million]	Natural increase [%]
1950	8.267	3.00
1955	9.277	2.29
1960	10.361	2.20
1961	10.599	2.13
1962	10.795	1.96
1963	11.001	1.92
1964	11.218	1.96
1965	11.439	2.05
1966	11.655	2.05
1967	11.872	1.87
1968	12.102	1.85
1969	12.379	2.00
1970	12.660	2.66
1971	12.937	3.17

Source: World Population 1979, *Recent Demographic Estimates for the Countries and Regions of the World*, U.S. Department of Commerce, 1980, 469; "Australia Population Growth Rate 1950–2024," MacroTrends, accessed 2 April 2024, <https://www.macrotrends.net/global-metrics/countries/AUS/australia/population-growth-rate>.

In each subsequent year, the number of Australian residents increased. Table 4 presents net migration in 1958–1971.

Table 4. Net migration in Australia, 1958–1971 (in thousand people)

Year	Immigration	Emigration	Net migration
1958	110	45	65
1959	124	40	84
1960	139	47	92
1961	128	59	69

Year	Immigration	Emigration	Net migration
1962	125	60	65
1963	144	67	77
1964	173	69	104
1965	191	80	111
1966	189	93	96
1967	192	96	96
1968	219	96	123
1969	249	108	141
1970	259	120	139
1971	234	130	104

Source: Barnie Dyster and David Meredith, *Australia in the Global Economy: Continuity and Change* (Cambridge University Press, 1999), 209.

It is clear that net migration has generally increased in subsequent years, with the exception of some years (from 1961 to 1963 and in 1966 and 1967). Australia's population density is one of the lowest in the world and amounts to 3 people per km²,⁴ which is practically second only to areas with extreme conditions (such as Greenland or Western Sahara). In this respect, it differs significantly from other Asia-Pacific economies. It is mainly due to the significant territory. An additional unfavourable phenomenon is the large and still growing concentration of population in urban areas. At the beginning of the 1960s, the share of the rural population was at the level of about 18%. Moreover, over 60% of Australia's population lives in agglomerations with more than 1 million inhabitants.⁵ The concentration of population and workforce resources in large urban agglomerations is significant, especially in the context of the mining industry development. The location of natural resources implies the implementation of investment projects in locations far from cities, which results in the constant need for employees (the so-called FIFO/DIDO employees) to travel by air or road. In addition to the increase in costs, this creates many negative consequences, also for work efficiency.⁶

Labour force has the most important impact on all processes in any economy. Its effectiveness is determined by the size of human resources, as well as many other aspects, such as knowledge, qualifications, and mobility. Expenditure on the development of human capital is very important.⁷ These issues affect the poten-

⁴ "Countries by Population Density, Countries by Density 2023," World Population Review, accessed 16 November 2023, <https://worldpopulationreview.com>.

⁵ The population of five agglomerations exceeds one million inhabitants, based on ABS data: Australian Bureau of Statistics, accessed 11 February 2023, www.abs.gov.au.

⁶ FIFO: fly in—fly out, DIDO: drive in—drive out.

⁷ Gary S. Becker, "Investment in Human Capital: Effects on Earnings," in *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education* (National Bureau of Economic Research, 1975), 43.

tial of the economy's workforce in quantitative and qualitative terms. The size of Australia's workforce is characterised by positive dynamics. In 1954, employment amounted to 3 million 681 thousand and continued to grow (4 million 15 thousand in 1959, 4 million 597 thousand in 1964, 5 million 281 thousand in 1969),⁸ and in 1971—5 million 331 thousand. Table 5 shows the distribution of the labour force by gender in 1971 in three states.

Table 5. Size of the labour force in three Australian states by gender in 1971 (in thousand people)

Men				Women			
NSW	VIC	QLD	Total in Australia	NSW	VIC	QLD	Total in Australia
1,322	989	509	3,640	628	484	214	1,691

Source: Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 147.

In 1971, 5,331,000 working men and women accounted for 61.1% of the working population in relation to the total population⁹. A favourable trend for the Australian economy was the falling unemployment rate from 1962 to 1971. In the following years, it was as follows: in 1962—3.17%, in 1963—2.23%, in 1964—1.66%, in 1965—1.22%, in 1966—1.41%, in 1967—1.53%, in 1968—1.56%, in 1969—1.47%, in 1970—1.44%, in 1971—1.43%.¹⁰ The decline in the unemployment rate in Australia at that time was due to an increase in employment as well as a decreasing number of unemployed people.

In 1971, the largest number of people worked in the manufacturing sector: 1 million 457 thousand (over a million men and over 378,000 women), the second most crowded area was trade—989,000 people (574,000 men and 415,000 women), 475,000 people worked in the construction industry (451,000 men and 24,000 women). 297,000 people were employed in transport (263,000 men and over 33,000 women). The lowest number of people were involved in the financial sector, which had a total of 247,000 employees (147,000 men and 100,000 women).¹¹ In 1971, Australia had 6,412,711 men and 6,342,927 women.¹² Table 6 shows the sectoral structure of employment.

⁸ Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 149.

⁹ Commonwealth Bureau of Census and Statistics, *Official Year Book of the Commonwealth of Australia*, no. 57 (Commonwealth Bureau of Census and Statistics, 1971), 691.

¹⁰ Vamplew, ed., *Australians Historical Statistics*, 153.

¹¹ Commonwealth Bureau of Census and Statistics, *Official Year Book of the Commonwealth of Australia*, 692.

¹² Vamplew, ed., *Australians Historical Statistics*, 27–28.

Table 6. Employment of the Australian population (in the 50s, 60s and 70s) by sector as a percentage

Year	Sector			
	Agriculture	Industry	Service	Other
1950	14.6	27.8	45.6	12
1960	11.1	27.5	48.8	12.6
1970	8.2	26.5	53.2	12.4

Source: OECD Economic Surveys, *Australia*, OECD Publishing, December 1972, 11.

As can be observed, over the analysed two decades, the percentage of people working in services in Australia has been steadily increasing (an increase of 7.6 percentage points). On the other hand, the downward trend was visible among people representing agriculture (a down of 6.4 percentage points) and industry (a decrease of 1.3 percentage points). Other sectors have not experienced significant changes.

Table 7 shows typical economic indicators before the Whitlam administration.

Table 7. Basic socio-economic measures of Australia in financial years: 1970/1971 and 1971/1972

Period	Real GDP (AUD, million)	Percentage change in real GDP	CPI	CPI percentage change	Number of unemployed (thousands)	Unemployment rate (%)
1970/1971	96,066	6.1	33.9	3.3	84	1.6
1971/1972	100,365	5.3	39.0	6.8	144	2.5

Source: ABS, CPI: Australian Economic Statistics, 6401.0—*Consumer Price Index*, December 1989, 1990; ABS, GDP: *National Income and Expenditure*, 5204.0—*Gross Domestic Product*, 1985–1986; Quarterly Estimates of National Income and Expenditure, June Quarter, 1989, 5206.0; *Unemployment: Australian Economic Statistics*, 92, The Labour Force, Australia, August 1989, 6203.0.

Table 8 shows real economic growth, unemployment, and inflation from 1958 to 1971.

Table 8. Real economic growth, unemployment, and inflation from 1958 to 1971 (in percent)

Year	Real economic growth	Unemployment	Inflation
1958/1959	7.3	2.0	1.6
1959/1960	5.6	2.4	2.5
1960/1961	3.2	2.3	4.1
1961/1962	1.2	3.2	0.4
1962/1963	6.8	2.3	0.2
1963/1964	7.1	1.7	0.9
1964/1965	7.1	1.2	3.8
1965/1966	2.2	1.2	3.6
1966/1967	6.6	1.6	2.7

Year	Real economic growth	Unemployment	Inflation
1967/1968	3.7	1.7	3.3
1968/1969	8.8	1.6	2.6
1969/1970	5.6	1.5	3.2
1970/1971	4.8	1.4	4.8

Source: Reserve Bank of Australia, 1996, 180, 225, 243.

Based on these data, it can be seen that real economic growth was rather stable during this period, unemployment was rather equal, and inflation was on an upward trend.

Australia has a long tradition of state support for science, starting from the early colonial period, with the establishment of weather stations, botanical and zoological gardens, and museums. Scientific work was encouraged by the British system, which provided protection for scientists, inventors, and innovators. Before becoming the federation, each colony had its own laws, but the Patents Act of 1903 established a standard system with government patronage and played a role in encouraging discussion and dissemination of scientific knowledge. In the mid-1950s, there was a development of Commonwealth Office of Education and commitment to mass secondary education. Recruitment to universities and the creation of new colleges reflected the impact of economic growth. The reform policies of the 1970s showed concern for retention rates of students over 15.

For many decades after World War II, a steady decline in employment in the mining industry has been observed. Australia's workforce is much better educated, especially since World War II and the expansionist state support policy for secondary and higher education. By international standards, Australia has always been a country with a high level of literacy and a mass society with secondary, higher, and advanced technical education. This expansion was due to immigration and natural growth. This phenomenon occurred despite the general decline and stagnation in the participation of women in the workforce, which lasted from the period of early settlement to the mid-twentieth century. Although it is difficult to accurately assess the contribution of women to the workforce throughout the history of Australia, it is nevertheless known that in the 1960s, there was an increase in the involvement of married women in the labour market. For example, in 1967, there were over 2 million 711 thousand working women, and in 1971, there were already 3 million 26 thousand.¹³

In terms of the distribution of working people, the state of New South Wales had the largest number, especially since 1954, and so in 1954, it was over a million people, and in 1976, 1,270,000. In 1971, there were 568,000 people with higher and

¹³ Commonwealth Bureau of Census and Statistics, *Official Year Book of the Commonwealth of Australia*, 691.

secondary vocational education, 177,000 farmers, over a million office workers, and 559,000 factory workers, 436,000 people working in services, and 35,000 miners.¹⁴

The profession has undoubtedly been influenced by the education obtained at universities. In Australia, in 1970, there were 7,470 government schools, and 9,650 together with private schools. The highest number of students in 1970 was in New South Wales—45,885; in Victoria (VIC)—27,629; in Queensland (QLD)—17,584; in South Australia (SA)—10,176; in Western Australia (WA)—7,782; in Tasmania (TAS)—3,119; and in Australian Capital Territory—4,603. In total, in 1970, there were 116,778 students. The largest number of students was in the *higher degree* category—11,549 and *bachelor degree*—97,375, much less in the *post-graduate* category, only over 4,000 people.¹⁵ In 1970, there were 9 museums and 5 galleries in Australia; together with other cultural institutions—53 institutions in total.¹⁶

It can be concluded that Australia's labour force is not a strong point of the economy in quantitative terms, especially when compared to other Asia-Pacific economies and in relation to the size of Australia's territory. Nevertheless, in qualitative terms, they are a factor of significant importance for economic development. Unfavourable trends resulting from the size of the concentration of resources in urban agglomerations or the aging of the population (observed in most highly developed economies) were solved in Australia by the subsequent relaxation of immigration policy. Australia has gradually achieved achievements in the social integration of immigrants (including in the labour market). It can be considered that the structure of Australia's equipment in production factors was an important economic premise for the development of cooperation with the economies of the Asia-Pacific region. The resources of Australia and Asian countries can complement each other, thanks to which it was possible to achieve regional specialisation of production in accordance with the comparative advantages held by individual economies.

In addition to internal factors, the development of economies is influenced by external factors, which, depending on their intensity and importance, may lead to the occurrence of turning points, determining a fundamental change in the profile and nature of economies. A similar situation occurred in Australia, where two periods can be distinguished. Their caesuras are largely consistent with global processes important for the formation of the global economy. The first of these periods began with the colonization of Australia, i.e., at the turn of the eighteenth and the nineteenth centuries, i.e., during the emergence of the traditional world economy. The evolution of the profile and nature of the Australian economy, as well as the direction and structure of its international economic relations, which began in the

¹⁴ Vamplew, ed., *Australians Historical Statistics*, 147–48.

¹⁵ Commonwealth Bureau of Census and Statistics, *Official Year Book of the Commonwealth of Australia*, 632–37.

¹⁶ Commonwealth Bureau of Census and Statistics, *Official Year Book of the Commonwealth of Australia*, 672.

interwar period of the twentieth century, did not gain momentum until several decades later.¹⁷

During the period of the traditional division of labour in the world economy, Australia's economy was subordinated to colonial rules, hence the economic relations with Great Britain played a fundamental role. At the time Australia regained state independence in 1901, the economic ties with Great Britain did not change. The change was also not affected by both wars, which led to qualitative changes in the global economy. The private sector emerged efficiently in the Australian economy, but an important determinant of its growth during this period was public spending, including the United Kingdom's expenditure on maintaining the colonies.¹⁸ Industrialisation also occurred based on links with British industry.

At that time, Australia remained an economy with a relatively low level of opening, with a large share of agriculture and the mining industry in GDP. It was a country providing its inhabitants with a high standard of living at the threshold of independent statehood, and even immediately before the outbreak of World War I. Australia was the economy with the highest level of GDP *per capita* in the world. In later decades, its position in this respect was gradually weakened (in 1950, it was in third place, giving way to the US and Canada, and in 1970, in addition to these countries, Australia was also overtaken by: Sweden, Switzerland, Denmark, Germany, and France).¹⁹ Table 9 shows Australia's trade and trade balance with selected countries in 1970 and 1971.

Table 9. Australia's trade and trade balance with selected countries in 1970 and 1971 (in AUD million)

Country	Export		Import		Trade balance	
	1970	1971	1970	1971	1970	1971
United Kingdom	545	509	964	1,018	-419	-509
United States	612	634	1,156	1,032	-544	-398
PRC	129	27	36	41	93	-14
Japan	1,254	1,454	577	731	677	723
South Korea	13	27	5	7	8	20
Hong Kong	92	108	66	72	26	36

Source: own work based on IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77, accessed 22 March 2023, <https://doi.org/10.5089/9781484315613.042>; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72, accessed 22 March 2023, <https://doi.org/10.5089/9781451952841.042>; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76, accessed 22 March 2023, <https://doi.org/10.5089/9781451952940.042>; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86, accessed 22 March 2023, <https://doi.org/10.5089/9781451953008.042>.

¹⁷ Anna Zielińska-Głębocka, *Współczesna gospodarka światowa: Przemiany, innowacje, kryzysy, rozwiązania regionalne* (Oficyna Wolters Kluwer Business, 2012), 15.

¹⁸ Ian W. McLean, "Australian Economic Growth in Historical Perspective," *The Economic Record*, 80, no. 25(2004): 330–45.

¹⁹ Angus Madison, *The World Economy: A Millennium Perspective*, OECD, 2002, 23–24; Kym Anderson, "Australia in the International Economy," *Discussion Paper*, no. 49(2001): 46.

Table 9 shows that the trade balance was positive at that time with Japan, in second place with China, but only in 1970, and then with Hong Kong and South Korea. In the post-war period, there was a gradual increase in the importance of economic relations with countries other than Great Britain. An important motive for changes for Australia was the accession of the former colonial metropolis to the EEC in 1973. This made Australia necessary to redefine international economic relations, to which some parts of this work were devoted.

Before the reforms, Australia was an economy with a relatively large role of the state and a low level of opening. It was due, among other things, to two world conflicts, when economic resources were mobilised for the needs of the war, as well as to the economic model adopted after World War II based on Keynes's interventionist theories.²⁰ Tariff barriers to foreign trade were the highest among OECD countries. The labour and financial markets were also subject to significant restrictions and limitations, and the Australian dollar exchange rate was not floating.

In connection with these limitations, a change in economic policy was made, which was aimed at opening up the economy to increase the efficiency of management, improve the competitiveness of the Australian economy, and make its effective adjustment to the realities of globalisation. The weakening of Australia's position compared to other countries in terms of *per capita* income also prompted the search for new economic solutions.

Since 1965, the Australian economy has experienced its "golden age."²¹ Therefore, it is worth looking at what trade with ASEAN countries looked like in the period immediately preceding Whitlam's rule (Table 10).

Table 10. Australia's trade with ASEAN countries in 1970 and 1971 (in AUD million)

Country	Export		Import		Trade balance	
	1970	1971	1970	1971	1970	1971
Philippines	51	50	5	6	46	44
Indonesia	44	48	39	21	5	27
Malaysia	72	76	39	36	33	40
Thailand	37	37	4	7	33	40
Singapore	112	141	16	40	96	101
South Korea	13	27	5	7	8	20
Hong Kong	92	108	66	72	26	36

Source: own work based on IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86.

²⁰ Patric Weller and Jenny Fleming, "The Commonwealth," in *Australian Politics and Government: The Commonwealth, the States and the Territories*, eds. Jeremy Moon and Campbell Sharman (Cambridge University Press, 2003).

²¹ Mieczysław Sprengel, *Zarys historii gospodarczej Australii w XX wieku* (Wydawnictwo Adam Marszałek, 2006), 96–132.

Table 11 refers to the total exports and imports with ASEAN countries.

Table 11. Total exports and imports and trade balance with ASEAN countries in 1970 and 1971 (in AUD million)

ASEAN countries	Years	
	1970	1971
Total exports	316	352
Total imports	103	110
Total trade balance with ASEAN countries	213	242

Source: own work based on IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86.

It is worth noting that in 1970 and 1971, the total trade balance with ASEAN countries was positive, which also proves the effective foreign policy of Australia under the previous Prime Minister. The beginning of the 1970s did not herald a deterioration of the general economic situation.²² In 1972, the leader of the ALP, Gough Whitlam, became the new Prime Minister of Australia. The two decades so far stimulating economic growth and the commodity boom at that time have been interpreted by him as a real opportunity to raise Australians' standard of living. The new Prime Minister promised to increase public spending thanks to the achieved economic growth.²³ The ALP leader's programme provides for an increase in budget expenditure on education, cultural policy, urban and regional development, health-care, and funds for the most deprived groups.²⁴

The analysis of the economy in the further part of the monograph concerns issues related to the size and dynamics of GDP, as well as the structure of its creation. Due to the subject of the study, some of the indicators describing these issues have been presented against the background of selected economies of Asia and the Pacific. The intention of the book's next part is to explore individual sectors of the Australian economy in terms of dynamics, internal structure, and export potential. The main directions of Australia's agricultural, industrial, and service policies are also presented.

However, it is extremely important to show the political conditions of Australia before Gough Whitlam took power. Therefore, it is necessary to pay attention to the most important trends and phenomena also in Australia's foreign policy in 1949–

²² Ray Brooks, "Inflation and Monetary Policy Reform," in Anoop Singh et al., *Australia: Benefiting from Economic Reforms* (International Monetary Fund, 1998): 64.

²³ Tom Conley, *The Vulnerable Country: Australia and the Global Economy* (UNSW Press, 2009), 181.

²⁴ Ashel David Lavelle, *The Death of Social Democracy: Political Consequences in the 21st Century* (Routledge, 2008), 58.

1972. Until 1972, we have had the longest consecutive period of 23 years of uninterrupted rule at the federal level by a single political group, namely a coalition of centre-right parties with the LPA (Liberal Party of Australia) as the leading member of the coalition. Towards the end of the LPA's rule, there was a growing difference of views on some foreign policy issues, particularly on the possible recognition of the People's Republic of China. Friction took place between the main ruling party and the main opposition party, and to a lesser extent, also between the coalition parties.

Considering external conditions, it should be emphasised the progressive polarisation of international relations and the accompanying intensification of anti-communist sentiments in the countries of the Western bloc, to which Australia belonged. At that time, decolonisation processes in the area of the British Empire and the growing importance of the People's Republic of China were progressing, as well as intensive activities of this country for the recognition by other participants of international relations of its sovereignty over the whole of China, and thus the withdrawal of recognition for Taiwan. Indonesia's expansive foreign policy in the first years after the country regained independence was also important.

Returning to the background of domestic politics preceding the election of Whitlam as Prime Minister, the period of Prime Minister Menzies's successors, i.e., we should consider the period 1966–1972. Harold Holt had a close relationship with Menzies, but unlike Menzies, he did not dominate the government—he was willing to work as a team and gained a lot of sympathy. He made major changes and brought Australia closer to Asian countries in immigration policy and strengthened cooperation with the United States. Despite the popularity of this Prime Minister, the government experienced many setbacks. Of the smaller problems, the situation was influenced by the confusion around the investigation into the sinking of the Australian destroyer “Voyager” during manoeuvres and the use of military aircraft by politicians. Far more important was Gough Whitlam's takeover of the ALP leadership. He was a much more efficient politician during parliamentary debates than Holt, and he also easily reformed his party. Holt's tenure ended with his tragic death. For three weeks, John McEwen was the Prime Minister *ad interim*.

From 10 January 1968 to 10 March 1971, John Gorton held the office of Prime Minister. Voters hoped that his media persona would match Gough Whitlam's. Over time, however, the new Prime Minister's behaviour sparked protests in the media, parliament, and in his own party. Gorton disregarded ministerial officials, made decisions without procedures, often based on informal conversations. The position of individual states weakened, and Gorton's centralist approach provoked strong resistance. The Prime Minister's suspicion of foreign capital did not serve him well either. Another issue that aroused great emotion was his position on suggesting the possibility of withdrawing from Australia's defence policy in forward positions in Southeast Asia. Gorton wanted to secure Australia with troops stationed only in

Australia. Moreover, he saw the possibility of granting permission for the presence of the USSR Navy in the Indian Ocean. Because of such a policy, Gorton had to resign. The October 1969 election saw the largest shift in votes in favour of the ALP. In March 1971, Gorton was replaced by William McMahon. The new Prime Minister was a fervent supporter of free trade and the opening up of the Australian economy, which did not please the protectionist lobby. Since the 1960s, television has played a big role, and McMahon has not found contact with young voters, and although he withdrew almost all soldiers from Vietnam, this did not increase his popularity. The year 1971 was marked by the loss of power of the Liberals in Western Australia, and a year later, in Tasmania. The economic situation in the world had a negative impact on Australia, where unemployment was rising and inflation appeared.²⁵

When Prime Minister McMahon set the date of the elections to the House of Representatives for 2 December 1972, at the same time, the Labor Party began an intensive election campaign. The election slogan was "It's time." Australians wanted immediate change to move away from the values and social attitudes characteristic of Menzies's era and the mistakes of his political successors. At that time, the ALP was reformed, and the young generation saw their future in modern Australia, which Gough Whitlam intended to create.²⁶ An important point of interest for Whitlam was the sphere of social spending and its share in GDP. Before 1980, the nature of Australian welfare benefits was extremely selective. During the rule of the right, there was a specific system of wage regulation and a slow increase in spending. Like most other industrialised countries, Australia experienced a huge increase in total social spending in the twentieth century, which coincided with ALP policies under Gough Whitlam from 1972 to 1975. Cash outlays were insufficient to cover even the rigorous social finances in OECD countries. The most decisive change took place in the 1940s. The growth trajectories were different for various benefit programmes. Social expenditure increased from near zero to 4% during the first 30 years of the federation in the twentieth century and by another 4% in the 1970s. Over a period of 40 years, they have not increased at all, despite a significant expansion of the Commonwealth's powers in social services.

The functioning paradigms were uniform in their programme, and the federal states of Australia had a tendency to develop slowly within the welfare state framework and simply spent less on this aid than other countries without such an administrative division. It was argued that federal institutions could be affected by the ratchet effect. In this way, the pace will slow down. However, Australia's history shows its development and significant stages in the realisation of the welfare state. It is difficult for theoretical models to grasp and describe the variety of approaches and implementation of well-being plans. As a result, it is difficult to assess the extent to

²⁵ Jan Lencznarowicz, *Australia* (TRIO, 2005), 282–84.

²⁶ Lencznarowicz, *Australia*, 285.

which federalism had an impact on Australia's path of prosperity.²⁷ However, it can be noted that Australia fits very well into theoretical concepts analysing a similar system of federalism and their impact on the evolution of welfare in other countries. Only theoretical paradigms differed in their diagnoses, in that in the structure of a decentralised state, there are barriers on the part of regional structures in the form of individual estates. In view of this, Australia seems exactly such a paradigmatic example. The exceptions are the years immediately after the formation of the federation in 1901, when the country—compared to other states—was delayed in adapting its prosperity plans and in the first decades after World War II.

If Australia fits paradigmatically with the theories and results of scientific research on the relationship between federalism and the state of well-being, then why continue the scientific discussion? This question was asked by Castles and Uhr. Their answer is that more such cases are worth investigating, including Australia with a low social spending sphere that has existed for most of the century since the federation's inception in 1901. Alternative reports have variously identified the unique, selective nature of the Australian benefit system. A slow increase in spending occurred before the decade of the 1980s. This trend in recent decades has been very similar to the aid characteristics of other welfare states, such as Greece or Japan.

Castels and Uhr analysed Australia for such social assistance from 1900 to 1980. One of the main questions is why Australia's route in this area of assistance differs from other industrial countries. The new policies of welfare states since 1980 have focused on changing the nature of federal institutions, which have been under pressure to cut social spending. In welfare states, social programmes functioning after World War II served to focus policy on maintaining social security. Especially these programmes have been used by left-wing and centre-left parties in Europe in countries with Christian-democratic influences. It was to be a safeguard for the working class and the so-called white collars working for the state. Australia was not among them. As a country, it was a pioneer in the 1920s, but this role ended in the interwar period. Australia is behind the leaders of prosperity in Europe. Just after World War II, when other countries increased social spending, nothing changed in Australia. However, there has been a gradual increase since the 1950s, and the pace of spending increased significantly in the 1970s.

Table 12 shows specific data related to Australian social assistance expenditure in 1900–1961.²⁸ These numbers tell us how important social welfare spending was in Australia. The statistics illustrate the phenomenon of increasing social spending by most industrial countries in the twentieth century. As a result of the research, it turned out that there was significant progress in social benefits during Gough Whit-

²⁷ Francis G. Castles and John Uhr, "The Australian Welfare State: Has Federalism Made a Difference?," *Australian Journal of Politics and History*, 53, no. 1(2007): 96–117.

²⁸ Castles and Uhr, "The Australian Welfare State: Has Federalism Made a Difference?," 99.

lam's government in 1972–1975. It was still an insufficient acceleration compared to OECD countries. Nor were there any special controls on these expenditures in individual states, up to the federal government. The biggest change occurred in the 1940s. At that time, there was no significant difference between Australia and OECD countries in the control of social spending. As far as spending on education and health is concerned, for example, it grew very slowly during the first half of the twentieth century. However, they grew steadily from 1950 to 1951. Table 12 shows this phenomenon.

Table 12. Social assistance expenditure in Australia in 1900–1961 for each financial year (% data)

Year	Total social expenditure in relation to GDP	Percentage share of Australian states in social spending in GDP	Share of social expenditure within the Commonwealth in GDP	Expenditure on social assistance as a % of GDP	Education expenditure as % of GDP	Health expenditure as % of GDP
1900/1901	1.7	100	0	0.3	1.0	0.4
1910/1911	1.9	69	31	0.7	0.9	0.3
1920/1921	4.0	44	56	2.1	1.3	0.5
1930/1931	6.9	49	51	4.6	1.7	0.7
1940/1941	5.2	50	50	3.5	1.3	0.6
1950/1951	7.0	30	70	4.3	1.2	1.5
1960/1961	9.4	39	61	4.7	2.0	2.3

Source: Francis G. Castles and John Uhr, "The Australian Welfare State: Has Federalism Made a Difference?," *Australian Journal of Politics and History*, 53, no. 1(2007): 99.

The data in Table 12 show the average annual shares of social spending in GDP in various categories in subsequent years every decade, during the period 1900–1961, along with the percentage share of state and federal expenditure and the share of GDP for social assistance, education, and health at the same points.

As a result of various reforms, Gough Whitlam was seen as the nation's leader. He enjoyed great support among students, participants in the anti-war, and feminist movements, as well as among people with higher education and representatives of the middle class. Whitlam gained support thanks to a broad vision of reform with many promises. The Prime Minister placed particular emphasis on the elimination of conscription to the army, the introduction of free health-care, free higher education, generous subsidies for education, and many social programmes. As a result, the ALP gained more support than the coalition parties and the DLP combined. In this way, the road to government was opened, led by Gough Whitlam. The following chapters present the reforms that this policy has made in more detail.

Housing Policy, Urbanization, Urban Development, and Transport Policy

ABSTRACT: The chapter contains very important content on housing policy, urban development and transport. The size of Australia's population and changes in immigration policy have been considered when describing these issues. Attention was paid to smaller cities and neglected areas outside them, especially when it comes to infrastructure and improving the quality of suburban housing in large cities. The issue related to road safety and transport in Australia is also described.

KEYWORDS: Australia; Whitlam; housing policy; urban; transport

HOUSING POLICY, URBANIZATION, AND URBAN DEVELOPMENT

This chapter addresses the subject of housing policy, urbanisation and urban development, and transport policy. To investigate these issues, a hypothesis will be put forward, which is that the standard of living of the Australian population in terms of living conditions, urbanisation, urban development, and transport has improved. For this purpose, the chapter shows statistical data and cite the names of institutions and organisations established during the times of Gough Whitlam. The method of analysis and examination of documents was used.

For the country's inhabitants, a favourable housing policy of the government is important. At the same time, an important element for the government is the size of the population living in the country. Between 1861 and 1977, the birth rate was the main component of population growth. The period from 1947 to 1961 was characterised by a continuous high birth rate and a resumption of immigration.¹ In Aus-

¹ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 98.

tralia, in 1971–1976, this increase amounted to 193,000 people per year. These rates were higher in 1971–1973 than in 1976–1981, which should not be associated with the influence of state policy, but rather with natural trends in the world. The highest natural increase was in Hobart, Melbourne, Adelaide, Sydney, and Brisbane. There are the largest population centres in Australia.² In 1976, over 3 million people lived in Sydney, and 2.6 million in Melbourne.³ About 2/3 of Australia's population lived in New South Wales and Victoria, and the largest cities in these states were Sydney and Melbourne. Throughout the nineteenth and twentieth centuries, there was a tendency to clearly concentrate the population in state capitals and in larger Australian cities. Overall, in the twentieth century, two-thirds of Australia's population lived in the eight largest cities.⁴

The fastest population growth was recorded in Queensland on the Gold Coast. In the 1970s, the Australian population increased as a result of improved life expectancy rates. On the other hand, the baby boom ended and fewer children were born in the following years. On 30 June 1971, the estimated population was 12 million 937 thousand people, while on 30 June 1976, the number of inhabitants was estimated at 13 million 915 thousand. Statistical data indicate that in January 1977, there were 14 million people in Australia.⁵ At that time, Australia needed a constant influx of immigrants from Great Britain, but they did not want British repeat offenders to take refuge there. To this end, they cooperated, in others, with British security institutions.⁶ For example, in order to increase security in the Antipodes, the number of people employed in the police in Victoria increased by 300 officers in 1974.⁷ In 1971, 87,000 people worked in uniformed services (in the army and police), and in 1981—100,000.⁸

Smaller cities and areas outside cities were neglected, especially when it came to infrastructure. Even though Prime Minister Robert Gordon Menzies ruled for a long time (1949–1966), many residents at that time did not have a sewage system. The distance to a high school outside the city averaged 12 miles. The roads were not paved, and readers were also far away from the libraries. Australians waited about four years to connect the phone. The state of hygiene was not satisfactory and many people were suffering from jaundice at that time.⁹

² John C. Blaxland, *The Australian Army From Whitlam to Howard* (Cambridge University Press, 2014), 371.

³ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 100.

⁴ Blaxland, *The Australian Army From Whitlam to Howard*, 372.

⁵ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 98.

⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 15 September 1973: 3.

⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 16 March 1974.

⁸ Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 148.

⁹ John C. Blaxland, *The Australian Army from Whitlam to Howard* (Cambridge University Press, 2014), 372.

The Australian federal government had no direct influence on the enforcement of housing policy and was limited in many areas. To be more effective in this policy, Canberra had to cooperate with state governments. The federal government's overall involvement in construction began in April 1943, when Prime Minister John Curtin appointed Commonwealth Housing Commission to examine housing needs in all states. The report states that the Australian government should be responsible for providing adequate housing for people on low incomes.¹⁰

Gough Whitlam had always been interested in this subject and when he got into parliament his first speech on 19 March 1953 was on housing and was the main topic of this speech. This politician was disappointed with the restrictive policy of the Menzies government in this area, which in 1951, limited the granting of loans in order to control the increase in inflation and interest rates on loans. Despite the restrictions, in 1951, the construction of 22,000 houses began throughout Australia, and a year later, the construction of another 15,500 houses was implemented.¹¹

As recently as 1954, 49,148 Australian families lived in various types of sheds and huts, and 107,216 people had to share apartments with others. At the time, there were 8,986,530 residents in Australia, more than 1% shared housing with others and about 0.5% lived in makeshift homes.¹² Between 1956 and 1972, state governments cut the construction of new housing in half. In 1972, across Australia, 90,000 families were registered on the waiting list in Housing Commission. More and more Australians were becoming homeless or living in unsatisfactory living conditions. Housing problems after World War II became evident in all areas of social policy. People moved more often and faster to the suburbs of state capitals. Federal, state, and local governments have failed to keep up with adequate facilities for migrants.¹³

Whitlam recalls that he had already submitted initiatives in the ALP before he became Prime Minister. As a result, he won the support of many thousands of Australian city dwellers during the election. The ALP's victory in the 1972 elections was based, e.g., on the effects achieved in places involving poor infrastructure in the outer metropolitan areas. For example, these were Macarthur, Mitchell in New South Wales, Casey in Diamond Valley, La Trobe and Holt in Victoria.

Relatively little spending on urban projects by state governments and insufficient federal funding contributed to poor urban planning. Often it was a mistake of the state governments and a product of their own ineptitude. Whitlam himself made several points clear in a lecture at the Walter Burley Griffin Memorial in Canberra in September 1968. He pointed out a big problem with urban and regional planning in Australia. The exceptions were Brisbane and Canberra. The main difficulty was that the planning institution was not the body that issues the funds. Organisations that

¹⁰ Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 443.

¹¹ Whitlam, *The Whitlam Government 1972–1975*, 443.

¹² Vamplew, ed., *Australian Historical Statistics*, 148.

¹³ Whitlam, *The Whitlam Government 1972–1975*, 443.

spend money focus more on ensuring electricity supply, operating trains, securing cities with water, and building schools, etc. The objectives of the main road administration were not always in line with the objectives of the authorities responsible for water supply and sewage.¹⁴

The bad situation can be attributed to the structure and organisation of the government itself. For too long, Australians have tolerated a situation in which the state authorities only planned general projects. In New South Wales, for example, the National Planning Authority was established in 1963 without the support of experts in housing, health, education, or industrial development because fewer people were employed to plan a city for five million people than to plan Canberra per 100,000 inhabitants. Whitlam made a clear turn in urban affairs in New South Wales. In October 1968, in the Fabian Society, he addressed the failures of the post-war government of New South Wales in its mishandling of Sydney’s Warringah districts, the premature development of Blacktown, and the incomplete development of the Green Valley. From the outset, it was foreseeable that the people of Warringah would become an effective pressure group for the provision of municipal services. With them in mind, two expensive bridges were built, which ran through the Middle Harbour. Moreover, an expressway was marked out and water supply and sewage systems were provided. The costs were high, because it is a very rocky area. However, the benefits of Warringah’s development justified the high costs of expansion.

In the late 1960s and early 1970s, many Sydney districts lacked adequate sewerage systems, paved streets, rainwater drainage, convenient public transport, and sufficient shopping facilities and schools. The state of transport in Australia is presented in Table 13, from 1955 to 1980.

Table 13. Length of rail, tram, and bus routes completed in Australia between 1955 and 1980 (in miles)

As of 31 December	All means of transport intended for passenger service			
	Trains	S-Bahn	Electric trams	State buses
1955	517	487	587	370
1960	460	452	341	420
1965	464	418	218	459
1970	450	427	115	458
1975	370	336	112	419
1980	n.d.	n.d.	99	357

Source: Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 168.

Table 13 shows that from 1955 to 1980 the length of lines built and intended for passenger service decreased, and yet the population in Australia increased in sub-

¹⁴ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 466.

sequent years. It should be assumed that society used cars to an increasing extent. Properly designed communication was conducive to the development of districts. For example, the Blacktown district in Sydney experienced a failure, which turned out to be a direct result of the disgrace of the government's municipal policy at the time. According to Whitlam's opinion, Blacktown was developed prematurely, without considering the infrastructure.

Green Valley, on the other hand, is a social housing estate in Sydney located near the Liverpool district. The Housing Commission in New South Wales began developing the area in the late 1950s. By 1962, 6498 houses had been built there. A quarter of Green Valley's residents belonged to the so-called blue-collar group. This was more than the national average. In the same district, there were half as many white-collar people as in other locations and 15% more children under 16.

In terms of the number of passenger cars, Green Valley had a lower rate than the national average. It was also a clear mistake that this district was built more than five kilometres from the nearest railway line. Adequate bus transport was also not provided. Residents also did not have many opportunities to find employment within this district. Particular attention was paid to the situation of Green Valley in its report for the years 1962–1963 by the Housing Commission in New South Wales. These inconveniences for residents were also noticed by a research team from the University of Sydney Department of Social Work in July 1966.¹⁵

Green Valley has become a cultural and recreational wasteland. This district was also characterized by frighteningly frequent acts of vandalism, high juvenile delinquency, a large number of various types of minor offenses and frequent family breakdowns. Hugh Stretton considered this area to be one of the places where there is the highest number of crimes against Australian children.¹⁶

Until the election of the ALP government in 1972, no previous federal government paid attention to urban and regional policy. Also, few state governments dealt with this issue. Problems affecting cities simply did not exist as a political issue since the formation of the federation. The development of cities was left to itself. The states maintained departments independent of Canberra only symbolically, but nothing was done about the accumulated problems of the cities. It was only the ALP government under Whitlam's leadership that took an interest in cities, and their development was deliberately entrusted to developers. In addition to them, local authorities have also become interested in the fate of cities.¹⁷

A harbinger of a new approach to Australian urban development and increased involvement of the federal government was the decision of the Whitlam cabinet on 19 December 1972 to establish the Federal Department of Urban and Regional

¹⁵ Whitlam, *The Whitlam Government 1972–1975*, 381.

¹⁶ Whitlam, *The Whitlam Government 1972–1975*, 381.

¹⁷ Whitlam, *The Whitlam Government 1972–1975*, 382; John Martin, "Legacy and Lessons from the DURD Project," in *The Whitlam Era*, eds. Scott Prasser and David Clune (Connor Court, 2022), 169–72.

Development (DURD) to carry out in-depth analysis, research and coordination of plans for each city and region, and to advise the federal government on urban subsidies.¹⁸ The new department has developed a national strategy for cities and regions. The aim was to reduce regional inequalities by supporting grants in individual regions. Commissions for the purchase of land for the construction of blocks of flats at reasonable prices were also supervised. Federal departments, in cooperation with state departments, became responsible for the national sewer programme.¹⁹ Under DURD, the National Sewerage Programme was established for ten years, in the amount of AUD 330 million. DURD reported in 1974, that 1.47 million people, or 17.4% of the country's population, lived in urban areas in houses without sewage systems.²⁰

DURD encountered difficulties in implementing the planned tasks. He was accused of spending too much money not only for the needs of salaries for senior officials in the department. The services operating in the field and having designated areas of operation were not going to give them back to the new department easily, even if it was crucial for implementing government assistance to Australian cities.²¹ The objective difficulty, as Neilson noted, was that under the existing infrastructure conditions, there were not many opportunities to revitalise the old parts of the cities.²²

The Whitlam government inherited the housing sector in poor condition. There were long delays in the supply of materials, and the supply could not keep up with the demand for housing.²³ The greatest damage to the construction industry was caused by the Ministry of Finance and the applied monetary policy and, as a result, reduced lending opportunities. In 1973–1974, 142,000 private houses were built, and 130,000 properties of this type in 1974–1975. These positive effects were due to the Whitlam government's housing programme, which also prevented unemployment in construction.

Between 1945 and 1971, social housing was allocated to tenants through a series of agreements between Canberra and state governments. From 1971, the Housing Agreement, a new agreement between the government and all states, was introduced. Under this document, state governments allocated loan funds for social

¹⁸ Martin, "Legacy and Lessons from the DURD Project," 168–69.

¹⁹ Martin, "Legacy and Lessons from the DURD Project," 168–69; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 464.

²⁰ Martin, "Legacy and Lessons from the DURD Project," 173.

²¹ Benjamin Huf, "Experts in This Field Are Rare: The Ambitions of DURD," in *Curating the National Estate: Equality, Environment and the Whitlam Government* (Whitlam Institute within Western Sydney University, 2022), 24–25; Whitlam, *The Whitlam Government 1972–1975*, 382.

²² Lyndsey Neilson, "The 'Building Better Cities' Program 1991–1996: A Nation-Building Initiative of the Commonwealth Government," in *Australia Under Construction: Nation Building—Past, Present and Future*, ed. John Butcher (ANU Press, 2008), 83–118.

²³ Whitlam, *The Whitlam Government 1972–1975*, 448.

housing purposes and were supported by the federal government. Canberra supported state governments under the States Grants (Housing) Act 1971²⁴ through non-repayable, interest-free grants from state funds.²⁵ The Act was intended to be in force for five years, but in 1973, it was amended to apply only to the years 1971–1972 and 1972–1973.²⁶ Another housing agreement, the Housing Agreement for 1973–1974, was concluded between the state government and all states in 1973 with respect to social housing. From 1 July 1973, the government paid advances to finance state programmes for housing and house construction. The loans for these purposes were to be repaid over 53 years with interest at the rate of 4% per annum. In 1974, these provisions were changed in a few minor issues.²⁷

On the other hand, as far as construction for pensioners is concerned, it was based on the Act of 1969, States Grants (Dwellings for Pensioners) Act 1969,²⁸ and the Act of 1974, States Grants (Dwellings for Pensioners) Act 1974.²⁹ There is a clear decrease in the number of approved house designs for retirees. In 1975–1976, i.e., during the Whitlam government, 44 such houses were built. In 1976–1977, when Fraser was in power, the number of such houses was 26.³⁰ The Whitlam government tried to protect the weakest in society from the economic crisis and this was the main reason for the housing programme. Federal government investment in public housing as a proportion of total government spending in Australia increased from 2.2% in 1972–1973 to 5.1% in 1974–1975.³¹

In February 1975, the federal government established Indicative Planning Council of the Housing Industry under the direction of Professor John Nevile to formulate a further strategy for housing construction in Australia. A 1977 report showed the negative impact of monetary policy and the reduction in grants granted by the government of Malcolm Fraser. In the financial year 1977/1978, 19,000 fewer dwellings were built in relation to the needs. Previously, the Whitlam government created a relief system for people with lower incomes. For people with incomes of less than AUD 4,000 per year, all mortgage interest was deductible from income. For every AUD 100 of increased income, 1% was deducted. Deduction was not possible for incomes over AUD 14,000 per year.³²

In March 1973, the act Housing Assistance Bill, to provide grants to individual Australian states in the amount of AUD 6.55 million for the construction of social housing. On 16 May 1973, Minister Les Johnson developed a draft State Grants to

²⁴ States Grants (Housing) Act 1971, Register of Act 1971, No. 111, 6 December 1971.

²⁵ ABS, Catalogue No. 13010, Year Book Australia, 1971, Canberra 1971, 459.

²⁶ ABS, Catalogue No. 59, Year Book Australia, 1971, Canberra 1971, 210.

²⁷ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 459.

²⁸ States Grants (Dwellings for Pensioners) Act 1969, No. 87 of 1969.

²⁹ States Grants (Dwellings for Pensioners) Act 1974, No. 160 of 1974.

³⁰ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 461.

³¹ Whitlam, *The Whitlam Government 1972–1975*, 448–49.

³² Whitlam, *The Whitlam Government 1972–1975*, 449.

allocate further funds of AUD 84.6 million to the states for the construction of social housing in the second half of 1973. In September 1973, another bill was launched State Bill No. 2 in the amount of AUD 328 million for states to build social housing in 1974. State Grants Bill and Housing Agreement Bill opened another AUD 310 million for the states in October 1974. The Prime Minister of Australia at a conference in June 1974 gave new guidelines for the construction of private houses. According to them, in August 1974, the government initiated a “permanent building societies” plan, so that it would be possible to reduce interest on loans for people with lower incomes in the first years of a mortgage loan. Minister of Building and Construction, Joe Riordan, Johnson’s successor, implemented the project States Grants Bill, to give AUD 364.6 million to the states for the construction of social housing in 1975–1976 and AUD 182.3 million in the first six months in 1976–1977.³³ As a result of these government grants to the states, in 1974–1975, as many as 13,500 housing for people with lower incomes were financed. An additional effect was the reduction of the waiting time for an apartment. Table 14 shows the waiting time for housing in 1973–1977.

Table 14. Waiting time for families to live in individual Australian states in 1973–1977 (in months)

Years	NSW	VIC	SA	WA	TAS
1973	42	18–20	39–42	12	21–24
1975	52	9–10	18–41	9–23	18
1976	46	8–10	22–30	17–41	24–27
1977	33	4–8	21–33	10–49	18–22

Source: Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 453.

As you can see, the situation was different in individual states in terms of waiting for this type of apartment. In general, between 1973 and 1975, the waiting time for housing decreased, while after 1976, it increased in Western Australia (WA) and Tasmania (TAS).

The Whitlam government initiated two other social housing reforms. In August 1973, special prices for flats for poorer people were set and a discount scheme was introduced. In November 1974, Minister Johnson signed the State Grants (Dwellings for Pensioners) Bill, allocating AUD 30 million to the states for the next three years—until June 1977—for housing for single pensioners. The Defence Services Homes Act of 1974³⁴ increased the maximum loan limit to AUD 15,000, which also turned out to be available to widows.³⁵ As for helping young couples buy a house,

³³ Whitlam, *The Whitlam Government 1972–1975*, 450.

³⁴ Defence Services Homes Act of 1974, No. 125 of 1974.

³⁵ Whitlam, *The Whitlam Government 1972–1975*, 452–53; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 461.

a bill introduced in June 1973 by the former Minister of Social Care W.C. Wentworth was lost in the House of Representatives by a vote of 50 to 58.³⁶

Whitlam wanted to be well informed about the housing situation at all times. To this end, the Australia Housing Research Council was established in 1973. The council included representatives of federal and state ministers. The aim of this body was to investigate the socio-economic and technical aspects of housing in the public sector. The government has largely based its policy on information from this council. Also in 1973, Canberra initiated the creation of a group to research the use of modern techniques in construction. As a result of its work, on 28 November 1974, the group presented a report on the possibility of achieving savings of AUD 20 million per year through the use of standardisation mechanisms in designing and constructing houses. As a result, the government established the Australia Housing Standards Advisory Council to create new standards for regulation in construction.³⁷

The Australian Housing Corporation (AHC) has focused on helping provide access to affordable housing for the following groups: soldiers, migrants, students, Aboriginal and former and current federal officials. Moreover, Johnson's Defence Service Homes Act of 1973³⁸ extended loan eligibility for ex-servicemen who served outside Australia for more than three years and for certain unmarried women with social care for others. The maximum loan available under this framework has been increased from AUD 9,000 to AUD 12,000.

In February 1975, Minister Johnson signed the bill called Australian Housing Corporation Bill.³⁹ Johnson declared that:

the present time is marked by a significant development in the history of housing in Australia. The Australian Housing Corporation Bill explores the new field of action proposed in this bill: direct relations between the government and private construction companies, as well as between government and non-profit organisations. These actions may address housing issues for a large number of Australian families. It is a strange policy in this country that the Australian Government, which has a large financial reserve in housing, has never yet fully used it for the benefit of the people.⁴⁰

The AHC (Australian Housing Corporation) was organised primarily as a lending institution, but it also had the right to buy, sell, lease property, and to build houses and perform related work. The institution's lending activity focused on the needs of homebuyers who did not qualify for the credit provisions of the Commonwealth State Housing Agreement (CSHA) of 1973.⁴¹ This applied to people who

³⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 16 June 1973: 2.

³⁷ Whitlam, *The Whitlam Government 1972–1975*, 453–54.

³⁸ Johnson's Defence Service Homes Act 1973, No. 31 of 1973, 15 May 1973.

³⁹ Whitlam, *The Whitlam Government 1972–1975*, 454.

⁴⁰ Whitlam, *The Whitlam Government 1972–1975*, 454–55.

⁴¹ Since 1956, around 90,000 housing units have been sold across Australia thanks to the CSHA. Another harbinger of the end of public housing was the emergence of economic rationalism in the 1960s

were not wealthy enough to purchase real estate on the open market.⁴² The main means of state aid for such citizens taking out loans were the reduction of interest rates for mortgage loans and the introduction of a deferred payment system. These programmes also allowed people with an average income to buy a home.⁴³

In October 1975, the Minister of Housing, Tom Uren, proposed the Australian Housing Corporation Bill (no. 2) to broaden the access of corporations to funds enabling financing and assistance in the purchase of property on the private market. However, the bill was still in the legislative process before the House of Representatives and before Whitlam was removed from the office of Prime Minister.⁴⁴ Access to these funds ended when in February 1976, Fraser announced the abolition of the AHC as part of the austerity measures introduced by the new government.⁴⁵

With the CSHA negotiations in 1973 and the establishment of the AHC, the Whitlam government was the first to introduce reforms that brought positive changes to the property market. At the end of June 1973, a conference was held in Canberra to put an end to the practice of speculation in plots of land for the construction of houses, because the actions of speculators significantly increased the cost of building houses.⁴⁶

Whitlam himself claimed that his plans and activities for the development of cities and regions can be the subject of scientific research. Because before he became Prime Minister, he had closely observed the development of cities in Australia. He said that while spending his childhood years in Canberra, he witnessed the implementation of large projects concerning the planning of a city controlled by the federal government.⁴⁷ Every house in Canberra had access to utilities, pavement, road, parks, residents could use kindergartens, shops, and medical centres. As a result of effective planning, facilities in Canberra cost less to maintain than in any other city.

Another Whitlam's memory came from when he was a young, married man living in the suburbs of Sydney. He first lived in the southern suburbs (Cronulla) and then in the western suburbs (Cabramatta), which he represented for 26 years in the federal parliament. Whitlam claimed that no member of parliament knew the realities of life in the suburbs of big cities as he did. He reported on the living conditions of the population in these areas at the Federal Conference of Working Women in September 1968.⁴⁸

and 1970s. Substituting for the post-war Keynesian idea that government intervention in the housing market was necessary, public opinion tended toward the neoliberal idea that government intervention through public housing was one of the causes of the problems.

⁴² Whitlam, *The Whitlam Government 1972–1975*, 455.

⁴³ Whitlam, *The Whitlam Government 1972–1975*, 456.

⁴⁴ Martin, "Legacy and Lessons from the DURD Project," 174–79.

⁴⁵ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 461.

⁴⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 30 June 1973: 3.

⁴⁷ Whitlam, *The Whitlam Government 1972–1975*, 372; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 466.

⁴⁸ Whitlam, *The Whitlam Government 1972–1975*, 372.

In the 1950s and 1960s, most of the amenities that Canberra residents had did not exist in the suburbs of Sydney.⁴⁹ Whitlam's goal as a parliamentarian was to identify shortcomings and develop practical government programmes to deal with them. Whitlam believed that if governments could not improve living conditions in Australian cities and their suburbs, then the system of government was flawed.⁵⁰

Whitlam collected and presented his views on urban issues in a speech entitled *Cities in a Federation*. The speech was delivered at the Sydney Division of the Australian Planning Institute (API) on 20 August 1965. His remarks concerned the links between civilisational achievements and urban development. According to Whitlam's theses, the former must be applied to the functioning of cities.⁵¹ In his speech at the API, he outlined two particular problems in Australia's cities: the decay and devastation of life in city centres and the inefficient planning of social services in the suburbs. Whitlam argued that these problems could only be solved through federal government intervention. The future Prime Minister advocated the participation of the federal authorities in urban renewal, land development, and decentralisation programmes.⁵²

The Australian Constitution makes no mention of the government's powers for spatial planning. For Australia's founding fathers, the socio-economic problems associated with unregulated urban sprawl were of little importance.⁵³ Nevertheless, urban policy issues have largely become the responsibility of the state. However, these issues have raised great concerns at national level. Proper urban policy required significant expenditures. Only the federal government could guarantee the necessary financial resources for such investments. This problem was developed by Whitlam in the Sydney Division of the Australian Planning Institute.⁵⁴

Government programmes for the development of the construction industry were not in line with the private sector's wishes. Developers made the most profits on the housing market on the outskirts of cities. On the other hand, in strictly urban areas, there were difficulties in investing because they were neglected, especially in terms of the quality of existing housing and population density, which decreased over the years.⁵⁵

One of the main goals of the Whitlam government was to improve the quality of suburban housing in Australia's major cities. Gough Whitlam often expressed his concern for the inhabitants of the suburbs of cities and stated that everyone

⁴⁹ Martin, "Legacy and Lessons from the DURD Project," 169–71; Lucy H. Turnbull, *Sydney: Biography of a City* (Random House Australia, 1999), 180–86.

⁵⁰ Whitlam, *The Whitlam Government 1972–1975*, 372.

⁵¹ Whitlam, *The Whitlam Government 1972–1975*, 373.

⁵² Whitlam, *The Whitlam Government 1972–1975*, 373.

⁵³ William H. Moore, *The Constitution of the Commonwealth of Australia* (Legal Books, 1997).

⁵⁴ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 466.

⁵⁵ Whitlam, *The Whitlam Government 1972–1975*, 372–74; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 473.

knew the problems of large areas and the poor condition of roads and transport. Whitlam spoke of the lack of recreational facilities and expressed concern about the increasing vandalism. In view of these problems, the Prime Minister instructed the federal authorities to be more involved in the overall coordination of urban planning.

The mentioned land speculation was uncontrolled. In the 1960s, the average land price in Australia increased by 182%. This situation was often politically motivated, as the federal government refused to support the expansion of the land stock for residential purposes. In his speech at API, Whitlam raised important issues regarding the decentralisation of urban areas. A clear advantage of decentralisation of buildings was the reduction of traffic congestion in cities and individual districts. A separate dilemma related to politics was finding the right combination of government and local initiatives. As a result, in the 1950s and 1960s, decentralisation was the policy of all governments, but not a specific programme. Whitlam gave a lecture at the Curtin Memorial in 1972 entitled *Urbanised Australia*. The Prime Minister drew attention to the need to reduce the intensity of road traffic and improve the efficiency of transport, as well as the quality of life of the population in large urban areas. This issue was to improve infrastructure and ensure significant travel savings for every citizen. Whitlam often pledged his personal support for specific initiatives during his speeches. This was the case with Albury in the Rotary region, where in April 1970, he became involved in the development of the city centre.⁵⁶

As deputy party leader and then leader of the ALP, Whitlam used every available forum to largely address the organisation of planning and policy and to promote the relevance of the topics raised within the API. Whitlam added further tasks to these issues, such as the elimination of glaring irregularities in Australian city halls concerning, for example, water supply and sewerage.⁵⁷ From 1940 to 1965, the proportion of Australians with access to sanitation increased from 53% to 55%. Whitlam had already discussed this issue in a lecture in July 1969 entitled *Urban Nation*. Whitlam said only half of Brisbane's residents and a quarter of Sydney's population live and work in rooms that are sewered. He stressed that no other nation in the West had cities where so much urban sanitation was as primitive as Australia's cities. Whitlam accused the liberals of neglecting sewer infrastructure because they believed that they were socialist enterprises. The politician said: "We are a sewer nation in what liberals call the free world."⁵⁸

Whitlam's 1972 keynote speech committed the government to funding and expanding sewer infrastructure for all Australians by 1978. For the first time, the ALP addressed urban and regional development policy under Whitlam's leadership.

⁵⁶ Whitlam, *The Whitlam Government 1972–1975*, 374–75.

⁵⁷ Martin, "Legacy and Lessons from the DURD Project," 169–71.

⁵⁸ Whitlam, *The Whitlam Government 1972–1975*, 374–75.

Already in 1969, Whitlam assigned a portfolio in the shadow government to Tom Uren, who was to deal with urban policy.⁵⁹

Many issues concerning urban policy were developed by the ALP as early as the late 1960s. In this regard, the mediocrity of the Menzies government was used.⁶⁰ This issue had already been considered earlier, for example, by the Chifley government's Department of Post-War Reconstruction, which developed initial proposals for better regional planning, the elimination of slums, and the creation of appropriate urban amenities. Menzies' government was not very interested in such problems and relinquished all responsibility regarding municipal and regional affairs.⁶¹

Menzies' reluctance can be shown by his refusal to accept any federal responsibility for his involvement in city planning in Australia. An example of is that Menzies gave a negative response to his colleague and Senator J.P. Tate, the chairman of Cumberland Country Council, which was established by the New South Wales government to plan the development of the whole of Sydney. It was proposed that the existing metropolitan area should be surrounded by a natural green belt. The satellite cities were in turn connected to the central metropolitan area through a comprehensive system of highways and railways. Only a federal financial commitment could ensure the implementation of the plan. The project was included and described in a letter to the federal authorities on 19 December 1950. However, as mentioned, it was refused by Menzies.⁶²

Under the coalition government before Whitlam, large cities in Australia had serious problems with investments. In order to solve problems and to make cities function well, the International Union for Architects gave (in 1961) Stockholm as an example for all other cities, as the Swedish capital showed the ability to coordinate many problems faced by modern urban centres of the time.⁶³

It was not until the early 1970s, after Whitlam had included a wide variety of urban issues on the federal political agenda, that the federal government turned to urban policy. Despite Menzies's commitment in a speech in 1949 for a decentralised national rural programme to be implemented jointly with individual states and regional and local governments, it was not until 1972 that the Whitlam government produced the first report on decentralisation. In October 1972, the National Urban and Regional Development Authority (NURDA) was founded, which was to propose the desired urban projects. However, these initiatives were too limited and delayed.⁶⁴

⁵⁹ Whitlam, *The Whitlam Government 1972–1975*, 376–77; Huf, “Experts in This Field Are Rare,” 27.

⁶⁰ Whitlam, *The Whitlam Government 1972–1975*, 377.

⁶¹ Thomas Keneally, *Australians: A Short History* (Allen & Unwin, 2016), 855–56.

⁶² Martin, “Legacy and Lessons from the DURD Project,” 171–72; Whitlam, *The Whitlam Government 1972–1975*, 377.

⁶³ Whitlam, *The Whitlam Government 1972–1975*, 378.

⁶⁴ Whitlam, *The Whitlam Government 1972–1975*, 385; Huf, “Experts in This Field Are Rare,” 27.

In April 1973, Uren introduced the Cities Commission Bill to the Parliament. The planned commission was to expand the scope of political activities and increase the staff of the NURDA office as a city commission. While NURDA was headed by only one commissioner, the Cities Commission had a full-time chairman, Sir John Overall, and four part-time commissioners. The commission was designed to be a link between the federal government and state governments, thus ensuring harmonious political interaction in the common goal of decentralisation in Australia.⁶⁵

By the end of 1975, in Whitlam's view, the commission had achieved many of its goals. Under the Act on City Commissions implemented by Uren on 11 September 1975, the work was completed by the government and the functions of this commission were transferred to the DURD. Continuing NURDA's work, in June 1973 DURD produced a report to the Australian government entitled *A Report to the Australian Government—A Recommended New Cities Program 1973–1978*. The programme states that:

Districts that do not meet basic standards develop around central major state capitals, where many people live in conditions of poverty, low standard housing, and lack of social and recreational opportunities. Fraud and breaking the law can and will continue to spread in these districts. Therefore, it is important that the federal authorities are positively involved in the efforts to bring about economic and social change.⁶⁶

The report lists 13 areas where possible changes were sought. These included: Holsworth-Campbelltown—south-west area of Sydney, Gosford-Wyong, Geelong, Albury-Wodonga on the border of New South Wales and Victoria, Bathurst-Orange, Townsville in Queensland, Fitzroy—the region in Queensland, including Rockhampton and Gladstone, Moreton—the region between Brisbane and the Gold Coast, Monaro—the region in New South Wales, Salvado near Perth, Albany-Bunbury-Geraldton, Pilbara, and Tamar in Tasmania.⁶⁷

The government decided that the projects for Western Australia and Tasmania were planned on a small scale and did not require immediate attention. The Queensland project was met with a negative attitude from the state government in the person of Prime Minister Joh Bjelke-Petersen. The lack of a development plan for Townsville was particularly surprising. After all, the federal government had strong ties to the city since the end of World War II—the army and air force and the Commonwealth Scientific and Industrial Research (CSIRO) were established there, and the railway to Mount Isa was modernised. James Cook University was also funded in Townsville. At that time, plans considered the creation of the Australian Insti-

⁶⁵ Martin, "Legacy and Lessons from the DURD Project," 179.

⁶⁶ Martin, "Legacy and Lessons from the DURD Project," 179.

⁶⁷ Paul Strangio, "Instability, 1966–1982," in *The Cambridge History of Australia*, vol. 2, eds. Alison Bashford and Stuart Macintyre (Cambridge University Press, 2013), 143.

tute of Marine Science and the development of areas on the Burdekin River.⁶⁸ The subsequent Gosford-Wyong and Geelong projects were not considered suitable for full implementation with federal resources for various reasons. Four regions were on the central development agenda under Whitlam: Albury-Wodonga, Bathurst-Orange, Monaro, and South-West Sydney, later known as Macarthur.⁶⁹

On 21 November 1973, Uren introduced a bill for the Growth Centres (Financial Assistance) Bill for Albury-Wodonga Development Corporation, Monaro in South Australia, Bathurst-Orange, and Holsworthy-Campbelltown in New South Wales, which received AUD 24 million under this programme. Further allocations of financial support were made through the Urban and Regional Development (Financial Assistance) Act, which came into force on 14 November 1974 and 14 May 1975.⁷⁰

Each project was based on four principles. First, the creation of a development corporation; second, the involvement of the land commission through the purchase and development of large tracts of land intended for subsequent sale to corporations; third, the government's promotion of employment opportunities; and fourth, the sustained maintenance of federal and state spending for these purposes. Whitlam and Uren met in New South Wales with Prime Minister Askin, Prime Minister Hamer of Victoria in Albury-Wodonga on 25 January 1973. At this meeting, it was agreed to continue the development of cities. A project was discussed, envisaging a main highway and railway, which was to connect the largest cities and cross the largest river. This point lay halfway between Canberra and Melbourne. The New South Wales government was reluctant to accept significant building programmes closer to the border than Wagga for fear that the Victorians would benefit from them.⁷¹

The public has encouraged Australian states to work together and create common laws to protect consumers from developers. For example, the Prime Ministers could not agree on Askinville or Hamerton. It was thought that Uren was not the right person to carry out these matters.⁷²

In the early 1970s, land prices in Australian cities rose very quickly. Due to the high demand, it soon turned out that there was a shortage of land for development. In 1973, land prices increased by 46% in Melbourne and 34% in Adelaide and Sydney. The largest increase took place in the outer zones of the metropolis. There was a demand to settle these areas due to the influx of immigrants. As a result of the land commission programme, in 1973, the Australian government sought to work with state governments to better plan and prepare suitable land for housing at prices affordable to the public. Uren allocated AUD 30 million on this programme in 1973 and implemented a draft law Land Commissions (Financial Assistance) Bill.

⁶⁸ Whitlam, *The Whitlam Government 1972–1975*, 384.

⁶⁹ Whitlam, *The Whitlam Government 1972–1975*, 384.

⁷⁰ Martin, "Legacy and Lessons from the DURD Project," 175.

⁷¹ Whitlam, *The Whitlam Government 1972–1975*, 385.

⁷² Whitlam, *The Whitlam Government 1972–1975*, 385.

In addition, on 4 May 1973, the Committee of Inquiry into Land Tenures was established, which reported on the implementation of the plans in November 1973 and August 1974.⁷³

In 1975, the South Australian Land Commission (SALS) received AUD 8 million from the federal government and AUD 4 million from the state government and South Australian Prime Minister Don Dunstan. These amounts allowed for the purchase of 1,299 hectares of land around major cities in Australia. In 1975, more than AUD 20 million was allocated by the Whitlam government to purchase 1920 hectares around the cities and 1094 hectares of agricultural land. In the following year, 1036 hectares of land around cities were purchased for AUD 7.4 million and 654 hectares of land around cities for AUD 1.19 million. After 1975, the previous SALS priorities for land purchase shifted towards infrastructure development in these areas. In the financial year 1976/1977, 3056 plots were equipped with infrastructure and 949 were sold. In 1977, SALS managed 70% of the new residences that were available on the market in Adelaide. The average parcel's sale price by SALS ranged from 7.4 thousand to 12 thousand AUD. In South Australia (SA), land purchase opportunities around cities remained at an average level, which ensured stabilisation.⁷⁴

For comparison, the Victorian Urban Land Council (VULC) managed land on a much smaller scale and had minimal impact on the price of land. VULC acted primarily not as a contributing entity to the provision of infrastructure, but rather as a land-buying bank. VULC accumulated land, but its turnover was not significant though it helped private developers to acquire land that was difficult to take possession of. The same can be said of the activities of the government-founded Urban Land Councils in New South Wales and Western Australia (WA) in May 1976.⁷⁵

In Victoria, on the other hand, there were abuses by the authorities. They took place in activities related to the management of the policy concerning land intended for development into single-family buildings. There were suspicions that this led to corruption. The Victoria Housing Commission (VHC) spent AUD 11 million of public money in 1973 to buy large plots of land. These were not priority sites, but brownfields in Altona, a floodplain in Pakenham, and isolated land on a cliff in Sunbury. In many cases, VHC offered sellers higher prices than the actual value of the land. These measures continued even when the ministers of the treasury introduced a ban on buying land at a higher price than the official estimates for this land. It turned out that the acquisition of these areas resulted in a gain of AUD 4 million more than their value.⁷⁶ As a result, real estate broker Robert Dillon was sentenced to five years in prison for bribing VHC employees, and former VHC employee Neill Riach was sentenced to six and a half years in prison for accepting AUD 32,000 from

⁷³ Whitlam, *The Whitlam Government 1972–1975*, 387.

⁷⁴ Whitlam, *The Whitlam Government 1972–1975*, 389.

⁷⁵ Whitlam, *The Whitlam Government 1972–1975*, 389.

⁷⁶ Whitlam, *The Whitlam Government 1972–1975*, 389–90.

Dillon. As a consequence, this adversely affected the political image of the government in Victoria and led to the ALP's victory in the April 1982 elections.⁷⁷

The Whitlam government has also taken action to renovate city districts and homes, such as in Glebe and Woolloomooloo in Sydney.⁷⁸ The latter was intended for commercial purposes, so the old housing estate was partially demolished, and at the same time, there were plans to put new apartments into use in the remaining areas. Before this happened, residents and trade unions had protested against the state authorities, which resulted in the delay of this project. Finally, in June 1975, Sydney Mayor Nick Shehadie, New South Wales Prime Minister Lewis, and Whitlam signed the Federal State Civic Agreement to prohibit this plan's realisation and replace it with the intention of building fewer buildings for commercial and residential purposes. As a result, 35,000 new jobs were created in this place in a modern business centre.⁷⁹ The administrator of this project was NSW Housing Commission Woolloomooloo. As a result of the changes, a number of blocks of flats of good standard were built there, thus giving the opportunity to live for people working in the city centre.⁸⁰

Another example was the Emerald Hill project, which the government had financed since 1979, implemented close to the town hall South Melbourne Council, on an area of 2.1 ha. The Victorian government did not have sufficient funds to buy land, but DURD allocated AUD 3.5 million for this purpose. The construction works were completed in July 1983. Four new apartment blocks with 84 apartments were built.⁸¹

When the ALP government came into power in 1972, Australia's largest cities were home to more than 1.5 million people, out of a total of 13 million people living in Australia. The inhabitants of the country occupied houses and flats, mostly not connected to the sewage system. Over 16% of all dwellings in cities, i.e., more than 20,000 inhabitants, did not have a sewage system. Only in South Australia, where the State Department was responsible for sewers in the state capital and provincial cities, the situation was satisfactory. In other states, this responsibility rested with non-governmental organisations, but their funds were not sufficient for such projects.⁸²

On 16 December 1972, Whitlam wrote to all state Prime Ministers to start working for programmes related to the construction of sewer networks. The assumed plan was very ambitious and difficult to implement in a short time, so the deadline for its completion was extended from 1978 to 1982. All state governments have agreed to this programme. On 5 December 1973 and 17 September 1974, Uren put

⁷⁷ Whitlam, *The Whitlam Government 1972–1975*, 391.

⁷⁸ Woolloomooloo is a port district in Sydney.

⁷⁹ Whitlam, *The Whitlam Government 1972–1975*, 393.

⁸⁰ Whitlam, *The Whitlam Government 1972–1975*, 393.

⁸¹ Whitlam, *The Whitlam Government 1972–1975*, 394.

⁸² Whitlam, *The Whitlam Government 1972–1975*, 394.

these plans into action under the name of the Sewerage Agreement Bills. The programme had state-specific funding provided from the federal government. Table 15 shows the scale and distribution of funding by state.

Table 15. National sewerage network construction programme (in AUD million)

States	Years		
	1973–1974	1974–1975	1975–1976
NSW	11.2	42.0	42.8
VIC	9.3	38.6	35.4
QLD	2.0	13.7	13.2
SA	1.6	5.8	5.7
WA	3.8	15.5	12.4
TAS	–	2.2	1.8
Support activities	–	1.3	1.7
Total	27.9	119.1	113.0

Source: Whitlam, *The Whitlam Government 1972–1975*, 395.

The federal government wanted to have an impact on the location of these investments. Considering the location of the sewage system, he took into account the region of his activity among voters. In 1973, the Interdepartmental Committee on the Location of Australian Government Employment was established and a programme was recommended to transfer civil servants not only to Canberra from Melbourne, but also from Melbourne and Canberra to Albury-Wodong and to Bathurst Orange. In October 1975, a proposal was made to move the following federal bodies to Albury-Wodonga: The Schools Commission, the Health Insurance Commission, the Road Safety and Standards Authority, the River Murray Commission, the National Parks and Wildlife Service, the Curriculum Development Centre, the Bureau of the Cities, and the Bureau of Meteorology, the Bureau of Environmental Studies, the Transport Accident Investigation Authority, the Inter-State Commission, the Triservice Academy; various departments of the Department of Transport, the Trade Union Training College, the Army Apprentice School, and the departments of the Taxation Office. During Fraser's administration, only the last three federal bodies were transferred.⁸³

In August 1973, Whitlam announced the launch of the Area Improvement Program, intended to improve living standards and provide development opportunities for residents of the western districts of Sydney and Melbourne. It was a programme unrelated to the development of the sewage system. Six months later, in February 1974, Minister Uren announced the possibility of applying for grants for

⁸³ Whitlam, *The Whitlam Government 1972–1975*, 395.

this programme under the Urban and Regional Development (Financial Assistance) Act 1974.⁸⁴ The programme involved people and organisations to identify regional problems and design development strategies and appropriate measures for implementation. There were proposals to create nature reserves and recreational areas and the development of other areas, as well as issues related to the disposal of municipal waste. The focus was also on social welfare centres and libraries.⁸⁵

The equity support programme for leisure facilities was introduced in 1973 and 1974, with grants at the disposal of federal and state departments, regional organisations, local governments, and the Australia Council. Hundreds of projects were created, the value of which can be estimated at AUD 4.6 million in the 1974/1975 financial year and AUD 6.3 million in 1975/1976. These projects were distributed in 24 regions of all states. The Fraser government did not continue this programme.⁸⁶

Another key issue in the context of the state's image was the construction of the parliament. In 1958, Menzies' government accepted recommendations for the construction of a new parliamentary building near Lake Burley Griffin in Canberra. After several decades, the parliamentarians came to an agreement on the location of the new building. In September 1974, ALP member Keith Johnson initiated the creation of The Parliament Bill project to build a new parliament on Capital Hill. In 1979, a tender was announced, and the construction of the building was to be completed in 1988. This year was chosen purposefully to celebrate Australia's 200th anniversary.⁸⁷

Australia is not a country free from various cataclysms. Therefore, it is possible to point out the difficulties caused by nature, which the Whitlam government had to face. During his term of office, three natural disasters of national importance were recorded. In 1974, a major flood hit large parts of Queensland and the northern state of New South Wales. On 8 April 1974, Minister Tom Uren drafted the New South Wales Flood Relief Bill, which provided AUD 5.5 million in aid to New South Wales, and the Queensland Flood Relief Bill, which provided AUD 66 million to Queensland. These funds were used for repairing houses, loans for the reconstruction of private buildings, and for repairs of public properties. After these activities were completed, the government carried out work on flood prevention.⁸⁸

During the Australian summer at the turn of 1974/1975, natural cataclysms struck the north and south of Australia. Large cities have been paralysed. On the morning of 25 December 1974, tropical cyclone Tracy devastated Darwin, thousands of people were injured, 49 people were killed, and 16 were lost at sea. Electricity, water, and sewerage were out of order, 95% of homes were ruined, public and

⁸⁴ Urban and Regional Development (Financial Assistance) Act 1974, No. 135.

⁸⁵ Whitlam, *The Whitlam Government 1972–1975*, 398.

⁸⁶ Whitlam, *The Whitlam Government 1972–1975*, 398.

⁸⁷ Whitlam, *The Whitlam Government 1972–1975*, 400.

⁸⁸ Whitlam, *The Whitlam Government 1972–1975*, 400.

commercial buildings were badly damaged, roads were impassable, and the port was devastated. On 18 February 1974, ALP politician Lance Barnard founded the National Disaster Organization to coordinate the work of federal and state government emergency services in case of such disasters. As a result of this pre-emptive action, the military forces under Major Alan Streton were able to evacuate more than 70% of Darwin's population. At that time, 45,000 people lived in Darwin.⁸⁹

On 11 February 1975, Minister James Paterson drafted The Darwin Reconstruction Bill. Before that, it was the Darwin Reconstruction Commission under the leadership of Sir Leslie Thieses. The most important task of the commission was to build houses resistant to cyclones. As a result of the cataclysms, many objects were destroyed and only about half were covered by insurance. In this situation, the government set up a special fund for the victims of cyclone Tracy and covered the costs of temporary housing of the victims and their return journey to Darwin. In May 1975, the Darwin Cyclone Damage Compensation Bill came into force, providing support to the population from the fund in the amount of AUD 58 million.⁹⁰

A few days later, after the events in Darwin, the cyclone hit Hobart and on 5 January 1975, the last three spans of the bridge fell into the Derwent River. The important Tasman Bridge was destroyed and the eastern suburbs of Hobart were isolated from the rest of the city, including the industrial and commercial area. As a result, on 1 April 1975, the Tasman Bridge Restoration Bill for the reconstruction of the bridge came into force. The Whitlam government came to the rescue and sent ferries from Sydney to facilitate transportation in the city of Hobart. The Tasman Bridge was reopened in October 1977.⁹¹

TRANSPORT POLICY

The development of cities is connected with road, rail, and, in the case of Australia, also air infrastructure. In 1850, the governments of the Australian colonies began to build railways with different widths of spacing between rails, 1,435 mm or 1,067 mm. Before the end of the nineteenth century, NSW, Viktoria, and SA had agreed that the spacing between the rails should be regulated. In 1901, when Australia became a federation, wide track widths were created between Melbourne and Adelaide, but there was a different size of track gauge between Melbourne and Sydney, as well as between Sydney and Brisbane. In 1907, the Commonwealth was responsible for introducing the railway from Port Augusta to Oodnadatta on the condition that the Commonwealth would build a rail link to Darwin and further tracks to the Western Australian border. In late 1911, the Western Australia government agreed that

⁸⁹ Whitlam, *The Whitlam Government 1972–1975*, 401.

⁹⁰ Whitlam, *The Whitlam Government 1972–1975*, 401.

⁹¹ Whitlam, *The Whitlam Government 1972–1975*, 402.

the Commonwealth would build railways from Kalgoorlie to the NSW border. The construction was completed in 1917.⁹²

Even before Whitlam took power, between 1957 and 1967, the authorities had invested about AUD 5,000 million in the Australian transport system. Almost 1/6 of the workforce was employed in the transport industry, and the average Australian family spent 1/8 of their income on transport-related costs⁹³.

After coming to power, the Whitlam government was determined to fund a national plan for Australia's railway system for the first time. It was proposed to take ownership of the state's railroads. The new regulations developed by Whitlam in the Australia National Railways Act of 1975 assumed that the Australia National Railway Commission should administer the Commonwealth Railways and create a joint agreement for the transport of passengers or goods with the Australia Shipping Commission and the Australia National Airlines Commission. In April 1974, Dunstan and Whitlam agreed to build a railway line from Tarcoola on the Kalgoorlie to Port Augusta with a connection to Alice Springs at a distance of 830 km. It was the largest railway project in Australia since the 1960s. The line construction was completed in October 1980.⁹⁴

Moreover, the Whitlam government aimed to improve the quality of all Australian roads. It sought to develop an adequate system of national thoroughfares and expressways, with a particular focus on increasing federal funding for major urban roads. Due to the increasing volume of transport traffic in the suburbs of Australian cities, on 18 July 1974, Minister Jonas implemented National Roads Act, Road Grants Act, and Transport (Planning and Research) Act with a budget of AUD 1.126 million for the Australian states for the three-year period (1974–1977). The funds were directed to the roads' construction and research and the proper maintenance of communication routes. The allocated funds represented an increase in expenditure of 30% from the federal budget.⁹⁵

National Roads Act of 1974 declared a system of national highways that would bring an adequate improvement in the standard of roads over the next 10 years. Highways were to connect roads from Cairns via Brisbane, Sydney, Melbourne, Adelaide, Perth, and Port Hedland to Darwin; the road to Darwin from Adelaide via Mt Isa from Brisbane; and the road between Hobart and Burnie. This network was intended to serve 9.5 million people, or 75% of Australia's population, respectively. The route led through 150 cities with different numbers of inhabitants in individual urban centres, including those with more than 2,000 people.⁹⁶

⁹² Whitlam, *The Whitlam Government 1972–1975*, 407.

⁹³ Whitlam, *The Whitlam Government 1972–1975*, 407.

⁹⁴ Whitlam, *The Whitlam Government 1972–1975*, 427; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 357.

⁹⁵ Whitlam, *The Whitlam Government 1972–1975*, 432.

⁹⁶ Whitlam, *The Whitlam Government 1972–1975*, 432–33.

Road Grants Act of 1974 introduced the possibility of directing funds to expenditures related to the construction of major communication routes and their development, the construction of rural local roads, the construction of major ring roads in the suburbs, cattle transport roads, and the improvement of road safety. The primary objective was to strengthen the quality of major commuter roads, although they accounted for only 2% of total road length in Australia, they served 50% of all car owners. More than 20,000 cars were used daily in these areas. The Road Grants Act provided for the construction of a system of major roads in six state capitals and in the cities of Newcastle, Wollongong, Geelong, Ballarat, Bendigo, Townsville, Rockhampton, Toowoomba, Gold Coast, and Launceston. Any project funded by federal and state funds had to be examined by federal authorities to meet all economic, social, and environmental aspects.⁹⁷

Through this programme, the government wanted to achieve the following goals: (1) to integrate the road system with other modes of transport to achieve a sustainable transport system in the suburbs; (2) to promote the construction of bypasses to relieve the environment in the city and thus reduce traffic; (3) to discourage the establishment of companies in residential areas, which can be harmful to the environment; (4) to integrate main roads with local roads according to the spatial planning envisaged.⁹⁸

During Whitlam's administration, 173 major road construction projects were built in the suburbs. The following projects were agreed on the Sydney Great Western Highway, an extension of Botany Road, a tunnel in the King's Cross area, an extension of Warringah Road in the Dee Why district, and an extension of the Princess Highway to Sutherland Shopping Centre. In Melbourne, projects were aimed at improving the existing system and also included the construction of the Mornington Peninsula Freeway and the South Gippsland Highway, the construction of the Eastern Freeway, and the Princess Highway West.⁹⁹

Similar projects have been created for Brisbane, Adelaide, and Perth. In October 1975, Minister Jones enacted the Road Act Amendment Bill to provide state grants for an additional AUD 23 million under the National Road Act and AUD 41 million under the Road Grants Act. These legal provisions have helped individual states to implement their projects faster.¹⁰⁰

The Whitlam government has also shown concern for road safety. Table 16 presents data on the number of road accidents, accident victims, injured people, and the number of cars in 1970–1979.

⁹⁷ Whitlam, *The Whitlam Government 1972–1975*, 433; ABS, Catalogue No. 1301.0 Year Book Australia, 1977–78, Canberra 1978, 512.

⁹⁸ Whitlam, *The Whitlam Government 1972–1975*, 433.

⁹⁹ Whitlam, *The Whitlam Government 1972–1975*, 433.

¹⁰⁰ Whitlam, *The Whitlam Government 1972–1975*, 434.

Table 16. Data on the number of accidents and casualties in road traffic and the number of cars in 1970–1979

Data as of the end of each year (31 December)	Road accidents	Victims	Injured people	Number of cars
1970	65,210	3,798	91,554	4,776
1971	65,210	3,590	91,036	5,001
1972	65,750	3,422	89,766	5,242
1973	70,151	3,679	95,204	5,439
1974	67,473	3,572	91,338	n.d.
1975	65,788	3,694	89,499	5,926
1976	64,282	3,583	87,808	n.d.
1977	67,549	3,578	91,616	6,421
1978	71,045	3,705	96,962	6,656
1979	67,014	3,508	91,793	6,783

Source: Vamplew, ed., *Australians Historical Statistics*, 174.

The data was alarming that in the three years until 1974, more than 10,000 people died on the roads. It was the fourth cause of death in Australia at the time.¹⁰¹ However, the statistical data on the number of accidents, people dying and injured on the roads have not changed. At the same time, it is important to note that the number of registered cars increased every year from over 3 million 800 thousand in 1970 to over 5 million 600 thousand cars, which may indicate a percentage lower mortality rate of people on the roads.¹⁰² To keep this state at a good level, the Road Grants Act included the Minor Traffic Engineering and Road Safety programmes, which contributed to road safety. For this purpose, installations, electromagnetic signal installations, additional road lanes, safe exits from main roads, and the construction of barriers at railway crossings were installed on the roads. In March 1975, Minister Jones passed the Road Safety and Standards Authority Act to promote cooperation with states in Australia to improve road safety. The project also focused on the protection of bystanders using the roads.¹⁰³

Australia is often associated as a very safe country, and it is, but it is not free from various crimes. In Australia, car thefts were also carried out, and so the number of stolen cars in 1972–1980 did not change significantly. In 1972, 11,389 cars were stolen, in 1975, 10,411, and in 1980, 11,804 cars.¹⁰⁴ The *Tygodnik Polski* men-

¹⁰¹ ABS, Catalogue No. 1301.0 Year Book Australia, 1977–1978, Canberra 1978, 510.

¹⁰² Vamplew, ed., *Australians Historical Statistics*, 170: at that time, cars were becoming more expensive, and so, for example, the *Tygodnik Polski* on 4 August 1973 reported that prices for Chrysler cars were on average 3.7% more expensive in 1973.

¹⁰³ Whitlam, *The Whitlam Government 1972–1975*, 434.

¹⁰⁴ Vamplew, ed., *Australians Historical Statistics*, 307.

tions that in the state of NSW alone in 1972, almost 200 cars were stolen. Therefore, it is not a large number compared to the total number of stolen cars in Australia.¹⁰⁵

In Australia, air transport plays a very important role. At the end of World War II, Australia had a large passenger aircraft and flight crew for the first time. In mid-1945, the ALP government of Prime Minister Ben Chifley presented a bill in the House of Representatives that would result in the nationalisation of interstate airlines. However, the Australian National Airlines (ANA) took the Commonwealth to the High Court, and the case concerned restrictions on entitlements in interstate transport in Australia. Under Articles 51 and 92 of the Constitution, the federal government could establish a federal airline, but it could not hinder the activities of the private sector. Despite this, the country's airlines have become dependent on the federal government's initiatives, permits, and the necessary guarantees. In 1947, Ben Chifley's government bought a stake in Qantas Empire Airways Ltd. to make it the sole operator of international air services in Australia.¹⁰⁶ Fast-forward to the Whitlam and Fraser times, Table 17 shows the activities of domestic airlines from 1970 to 1979.

Table 17. Airline activity in terms of passengers, goods, and air shipments carried in 1970–1979

Year	Number of transported passengers	Quantity of goods transported in tonnes	Tons of transported air shipments
1970	5,911,002	90,809	9,639
1971	6,340,036	91,401	9,916
1972	6,629,316	89,883	10,137
1973	7,502,892	94,426	10,114
1974	8,857,654	112,654	9,916
1975	9,393,104	107,813	9,613
1976	9,315,141	106,061	9,708
1977	9,348,697	108,108	9,636
1978	10,289,477	120,887	11,307
1979	10,720,181	127,528	13,126

Source: Vamplew, ed., *Australians Historical Statistics*, 174.

Table 17 shows a gradual increase in the number of passengers, commodities, and air shipments transported within Australia between 1970 and 1979. In addition to the fact that this increase occurred under the Whitlam government, this trend was also visible under the next Prime Minister. The Whitlam government has also

¹⁰⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 14 July 1973: 2.

¹⁰⁶ Samuel Brimson, *Flying the Royal Mail: The History of Australia's Airlines* (Dreamweaver Books, 1984), 114; Whitlam, *The Whitlam Government 1972–1975*, 435; ABS, Catalogue No. 1301.0, Year Book Australia, 1977–1978, Canberra 1978, 522.

decided to improve the quality of existing services and finances of both government airlines due to the increased air traffic: Trans Australia Airlines (TAA) and Ansett Airlines. The Australian National Airlines Act 1973 allowed TAA to compete more fairly with Ansett Airlines in line with the government's political line. TAA's authority has been expanded through federal agreements for the operation of hotels, lodging, and recreational facilities. This also applied to post-independence relations between Papua New Guinea, including road transport, shares in other companies, charter operations, and, in certain circumstances, intra-state operations. In February 1974, TAA was granted access to the Perth–Darwin route, with a stop at Port Hedland. In November 1974 and April 1975, the Whitlam government provided guaranteed loans to TAA and financed the purchase of the fifth and sixth Boeing 727s.¹⁰⁷ Table 18 shows the number of registered aircraft in Australia between 1960 and 1980.

Table 18. Number of aircraft registered in Australia in 1960–1980

Year	Number of registered aircraft
1960	1,468
1965	2,207
1970	3,729
1975	4,473
1980	6,992

Source: Vamplew, ed., *Australians Historical Statistics*, 173.

Table 18 shows a steady increase in the number of aircraft owned by Australian airlines. With the increase in the number of planes, the standard of travel has increased; especially, the government has taken care of Qantas airlines. In April 1974, Canberra has approved the airline to buy its ninth, tenth, and eleventh Boeing 747B jets for nearly USD 70 million. Canberra also renegotiated an air traffic agreement with the United Kingdom at that time. Based on these negotiations, a new type of cooperation between Qantas and the British airline was created. As a result of the agreement, British Airways withdrew from flights from the South Pacific to Australia and the United States, which was an unquestionable competitive advantage for Qantas. On 3 April 1975, an agreement on air services was signed in Belgrade with Yugoslavia. The agreement gave Qantas the right to operate a twice-weekly service to London via Belgrade, as well as the possibility of flights for the Yugoslav airline JAT to Sydney. Disputes over routes and other matters between rival airlines

¹⁰⁷ Stewart Wilson, *Ansett: The Story of the Rise and Fall of Ansett 1936–2002* (Aerospace Publications, 2002), 14–15.

depended on the CEO of Civil Aviation, who acted as coordinator of the Rationalisation Committee.¹⁰⁸

The government has also initiated measures to improve the reimbursement of costs incurred related to air navigation. Canberra has long supported air services at a significant loss, which was only offset by taxes. For example, in 1972, each of the eight million passengers who travelled by air in Australia, received statistically about \$8.60 in subsidies from the state coffers for one air trip.¹⁰⁹ The government's goal was to increase the profitability of aviation from 53% in 1974–1975 to about 80% in 1979–1980. In July 1973, the government ratified the 1971 Convention for the Suppression of Unlawful Activities against Civil Aviation Safety.

In the 1950s, TAA (the former Qantas) and Ansett had a major influence over the national airline in Australia between all state capitals. The largest number of air connections was operated by Ansett, while TAA could only operate in two states in Queensland and Tasmania. In 1961, Ansett was granted the right to operate Darwin, but TAA sought to operate between Perth and Darwin without permission from the Western Australian government. It was not until November 1977 that TAA was granted permission to operate connections between Perth–Port Hedland–Darwin. For more than 20 years, Ansett and TAA have competed with each other for permission to operate specific flights between cities in Australia.¹¹⁰ The Whitlam government has also been active in improving passenger service conditions at airports. As a result, a new terminal was built in Hobart for AUD 1.3 million. Also, a new international terminal was built in Brisbane for AUD 4.2 million. AUD 7.8 million has also been allocated for a new terminal for international check-in in Sydney.¹¹¹

The Whitlam government has been particularly active in raising the standards of seaports in Australia. Especially since the last report on Australia's ports at the national level was submitted in 1926. It proves that the condition of the port infrastructure has been largely forgotten. To decisively reverse this phenomenon, former Secretary of the Department of Transport Malcolm Summers was appointed in September 1973 as head of the Maritime Industry Commission of Inquiry to investigate Australian maritime transport and ports.¹¹² The first report was presented by Commissioner Malcolm Summers in May 1974, in which he recommended to establish a college for maritime affairs. The main purpose of the collegium was to conduct training for officers of the Australian Navy. In May 1980, such an educational unit called the Maritime College Bill was officially opened as a result of legislative work.¹¹³

¹⁰⁸ Whitlam, *The Whitlam Government 1972–1975*, 435–36.

¹⁰⁹ Whitlam, *The Whitlam Government 1972–1975*, 437.

¹¹⁰ Wilson, *Ansett*, 11–13.

¹¹¹ Wilson, *Ansett*, 14–15.

¹¹² Whitlam, *The Whitlam Government 1972–1975*, 438.

¹¹³ Whitlam, *The Whitlam Government 1972–1975*, 397.

In November 1975, Summers reported that the Australian federal government had a direct influence on the development of ports.¹¹⁴

As a result of other decisions, Minister Jones submitted the King Island Harbour Agreement Bill, which authorised an agreement between the Australian federal government and the Tasmanian government to build a seaport on Grassy King Island. To achieve this goal, the Whitlam government financed AUD 1.355 million and provided a loan of AUD 1.415 million to the Tasmanian government to purchase the MV Straitsman vessel to work in the port.¹¹⁵

In January 1975, new activities were launched to transport containers between Australia and the Philippines, South Korea, and Hong Kong using the Australia Enterprise and Australian Explorer. The government also purchased large iron ore holds from Sweden for AUD 54 million, which were to sail under the ANL flag. To further expand Australia's participation in maritime transport, Canberra has provided subsidies for Australian-flagged ships built in Australia and sailing abroad, as well as for marine vessels converted in Australian shipyards.¹¹⁶

In November 1973, the Whitlam government accepted changes to the International Convention for the Prevention of Pollution of the Sea by Oil of 1954. In October 1973, Canberra signed the International Convention on the Prevention of Marine Pollution by Dumping of Waste and Other Matter of 1972. In December 1974, the government signed the International Convention for the Prevention of Pollution from Ships of 1973. In October 1975, Minister Jones enacted a law called the Navigation Bill to apply to two international conventions: the Convention relating to Limitation of the Liability of Owners of Sea-Going Ships of 1957 and the Convention on the International Regulations for Preventing Collisions at Sea of 1972. The ratification of this law allowed Australia to increase insurance limits for shipowners, especially because they had not been changed since 1894 and 1900.¹¹⁷ The Navigation Bill of 1975 also made it possible to track the movement of ships. It allowed the Department of Transportation's Marine Operations Centre to know where the ships were and which vessel could assist in case of an emergency. This improved rescue system was proposed by the Inter-Governmental Maritime Consultative Organisation. The Whitlam government was the first in the world to implement it into this system.¹¹⁸

In conclusion, we need to highlight that Whitlam's housing policy efforts depended on cooperation with state governments. For this purpose, the Federal Department of Urban and Regional Development was established—the office for planning and development of cities and the region. As a result, the federal government

¹¹⁴ Whitlam, *The Whitlam Government 1972–1975*, 438.

¹¹⁵ Whitlam, *The Whitlam Government 1972–1975*, 438.

¹¹⁶ Whitlam, *The Whitlam Government 1972–1975*, 438.

¹¹⁷ Whitlam, *The Whitlam Government 1972–1975*, 440.

¹¹⁸ Whitlam, *The Whitlam Government 1972–1975*, 441.

supported state governments in allocating loan funds. The number of private homes built during Whitlam's reign decreased. On the other hand, a new Housing Agreement was in force from 1971, and the Act on the construction of social housing was signed in March 1973. With the exception of New South Wales, these measures have reduced the waiting time for social housing for those most in need. As a result of the actions of Whitlam's team, the practice of speculation on plots of land for the construction of houses was limited. Access to utilities, local roads, and expressways has improved significantly. The sewage infrastructure and residents' access to schools and kindergartens have improved. A national programme for the construction of sewage networks was created. Various institutions were established to plan cities and regulate the activities of developers. To this end, the Australian Housing Corporation (AHC) has started to operate, which has taken care of new standards in construction. The result was a significant increase in the quality of suburban housing in large cities. The Whitlam government also invested in upgrading neighbourhoods and restoring homes. The construction of a new seat of parliament in Canberra was also initiated. A total of 173 road construction projects were created. A national plan for the railway system was created. It also focused on the development of air transport and the construction of new terminals, and improved the technical conditions and service of seaports. From 1972 to 1975, the number of registered planes and their passengers increased by 2,763,000. All these activities inscribe into increasing the standard of living assumed in Whitlam's idea of welfare state. At the same time, the hypothesis was positively verified.

Environment and Agricultural Sector

ABSTRACT: The chapter discusses the environment and the agricultural sector. Natural conditions, including climatic conditions and the specificity of Australia's natural resources, are described. Natural resources are a very important element influencing Australia's position globally. This chapter combines the environment and agriculture, and also includes the fight against natural disasters. Agriculture is a very important part of Australia's economy, especially in terms of food exports. This chapter shows the activity in promoting reforms that bring lasting benefits to the rural community.

KEYWORDS: Australia; Whitlam; environment; resources; agriculture

NATURAL ENVIRONMENT

In recent decades, there has been a lot of talk around the world about the environment and healthy food. All the more reason why the issues indicated in the title of this chapter may arouse interest and pose the question: was these problems really sufficiently addressed in the 1970s? Thus, the hypothesis is that the agricultural sector has become largely of interest to the Whitlam government. It is therefore concluded that the research carried out on economic reform under Prime Minister Gough Whitlam cannot fail to present the issue of the environment and the agricultural sector. After all, physical and geographical conditions have a great impact on economic policy and decisions made by the government. First of all, we should consider issues related to the geographical location of Australia.

The first European explorers called Australia 'Terra Australis Incognita', because the southern part of the globe lay beyond the limits of knowledge of people from the world at that time. The name *Australia* was proposed only in 1814 by the English sailor Matthew Flinders, who was the first to circumnavigate this continent.¹ The coun-

¹ Przemysław Burchard, *Australijczycy* (Wiedza Powszechna, 1990), 5.

try's area covers a 7.74 million km² and is surrounded by the waters of the Indian and Pacific Oceans. For the most part, the interior of the country is desert. The highest peak is Mount Kościuszko (2,228 m above sea level), and the longest river is Murray-Darling, which is 3,750 km long. In terms of water resources, Australia is the poorest continent in the world, and, as a result, it is often referred to as the "dry continent." As for the first traces of human presence on Australian soil, they are 40,000 years old.²

Australia is not in a zone of seismic activity, but typhoons sometimes appear in its northern areas, and tornadoes are not uncommon. From December to March, there is heavy rainfall and monsoons. As a result of these climatic restrictions, 40% of Australia's land area cannot be used for agricultural purposes. During the year, 36% of the country's area receives little rainfall and these areas can only be used as pastures for livestock. On the other hand, in 24% of Australia's area, the amount of rain is sufficient for agricultural crops.³

Farmland in Australia covers 500 million hectares, and many of them are purely productive. In the post-war period, the number of farms in Australia remained stable.⁴ It was not until 1965–1980 that it decreased from 253,000 to 190,000.⁵ In 1971, shortly before Whitlam became Prime Minister, the average size of an Australian farm was 226 hectares.⁶ In 1975, 7% of the population was employed in agriculture, and in 1990, it was only 5.4%. Due to the progressing mechanisation and due to other social factors, the number of people employed on farms was constantly decreasing.⁷

Large areas of land are used for animal husbandry. In Australia, mainly merinos were bred on pastures located in the south; in the northern tropical areas, cattle grazing, sorghum, and corn were grown. On the other hand, in moderately irrigated areas (from about 300 to 600 mm of rainfall per year), other varieties of sheep, cattle, and wheat were grown.⁸ Sheep farming provided farmers with both meat and wool. Dairy farms, on the other hand, are located in areas with more rain, particularly on the south coast of Queensland and southern part of New South Wales, as well as in southern areas of Victoria, around Adelaide, Perth, Albany, and Tasmania. Live-stock production (beef, mutton, and lamb) was very important, accounting for 60% of the gross income of all agricultural production. Achieving an increase in gross income in this area initiated the use of farmland irrigation technology, which was

² John Muofaney and Johan Kamminga, *Prehistory of Australia* (Routledge, 1999), 1.

³ John G. Crawford et al., *Australian Agriculture and Trade with Japan* (Australian National University, 1975), 3.

⁴ Susan Bambrick, ed., *The Cambridge Encyclopedia of Australia* (Cambridge University Press, 1996), 186.

⁵ Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 72.

⁶ Crawford et al., *Australian Agriculture and Trade with Japan*, 4.

⁷ Bambrick, ed., *The Cambridge Encyclopedia of Australia*, 187.

⁸ Crawford et al., *Australian Agriculture and Trade with Japan*, 5; Henryk Bonecki, ed., *Encyklopedia powszechna PWN* (PWN, 1973), 161; Tadeusz Olszewski, *Geografia ekonomiczna Australii i Oceanii* (Polskie Wydawnictwo Ekonomiczne, 1975), 66–68, 85–86, 92.

of interest to individual Australian state governments.⁹ Australia also has steppes, savannahs, and monsoon forests. Subequatorial forests cover 14% of the country's area—in the mountains we find forests of araucaria and beech, and in the so-called Australian Alps, there is alpine vegetation.¹⁰

The specific fauna of Australia is the result of the isolation of the continent. However, it is worth emphasising that European settlement was not conducive to the development of endemic species, for which numerous threats were created by the arrival of many invasive species from other continents, which were brought with them by white settlers. Along the northern part of the east coast of Australia, the Great Barrier Reef stretches for 2,000 km, which is a favourable space for the development of many original and beautiful marine animals. Meeting with the vegetation and animals of Australia makes a lasting impression. Captain James Cook, who entered the bay in Sydney Botany Bay in 1770, certainly felt it as well. Since then, officers, soldiers, officials, and convicts have been arriving in Australia *en masse*. This time can be described as the "Australia's awakening."

The first half of the nineteenth century was marked by forced British settlement, but the discovery of gold changed the perception of the country in the eyes of the British, which ceased to be just a penal colony. People began to come there voluntarily, although the influx of settlers was not very dynamic due to the considerable distance separating Australia from Europe.¹¹ Noel Butlin called the years 1788–1850 as "white human capital in Australia."¹² In 1850–1900, one of the most important periods in the economic history of this country took place. The discovered gold deposits in Australia in 1851 undoubtedly increased the interest of most countries in these regions, which changed previous unfavourable trends.¹³ Many people got to Australia on their own account. Since 1855, Australia became a new market where British investors began to operate.¹⁴ The political and economic image of the colonies in the east of Australia has also been transformed. Parallel to the process of "discovering" the land, which continued in the twentieth century, new areas were also settled. In 1871–1891, many cities and towns were established with a population of several dozen to several hundred people.

In addition to the main natural wealth of the country—which gold became—silver and lead were also mined in the 1880s.¹⁵ The production of woollen yarn also brought quite substantial income. From 1861 to 1891, the sheep population

⁹ Crawford et al., *Australian Agriculture and Trade with Japan*, 4.

¹⁰ Bambrick, ed., *The Cambridge Encyclopedia of Australia*, 11; Bonecki, ed., *Encyklopedia powszechna PWN*, 161.

¹¹ Wiesław Olszewski, *Historia Australii* (Ossolineum, 1997), 158–59.

¹² Department of Economic History Research School of Social Science, *White Human Capital in Australia 1788–1850*, Working Paper 1985, No. 32, Canberra, 1.

¹³ Noel G. Butlin, *Australian National Accounts 1788–1983* (Australian National University 1985): 5.

¹⁴ Edward Shann, *Economic History of Australia* (The University Press, 1930), 305.

¹⁵ Olszewski, *Historia Australii*, 165–71.

increased from 21 million to almost 107 million, and the production of Australian wool increased sevenfold and was exported—mainly to Great Britain. At the end of the nineteenth century, the area of wheat sown also increased significantly, which in Victoria, increased up to seven times. Sugar cane was also grown, which directly contributed to the increase in sugar production.¹⁶

At the end of the economic crisis in the 1890s, great changes took place in Australia. Agriculture is no longer just a branch of the economy. Despite their small numbers, the colonies of that time formed a country of great importance. In 1851, there were 400,000 white settlers living in the colonies, and in 1900, there were already 4 million people.¹⁷ At that time, railway and telegraph lines already existed on the more important routes of Australia. The area of arable land also increased, and the processing industry developed. There have also been clear changes in Australian cities, including investments. Describing the development of the financial sector in 1860–1914, David Pope points to the existence of a network of numerous bank branches, at the same time showing the growing competition between them.¹⁸

As for the development of construction, it was based mainly on domestic materials. The building materials came from the areas located in the vicinity of the implemented investments, these were mainly bricks, wood, cement, and other raw materials necessary for the construction.¹⁹ From 1810 to the end of the 1860s, wool and gold in the eastern colonies and wool, wheat, and copper in southern Australia strongly raised the economic rank of individual colonies. By 1860, the wool production process was linked to several other industries. William Sinclair wrote in his book *The Process of Economic Growth in Australia* that the development of production was not so much the result of geographical location as of a high degree of economic organisation. Its new structure became a major factor in Australia's attractiveness. The explanation of the phenomenon in the economic evolution of that time should be sought in the development of national identity, the role of local governments, the influx of immigrants, the exploitation of natural resources, and the capital invested there. In Australia, there was already a free market at that time, which played a significant role in the country's development, and Australians had the ambition to increase their standard of living. At that time, Australia referred to the European-British civilisation and Christian traditions.

In the twentieth century, other rich natural deposits of Australia were gradually discovered: hard and brown coal, bauxite, iron ore, lead, and zinc, copper, manga-

¹⁶ Mieczysław Sprengel, *Gospodarczo-polityczne współczesne relacje Australii z Japonią: Wzorzec dla stosunków międzynarodowych w regionie Azji i Pacyfiku* (Avalon, 2012), 37.

¹⁷ Department of Economic History ANU and UNSW, *Bankers and Banking Business, 1860–1914*, Canberra 1987, 5; Ronald Laidlaw, *Discovering Australian History to 1900* (Edward Arnold, 1990), 294–97.

¹⁸ David Pope, "Population and Australian Economic Development 1900–1930," in *Australian Economic in the Long Run*, eds. Rodney Maddock and Ian McLean (Cambridge University Press, 1987).

¹⁹ Butlin, *Investment in Australia Economic Development 1861–1900*, 269.

nese, nickel, tungsten, titanium, zirconium, uranium, oil, and natural gas, as well as deposits of the already mentioned gold, silver, and asbestos.²⁰ However, before Australia began to exploit natural resources on a larger scale, it went through a path of slow discovery and settlement of new areas. The pragmatic British exiled criminals and social outcasts here. Historian Geoffrey Blainey wrote that “Britons transplanted to another world” considered themselves doomed to a worse fate.²¹

At the beginning of the twentieth century, Australia was a country with a high degree of urbanisation. In this respect, it exceeded the American or Canadian indicators, although it was still far from the British model. Larger cities are located on the ocean coasts—the largest of them are Sydney, Melbourne, Brisbane, and Perth. It is worth adding that in 1900, Australia had the highest national income in the world.²²

In the twentieth century, Australia exported significant amounts of natural resources, mineral resources, metals and fuels. Table 19 presents Australia’s position in the global ranking of natural resources and the percentage share of these resources.

Table 19. Australia’s position in the global ranking of selected natural resources and their percentage share

Natural resources	Australia’s position in the global ranking of natural resources	Australia’s share of global resources (%)
bauxite	2	17
hard coal	4	10
lignite	2	23
cobalt	2	21
copper	2	11
gold	1	20
iron ore	1	29
nickel	1	22
silver	1	18
uranium	1	31
zinc	1	26
zirconium	1	71

Source: *World Rankings. Australia’s Identified Mineral Resources*, 2021, Geoscience Australia, accessed 10 April 2024, <https://www.ga.gov.au/digital-publication/aimr2021/world-rankings>.

²⁰ Sprenkel, *Gospodarczo-polityczne współczesne relacje Australii z Japonią, wzorzec dla stosunków międzynarodowych w regionie Azji i Pacyfiku*, 39.

²¹ Geoffrey Blainey, *White Gold: The Story of Alcoa of Australia* (Allen & Unwin, 1997).

²² Kym Anderson, “Australia in the International Economy,” *Discussion Paper*, no. 49 (2001): 3.

With such serious resources, Australia has been one of the world's largest exporters for many decades. Australia's exports of gold, coal, petroleum products, iron ore, natural gas, uranium, nickel, silver, zinc, copper, and opals. Significant amounts of lead, bauxite, and diamonds are also mined in Australia (intended for industrial use).

In the early 1970s, the market for Australian exports expanded and ten countries managed 60% of Australian exports. These countries included: New Zealand (18%), the United Kingdom (9%), Japan (9%), the United States (5%), Singapore (4%), Indonesia (4%), Germany (3%), Hong Kong (3%), the Philippines (3%), and Malaysia (2%). By the early 1970s, Asian countries had purchased 31% of Australian exports, the Pacific—23.7%, Europe—16.1%, North America—8.3%, South Africa—5.6%, and the rest of the countries—15.1%.

AGRICULTURAL SECTOR

A unique occupation in Australia is agriculture, which is inherently unstable and vulnerable. Droughts, floods, fires, and the economic situation are problematic for agriculture. The Australian community has long accepted the need to help individual food producers exposed to such hardships. The ALP party was no exception in this matter.²³ In terms of agricultural policy, the Whitlam government was more interested in providing aid to the sector than its predecessors. The focus was on reducing ineffective programmes financed by previous ruling teams.

Indeed, the most important efforts have been focused on the objective of stabilising the income of the population living in rural areas and developing new markets, both at home and abroad. For the first time, in the late 1940s, Prime Minister Chifley established the Australian Wool Board, whose task was to stabilise incomes for farmers. The commission was set up to promote the sale of Australian wool in international markets and operated in three periods: from May 1936 to January 1945, from June 1945 to April 1963, and from May 1963 to December 1972, so before Whitlam's rule. The Australian Wool Board was replaced in January 1973 by the Australian Wool Corporation (AWC).²⁴ The change of institutions did not contribute to the stabilisation of Australian wool exports, which were fluctuating. At the turn of 1971/1972, the value of exported wool decreased (from 1970 to 1971 from 853 to 785 thousand metric tons), as well as in the following years: 1972—851, 1973—795 (more was exported than produced, because wool stocks were used), 1974—581 and 1975—576 thousand metric tons.²⁵ Wool exports were linked to the needs of consumers, mainly from industrial countries. Due to the growing in-

²³ Anderson, "Australia in the International Economy," 261.

²⁴ Anderson, "Australia in the International Economy," 261.

²⁵ Vamplew, ed., *Australians Historical Statistics*, 360.

terest in synthetic fibre goods in the world, the demand for wool has decreased. As a result, the sheep population decreased between 1971 and 1975 and until 1979. In 1970, there were over 180 million sheep, while in 197—151 million, and then in 1979, there were only 134 million of these animals.²⁶ As a result of the restriction of wool exports from Australia to the United States and some European countries, Whitlam found a new market for this commodity in the Soviet Union, China, Eastern Europe, and Japan, where large textile factories operated.²⁷ To give a better idea of the trend in wool production, Table 20 presents data over a broader time than just the Whitlam period.

Table 20. Wool production in Australia in 1970–1979 (in tons)

Years	Wool production
1970	925.839
1971	889.983
1972	881.736
1973	735.214
1974	700.891
1975	793.479
1976	754.274
1977	792.733
1978	677.017
1979	704.258

Source: W. Vamplew, ed., *Australians Historical Statistics*, 83.

Table 20 shows a decrease in wool production, which was caused by a reduction in demand for this product. Dairy products, fruit, sugar, and wine were of lesser export importance. Nevertheless, the production of citrus increased and so in 1971, it was 361,000 metric tons, and in 1975, 444,000. Similarly, wine production—in 1971, amounted to 2,550 thousand hectolitres; in 1975—3,612 thousand.²⁸ Sugar exports in the considered period, until 1973, increased, and so in 1971, amounted to 1,597 thousand, in 1972—2,033 thousand, in 1973, it was 2,135 thousand, and since 1974, it has decreased, and so in 1974, it was 1,781 thousand and in 1975—1,996 thousand metric tons.²⁹ In terms of sugar production itself, Minister Rex

²⁶ Vamplew, ed., *Australians Historical Statistics*, 326.

²⁷ Mieczysław Sprengel, *Zarys historii gospodarczej w Australii w XX wieku* (Wydawnictwo Adam Marszałek, 2006), 109–10.

²⁸ Brian Mitchell, *International Historical Statistics: Africa, Asia and Oceania 1750–2005*, vol. 1 (Palgrave Macmillan, 2007), 263.

²⁹ Mitchell, *International Historical Statistics*, 357.

Patterson (ALP member and minister in the Whitlam government as Minister for Northern Development from 1972 to 1975) and Gough Whitlam jointly contributed to a number of developments in the northern part of Australia, e.g., sugar export agreements were signed with countries such as Japan, China, and Singapore.³⁰ Dairy products, on the other hand, are mainly butter and cheese. Great Britain was a traditional market for Australian butter. In the 1960s, Australian cheese exports expanded to Japan, the Philippines, and the United States. Until 1972/1973, Great Britain was an important market for Australian cheese. However, since the country's accession to the EEC, many transactions involving food have decreased. Australian fruit exports also tended to decline, as did sugar exports, which peaked in the 1963/1964 financial year. However, the global economic recovery in the first half of the 1970s led to changes in its prices, which increased to AUD 100–120 per ton, and production increased from 1.4 million tons in the 1969/1970 financial year to over 2 million tons in 1971/1972 and 1972/1973. Nevertheless, Whitlam made sure that other institutions were involved in promoting these agricultural goods. It was one of the roles of the Australian Egg Board, which was established as a body mainly responsible for marketing the product. The Australian Hide and Leather Industries Board was established in 1948 and operated under the new Act since 1955, and its activities under the Whitlam government consisted in minimising the domestic costs of leather distribution and promoting favourable prices on foreign markets.³¹

Before Whitlam, in 1949–1972, the formulation of rural policy was almost an exclusive concern for the Country Party (CP). In a short time, from January 1956 to December 1958, Minister McMahon, who was liberal, was responsible for agriculture. CP claimed that it was best versed in the needs of farmers and in taking action in this regard. Farmers' representatives in parliament believed that food producers were the best advisers when it came to reporting needs to agriculture. McEwen spoke on this matter, explaining this aspect in Parliament in 1965:

Neither the Country Party nor its members in parliament should decide what the right agricultural policy is. It has always been my party's policy that those who produce, own, and sell products are the best experts in how their property should be treated. My party's task is to respect the will of those who produce and own the produce of the soil, and to translate their intentions into legislative and administrative matters.³²

The Whitlam government has listened to this voice and addressed the issues of economic and social hardship in rural areas by developing policies based on social justice in conjunction with farmers' voices. The government's commitment was to support

³⁰ Lyndon Megarrity, "Necessary and Urgent? The Politics of Northern Australia, 1945–1975," *Journal of the Royal Australian Historical Society*, 97, no. 2(2011): 19.

³¹ Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 261.

³² Whitlam, *The Whitlam Government 1972–1975*, 263.

existing agricultural productivity and profits in order to improve the standard of living of economically disadvantaged people in the countryside. This attitude contrasted sharply with the policy of the previous ruling team from the CP (Liberal Rural Party).

The ALP considered the CP's attitude to be extremely passive and even corrupt. Another problem was that significant producers advocated policies that suited their financial interests, but not necessarily the interests of small producers or city dwellers. The ALP government introduced subsidy systems that allocated funds in proportion to the scale of the farm's size. Tax breaks have been applied to benefit producers with high, marginal tax rates. These issues related to the implementation of social policies in rural areas have previously been largely ignored. As a result of this *modus operandi*, the government sought to rationalise the unrepresentative and unfair nature of rural politics in Australia. When Whitlam came to power in 1972, there was no report on agricultural production policy that had been produced by previous governments in Australia. There was only a publication issued in 1952 by the Department of Commerce and Agriculture on agricultural production, entitled *Agricultural Production: Aims and Policies*.

On 14 December 1973, Whitlam commissioned a working group to prepare a *Green Paper* on all aspects of rural policy in Australia. The group was led by Stuart Harris, Deputy Secretary of the Department of Overseas Trade, and Sir John Crawford, Professor Fred Gruen of the Australian National University (ANU), and Noel Honan, Director of The Bureau of Agricultural Economics, were also collaborators (Economic Bureau of Agriculture). With a view to the upcoming election campaign, which was due to take place before the end of June 1974 and mid-term in the Senate, Whitlam expressed hope that the *Green Paper* would be completed by the end of April 1974. Its text was therefore not available during the debate in parliament and in the Senate in May 1974.³³

Nevertheless, the subsequent report presented instructions and guidelines that strongly supported the government's intentions in rationalising Australian rural policy. In particular, Harris's recommendations in the report highlighted the need to reduce financial support for agriculture from the government. Australia's position in the past, when the economy depended heavily on the agricultural sector, has changed. Nevertheless, the sector continued to be important through its contribution to the economy in the form of food supplies. The changes that occurred in the positioning of agriculture in relation to the general Australian economy indicated that there was no need for special preferential treatment of agriculture at present.³⁴

³³ Benjamin Huf, "Is the Government Willing to Fetter Itself? The Experiments of Environment and Conservation," in *Curating the National Estate: Equality, Environment and the Whitlam Government* (Whitlam Institute within Western Sydney University, 2022), 31.

³⁴ Huf, "Is the Government Willing to Fetter Itself? The Experiments of Environment and Conservation," 31.

The report also stresses that the Australian government should rather develop a redistribution of resources in the sphere of social policy, which is to increase opportunities for less affluent people living in rural areas. In this study, Harris stated: "If you look at small towns, you can see that more than half of the population is not farmers. For most, rural policy should be part of general policy on issues such as education, reducing the poverty rate, and other topics."³⁵ Moreover, there were other areas that required the creation of a policy of equal opportunities.

The Whitlam government has implemented new decisions for rural areas. Ken Wriedt, the Minister of Raw Materials Industry, and previously an ALP senator for Tasmania, ended the decades-long domination of producers on the boards of companies producing sheep's wool, dairy, apples, and pears. The number of seats on these boards for government representatives and three independent experts has been increased. In total, there were nine people on such a board.

From 1921 to 1973, The Tariff Board had the power to report financial support to the food industry to the government, but it did so only occasionally. Only 3% of the management reports dealt with issues related to agriculture, forestry, fisheries, and fisheries. The Industries Agricultural Company (IAC) has sought to reverse this trend through legislation. The IAC acted independently and rationally, while not succumbing to pressure from governments and lobby groups. During the first five and a half years of operation, IAC issued 33 recommendations for the food industry out of a total of 186 in almost all industries, such as dairy, horticulture, cereal cultivation, and beef processing. For the first time, competing small businesses as well as large, rural businesses—national or transnational—have received fair and equal support from the Australian government.

Attempts were made to support the agricultural sector through the actions of the administration. One of the most important cases concerned the Australian services in charge of meat control. Meat exports, especially beef, have played an important role in the history of Australian exports. The value of these exports increased sharply in the 1950s and 1960s. The increase in beef exports was related to the development of the meat industry in Queensland and the Northern Territory.³⁶

From 1971, the United Kingdom imposed new quality standards for imported meat in connection with its intention to join the EEC. In the 1960s, the United States, on the other hand, became the main recipient of Australian beef, and as a result, officials from the United States regularly inspected slaughterhouses in Australia.³⁷ Table 21 presents the cattle population in Australia in 1970–1979.

³⁵ Huf, "Is the Government Willing to Fetter Itself? The Experiments of Environment and Conservation," 31.

³⁶ Mitchell, *International Historical Statistics*, 326.

³⁷ Whitlam, *The Whitlam Government 1972–1975*, 265.

Table 21. Cattle population in Australia in 1970–1979

Years	Cattle population
1970	22,162,000
1971	24,373,000
1972	27,373,000
1973	29,101,000
1974	30,839,000
1975	32,793,000
1976	33,434,000
1977	31,533,000
1978	29,330,000
1979	27,112,000

Source: Vamplew, ed., *Australians Historical Statistics*, 80.

Table 21 shows an increase in the production of cattle, which was related to more expansive exports of this meat. In order to become independent of external control, the Whitlam government and subsequent teams of Prime Ministers led to the establishment of sanitary supervisors in Australia. After Whitlam ended his rule, there were at least 44 veterinary supervisors, 447 federal meat inspectors, and 355 state inspectors. In January 1973, New South Wales unanimously recommended that there should be only one Meat Inspection Service in Australia to operate in all plants. Federal officials suggested that these recommendations be written into federal law.³⁸ In 1975, the Whitlam government reduced the number of inspectors in Victoria because there were conflicts between state and federal inspectors. As a result, in the late 1970s, it was common practice for local plants to receive a license to export meat from federal inspectors.³⁹

The next task for the Whitlam administration was the locust plague. Usually, in late winter and early spring, this phenomenon occurred in north-eastern Australia, and then during the summer, the locusts moved south, where they foraged on available crops. For this reason, coordinated control measures were carried out under the supervision of the federal administration. The eradication of the plague did not only concern individual states. The government administration has developed national control mechanisms to effectively solve this problem. In February 1974, The Australian Agricultural Council recommended the establishment of the Australian Plague Locust Commission, under the Federal Minister of Agriculture. The commission was to have federal government rep-

³⁸ Whitlam, *The Whitlam Government 1972–1975*, 266.

³⁹ Whitlam, *The Whitlam Government 1972–1975*, 266.

representatives in the authorities of Queensland, New South Wales, Victoria, and South Australia. It was agreed that Canberra would manage the finances and subsidise the states adequately to the incurred costs. The individual states were to share the costs with the federal government as follows: New South Wales—65%, Victoria—20%, South Australia—10%, and Queensland—5%. The Whitlam government accepted this proposal and the Australian Plague Locust Commission became operational in late 1976.⁴⁰

As for the rural aid programme that the Whitlam government inherited, it was not entirely adequate to the needs. In many cases, farmers produced food regardless of the support and state aid offered. They were aware that the level of aid does not increase in proportion to the increased level of agricultural production. In 1971–1972, total government aid for agriculture was insufficient. The subsidies considered the size of the farm in the first place, not the actual needs. As a result, large producers prospered at the expense of smaller farms. The unfair distribution of income in rural areas was increasingly visible. For example, the average federal financial support to commercial wheat producers in the three years by June 1973 was up to AUD 968 per farm. Some producers with a net farm income of less than AUD 4,000 received less than AUD 400. On the other hand, growers with a net farm income of more than AUD 10,000 received a subsidy worth more than AUD 1,850.⁴¹ As a result of farmers' discontent, the Coombs task group was formed during the Whitlam administration, which found an effective way to rationalise government aid to rural producers. As a result, it was expected that rural areas were likely to remain at a favourable level in the near future. The support increased from AUD 138 million between 1969 and 1970 to AUD 297 million between 1971 and 1972. This was a response to reduced incomes in rural areas. Between 1970 and 1971, net farm income in Australia fell to less than AUD 900 million. Between 1972 and 1973, rural income rose to AUD 2 billion per year.⁴²

The Coombs' task group recommended that the government focus on making better use of investment credits in rural areas. The move that drew the loudest criticism, however, was the abolition of subsidies for superphosphate fertiliser. The abolition of the superphosphate allowance was used by Whitlam's opponents to create a myth that the Whitlam government was anti-rural. The subsidy was first introduced in 1941 as a measure to increase farm productivity and educate farmers on the need to overcome the severe phosphorus deficiency in Australian soils. Menzies's government abolished subsidies in 1950 for reasons outlined by McEwen, then Minister of Trade and Agriculture.⁴³

⁴⁰ Whitlam, *The Whitlam Government 1972–1975*, 269.

⁴¹ Whitlam, *The Whitlam Government 1972–1975*, 269.

⁴² Whitlam, *The Whitlam Government 1972–1975*, 270.

⁴³ Whitlam, *The Whitlam Government 1972–1975*, 270; Malcolm Abbott, "Microeconomic Reform and the Whitlam Government: The Case of Telecommunications and Post," *Journal of Australian Studies*, 37, no. 4(2013): 519.

The subsidy was reintroduced in 1963 as compensation for the alarming decline in farm income. In 1945–1974, agricultural income grew at an average annual rate of less than 9%. In the three years leading up to the decision to end the programme in 1950, agricultural income had increased by an average of 39%. On the other hand, in the three years to June 1973, agricultural income increased by an average of 48%. The Whitlam government's decision to remove the subsidy was taken under similar circumstances to those in which it was applied by the Menzies government. The government debated Coombs' recommendation in the second half of 1973, both at the level of the Prime Minister's cabinet and the inter-ministerial committee. The provisions on the subsidy did not expire until 31 December 1974, because its solution in the 1973 budget would have required special provisions. The government was not convinced to make such a decision, because it would be difficult to find an appropriate justification for their expiration. It was argued that it would not be easy to prove the need for these changes in the Senate at the first cabinet meeting on 22 January 1974. After this meeting, Whitlam visited ASEAN countries. When he returned to Australia on 13 February 1974, he found that the information of the expiry of the subsidy had not been announced. For this reason, the Prime Minister has again become the subject of criticism and a public campaign by the opposition against him. Finally, it was decided that the subsidy would expire in 1975. The government promptly notified the manufacturers of its intention so that they could plan their financial situation in view of the higher prices of superphosphate in 1975.⁴⁴

The most violent protest took place on 19 February 1974 in Lardner, near Waragul in the Gippsland region. The Prime Minister was supposed to attend a local agricultural show there, but he encountered aggressive behaviour from many irritated farmers. Whitlam tried to calm the protesters' moods, noting that the government in Australia has never before done so much to reduce the prices of tools and equipment used in agriculture. He told the protesters that their incomes had more than tripled in the last three years. He also stressed that subsidies for the use of superphosphate had been introduced.⁴⁵

Later in his speech, Whitlam stated that the majority of Australian farmers enjoy prosperity. The average net income for Australia's 190,000 rural farms in 1974 was around AUD 15,000. The average net income in the previous six years was less than AUD 6,000. During the 20 years before the period 1972–1973, the income of an Australian household in one year never reached half of the level it had in 1973–1974. In 1971, 7,570 Australian farmers applied for assistance from the Rural Reconstruction Board. For comparison: the number of such applications in 1974 was only 523. The superphosphate subsidy was eliminated so that the gov-

⁴⁴ Whitlam, *The Whitlam Government 1972–1975*, 271.

⁴⁵ Abbott, "Microeconomic Reform and the Whitlam Government," 519; Whitlam, *The Whitlam Government 1972–1975*, 272.

ernment could implement programmes that allocated financial resources to other areas of social need. The editors of the *Melbourne Age* published Whitlam's speech from Lardner and supported the opinion of the Prime Minister.⁴⁶ However, Dr. Jim Cairns, Deputy Prime Minister, admitted in parliament that the issue of subsidising farmers for artificial fertilisers (superphosphate) has been poorly handled by the federal government.⁴⁷

The inequalities associated with the cost of superphosphate subsidies were fully highlighted in March 1976, when Malcolm Fraser took the government. The annual cost of the subsidy was estimated at AUD 60 million at the time, and Fraser introduced restrictions. In March 1976, the government decided to oppose full wage indexation for Australian workers. Fraser also refused to raise pensioners, thus saving AUD 29 million. Funeral benefits for pensioners were also abolished, resulting in savings of AUD 1.7 million. Therefore, there was a regression in some expenditures. During Fraser's administration from 1977 to 1982, costs to farmers increased by 200%, mainly due to fuel prices and a lack of support policies.⁴⁸

Returning to the Whitlam government, it should be emphasised that it was constantly active in promoting reforms.⁴⁹ Firstly, the tariff reduction of 25% caused a decrease in prices for a wide range of agricultural machinery, thus limiting their growth, and the labour costs of employment in agriculture. The Whitlam government has fulfilled the aspirations of the village lobby regarding tariff policy more than any other. The tariff cut was also a reform of microeconomic policy and was intended to reduce inflation by allowing imports at lower prices and the development of the Australian manufacturing sector. This fact was emphasised by the Prime Minister at a dinner organised by the Australian farmers' federation in Canberra on 23 October 1973:

I can sum up the broader intentions of my government with a quote from Australian wool producers and Graziers Council. The council said: "The most important long-term step that the government can take is to improve efficiency in the sale of national natural resources and to encourage the development of less protected industries in the economy. Such actions contributed to real economic growth and increased prosperity for the entire community."⁵⁰

Second, the government has taken important steps in promoting market prices and stabilising the industry. In August 1974, the decision was announced to authorise the Australian Wool Corporation (AWC) to maintain the lowest prices for wool sold at auction during the 1974/1975 season. The decision was aimed at avoiding

⁴⁶ Whitlam, *The Whitlam Government 1972–1975*, 272.

⁴⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 2 November 1974: 3.

⁴⁸ Whitlam, *The Whitlam Government 1972–1975*, 273.

⁴⁹ Whitlam, *The Whitlam Government 1972–1975*, 233; Blanche d'Alpuget, *Robert J. Hawke* (Schwartz Publishing Group Pty Ltd., 1983), 226.

⁵⁰ d'Alpuget, *Robert J. Hawke*, 226.

a collapse in wool prices and maintaining the confidence of foreign buyers in good minimum prices in the Australian market. To ensure AWC's ability to maintain the floor price, the government has provided loan funds of up to AUD 350 million. As a condition for maintaining the minimum price, wool producers have agreed to pay a levy of 5% on gross profits from the sale of cut wool to cover any losses that may arise from the operation of the system.⁵¹

In May 1973, the government initiated the payment of extraordinary aid to apple and pear producers. The dairy subsidy act of 1974, on the other hand, provided generous assistance to dairy farms, including interest-free loans with flexible repayment periods, aid to displaced farmers, and better conditions for the recovery of ailing dairy farms. In 1975, the federal government developed a joint programme with state governments to ensure continued financial support for beef producers. Under the programme, the government has allocated AUD 19.6 million to farmers at preferential interest rates. This allocation was supplemented with AUD 20 million and was offered to the Commonwealth Development Bank in December 1974 so that its beef producer loan programme could be extended.

Third, new and growing markets were promoted for agricultural exporters. When the United Kingdom joined the EEC in 1973, Australia's established export markets were significantly reduced. Great Britain could buy fresh products, which were supplied to it from other countries and at lower prices than those imported from Australia. Cheaper goods from Denmark and the Netherlands were coming to the UK, thus reducing the export of Australian dairy products. London has also stopped importing dried fruit from areas irrigated by Australia's Murray River. The dried fruit market was readily available in Greece and Turkey. It was a very difficult time for the sale of Australian canned apricots, peaches, and pears to the United Kingdom, as it could obtain more favourable import conditions from Italy.⁵²

Under these circumstances, Australia had to look for new and growing markets where the surplus of rural products could be sold. The Whitlam government has focused on the Southeast Asian market with a large population of people. In particular, it was about cities such as Mumbai, Calcutta, Singapore, Bangkok, Saigon, Jakarta, Manila, and Shanghai. The inhabitants of these cities had access to equipment for cooling and cooking food products. After normalising diplomatic relations with China, the government also signed a trade agreement in July 1973, in which the Chinese government supported the principle of maintaining long-term commodity contracts. Australian products mentioned in the agreement included wheat and other cereals, sugar, wool, cotton, tallow, hides, paper, and livestock. A long-term agreement was also negotiated to sell up to 4.7 million tons of wheat

⁵¹ d'Alpuget, *Robert J. Hawke*, 274.

⁵² d'Alpuget, *Robert J. Hawke*, 274.

to China over a three-year period. An agreement was signed with North Korea for the sale of 100,000 tons of wheat worth AUD 13 million. Constructive trade talks were also held with the Philippines, Malaysia, and Japan. In 1973, an agreement was reached with the USSR, in which it was agreed to export meat, dairy, grain, fruit, sugar, honey, wine, oilseeds, and wool. On 23 February 1974, an important trade contract was signed with the German Democratic Republic for the export of wheat grain and wool.⁵³

In total, in 1972–1975, the area for wheat sowing increased from 7,138 thousand hectares to 8,308 thousand hectares. Thus, wheat cultivation increased in the same years. And so, in 1972, 8,607 thousand tons of wheat were obtained, and in 1975, 11,357 thousand tons. There was a decrease in the production of uncleaned wool from 881,736 thousand kg in 1972 to 793,479 thousand in 1975. In 1972, there were 162,910 thousand sheep, and in 1975, 151,652 thousand. It should be noted that the price of wool was decreasing until 1970/1971, when it amounted to 0.60 AUD per kg.⁵⁴ Until 1970/1971, wool production accounted for only 15% of the gross value of agricultural production. The profitability of farms in the wool industry has always been volatile and has depended on fluctuating wool prices, export markets, and weather conditions.⁵⁵ On the other hand, the number of beef cattle increased from 27,373 thousand in 1972 to 32,793 thousand in 1975.⁵⁶

Fourth, Canberra has allocated record amounts of money to rural research. In 1973, the government announced a federal programme for a three-year study of the standard of living of people in rural areas and the promotion of wool in the amount of AUD 61.4 million. Officials from the capital also decided to build a National Animal Health Laboratory in Geelong and a quarantine station for animals. The construction cost totalled AUD 56 million. Funding for the laboratory represented the largest financial outlay allocated to the rural sector by any Australian government up to 1985. Subsequently, the Fraser government delayed these activities and the Cocos quarantine station did not open until November 1981, and the Geelong laboratory was not put into operation until April 1985.⁵⁷

Fifth, social policies under Whitlam brought about a better quality of life in rural areas. Cities located somewhere further in the region, due to their small area, rarely provided adequate social services such as hospitals, schools, and recreational activities. Access to existing services for farmers and their families has typically

⁵³ d'Alpuget, *Robert J. Hawke*, 275.

⁵⁴ Vamplew, ed., *Australian Historical Statistics*, 72–85.

⁵⁵ @LadyDragonfly, *Hodowla owiec w Australii*, accessed 18 March 2022, <https://antypodywith-ladydragonfly.blogspot.com/2014/02/hodowla-owiec-w-australii.html>.

⁵⁶ Mitchell, *International Historical Statistics*, 326.

⁵⁷ Whitlam, *The Whitlam Government 1972–1975*, 275.

been limited by distance-related issues. Without access to appropriate educational and cultural facilities, the inhabitants of rural areas are not able to use these goods at the same or similar level as the inhabitants of cities. Therefore, the federal government has increased funding opportunities in rural areas by launching regional programmes. The Australian Assistance Plan has been prepared to meet the social needs of all regions of Australia. Of government spending, 46% was earmarked for rural development. The development of education policy has had a huge impact on the modernisation of services provided by schools in rural areas. In 1973, the government introduced an improved system of benefits for parents of children who did not have access to school services due to their geographical isolation. The aid took the form of financial support for correspondence studies and an allowance for costs incurred in connection with the student's second place of residence. While the McMahon government's allocated AUD 18 million for higher education institutions in rural areas, the Whitlam government's first budget alone increased the expenditure to AUD 68 million for this purpose.⁵⁸

As a result of the implemented reforms, many changes can be seen in Australian agriculture. Employment in the agricultural sector increased from 382,859 in 1971 to 412,720 in 1976. The biggest changes took place in the states of New South Wales, Victoria, Queensland, South Australia, and Western Australia. In total, a large sugar and cattle industry developed in the north. At the same time, the number of various institutions and their branches dealing with agriculture was reduced from 251,000 in 1970 to 231,000 in 1975.⁵⁹

The development of the regional hospital programme and the promotion of health services based on the need to secure society have significantly improved the quality of healthcare in rural areas. Work on sewerage development initiated by the Department of Urban and Regional Development has proven to be particularly beneficial for people living in rural areas. In the area of employment, the Regional Development (RED) and Special Assistance to Non-metropolitan Areas programmes have produced positive results for the rural economy. Whitlam summed up his work by saying, "I remain constant in my assertion that people who have worked and lived in the countryside in Australia have never had it so well."⁶⁰ During the discussed period of Whitlam's rule, the gross value of goods produced in the countryside increased significantly from AUD 3.968 million to AUD 5.876 million.⁶¹ Table 22 presents this issue in a broader period—in 1970–1979.

⁵⁸ Whitlam, *The Whitlam Government 1972–1975*, 276.

⁵⁹ Vamplew, ed., *Australian Historical Statistics*, 72–73.

⁶⁰ Whitlam, *The Whitlam Government 1972–1975*, 276.

⁶¹ Vamplew, ed., *Australian Historical Statistics*, 84.

Table 22. Gross value of rural goods produced in the countryside (in AUD million)

Years	Gross value of production of goods in the countryside
1970	3.731
1971	3.580
1972	3.968
1973	4.960
1974	6.412
1975	5.876
1976	6.172
1977	6.757
1978	6.972
1979	10.224

Source: Vamplew, ed., *Australians Historical Statistics*, 84.

Based on the data from Table 22, the development of production from agricultural areas is clearly visible. To summarise Whitlam's policy towards agriculture, the following main initiatives should be mentioned. The first concerned the creation of the Task Force to Review Continuing Expenditure of the Previous Government in 1973. The committee, chaired by H.C. Coombs, addressed the rising costs of agricultural support programmes that seemed unreasonable. The second important initiative was the Industries Assistance Commission—a commission for industrial assistance in 1973, whose task was to extend the scope of the Tariff Council's activities to agriculture. Whitlam and future governments may have supported the countryside by asking questions to independent economists associated with the Industries Assistance Commission. A third major policy review initiative was *Green Paper*, which revised the programme following the 1973 budget cuts. The Whitlam government's impact on rural and agricultural development was to link regional (non-metropolitan) development policy to the stimulation of regional self-government. The ALP government has focused especially on decentralisation in order to stimulate the development of rural centres. The government supported the village through targeted subsidies (financial aid) for local governments. According to Cockfield, the Whitlam government presented an old and a new paradigm relating to rural politics, which was based on populism, as well as the expectation of rational economic action by the countryside.⁶² Moreover, it is necessary to positively

⁶² Geoff Cockfield, "Rural Policy," in *The Whitlam Era*, eds. Scott Prasser and David Clune (Connorcourt, 2022), 259–66.

verify the hypothesis posed at the beginning of this chapter referring to Whitlam's real desire to improve the economic condition of the countryside and interest in reforms improving the quality of life of people in the countryside, which was supported by statistical data.

Mining Industry and Environmental Protection

ABSTRACT: The chapter is devoted to the mining industry and infrastructure. The chapter presents one of Whitlam's most important political goals, i.e., regaining land from foreign investors' hands and limiting foreign capital inflow. In addition, the focus was on environmental protection, which was an important challenge for the Prime Minister.

KEYWORDS: Australia; Whitlam; mining; industry; investors

MINING INDUSTRY

In recent decades, the world has been talking more clearly about environmental protection and issues related to fossil deposits. All the more reason why the indicated issues may arouse interest and pose the question: was the problem of environmental protection really sufficiently addressed in the 1970s, especially since Australian deposits brought very large profits to Australia. Thus, the hypothesis might be as follows: the mining industry was more important than environmental protection to the Whitlam government.

As mentioned, the mining industry has been an important sector of the Australian economy, and one of Whitlam's most important political goals was to reclaim land from foreign investors. In 1973, the value of foreign capital in Australia amounted to AUD 494 million, most of which came from the United Kingdom (AUD 121 million), the United States (AUD 89 million), and Japan (AUD 51 million).¹ This

¹ Wray Vamplew, ed., *Australian Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 200.

problem became the subject of an interview by Paul Lynch with the previous Prime Minister William McMahon on 27 September 1972.² However, Whitlam took up the issue more professionally, and in 1973, drew attention to several aspects of the matter: foreign investment was crucial to Australia's economic progress (the development of mineral resources was essential), the Australian government took a more selective approach to foreign investment, the policy aimed to promote Australian control of resources and industries, and Japanese investment was not discriminated against but treated favourably. The electricity generation projects were to be 100% Australian-owned. The mining industry's share of Australia's GDP, particularly iron ore, began to increase in the late 1960s. For example, in 1961, 5 million tons of iron ore were mined, and in 1971, the production increased to 57 million tons. Coal production increased from 41 million tons in 1961 to 73 million tons in 1971. Iron ore and coal production also increased in the 1980s, mainly due to exports. Overall, the share of the mining industry in GDP in this period was around 5%.³ To a large extent, this concerned the mining industry, which in the 1960s, experienced its heyday. Already then, John McEwen warned of the danger of land ownership by foreign companies. At the annual meeting of the Australian Mining Industry Council in 1973, Whitlam announced the "buying back the farm" programme.⁴ According to the Prime Minister's assumptions, half of a given investment project should be owned by Australians. In October 1973, Whitlam announced in Tokyo that the government had decided that energy projects (uranium, coke, oil, and gas) would be owned by Australian companies in their entirety. A smaller degree of ownership for Australians was allowed in ventures involving mineral sources. Under the Foreign Acquisitions and Takeovers Act of 1975, the Act signed later by Prime Minister Fraser required a 50% share of Australian ownership for new mining projects. This was especially true for energy ventures, especially uranium, where the share of ownership by Australian investors was expected to be 75%.⁵ An independent agency, the Foreign Investment Review Board, was also created to advise on new investments. This was a programme for defence against foreign investors. For ten years after Whitlam's defeat, there was bipartisan support for a policy of 50% Australian ownership and control over key aspects of mineral resources and energy. This policy contributed to a higher degree of control in the early 1980s. This was evidenced by the progressive "Australianisation" of Australia's largest mining company, Conzinc

² *Macquarie Network Weekly Broadcast by the Prime Minister, the rt. hon. William McMahon ch. mp.—overseas investment in Australia*, 27 September 1972, Interviewer: Paul Lynch, accessed 4 April 2024, <https://pmtranscripts.pmc.gov.au/sites/default/files/original/00002679.pdf>.

³ 1301.0 – Year Book Australia, 2005, Australian Bureau of Statistics, accessed 3 April 2024, <https://www.abs.gov.au/AUSSTATS/abs@.nsf/lookup/1301.0feature+article212005>.

⁴ David Lee, "Buying Back the Farm", in *Making Modern Australia: The Whitlam Government's 21st Century Agenda*, ed. Jenny Hocking (Monash University Publishing, 2017), 35.

⁵ Barrie Dyster and David Meredith, *Australia in the International Economy in the Twentieth Century* (Cambridge University Press, 1990), 281.

Riotinto of Australia, in the late 1970s and early 1980s. Moreover, Australian export controls continued until the early years of the rule of Bob Hawke of the ALP.⁶

The Whitlam government fought against some of the trends of the 1950s and 1960s, including the suspension of the 1960 embargo on iron ore exports. In the following years, the share of foreign capital in the extraction of iron ore developed significantly. In the 1950s, bauxite was discovered in Queensland and the Northern Territory and Western Australia. In this way, Australia was able to implement a plan to build the foundations for an aluminium industry that was largely owned by foreign capital.⁷ Thanks to Gough Whitlam's efforts, the ALP used Northern Australia (it should be read here as parts of Queensland, the Northern Territory and Western Australia, which are north of the Tropic of Capricorn)⁸ to strengthen its position and role in the global economy. North Australia has become a key region for Australia. Already in 1960, Whitlam spoke about supporting the development of the North in the context of the natural resources found there. To this end, Graham Freudenberg (Whitlam's speechwriter) noted that the Canberra government had all the rights to support individual states for any purpose based on the Constitution. Whitlam's voters were also in favour of settling and developing a vast tropical area more rapidly.⁹ Whitlam argued that three issues were crucial to the development of Australia and its northern regions: mineral resources, beef production, and other goods for export.

As for hard coal, its exports increased rapidly, especially to Japan. Initially, hard coal was mined in New South Wales and Queensland, where the American mining company Utah Development and the Australian-American-Japanese consortium Thies Peabody Mitsui (TPM) became the dominant player in the operation of open-pit mines.¹⁰ In the mid-1960s, kerosene and natural gas were discovered in Bass Strait. Profits from these sources significantly contributed to Broken Hill Proprietary Company (BHP) and the American company ESSO. Between 1963 and 1972, foreign capital largely owned the Australian mining industry, increasing its ownership interest from 34% to 48% during this time.¹¹

After the ALP won the 1972 election, Whitlam elected Reginald Francis Xavier (Rex) Connor as the Minister of Minerals and Energy. Connor was born in 1907 in Wollongong, New South Wales, from where the first shipments of fine coal were

⁶ David Lee, "Minerals and Resources Policy," in *The Whitlam Era*, eds. Scott Prasser and David Clune (Connor Court Publishing, 2022), 291–92.

⁷ Geoffrey Blainey, *White Gold: The Story of Alcoa of Australia* (Allen & Unwin, 1997); David Lee, "The Development of Bauxite at Gove, 1955–1975," *Journal of Australasian Mining History*, no. 12(2014): 131–47.

⁸ In practice, since the 1940s, politicians and officials have used the term Northern Territory to refer to the region north of the Tropic of Capricorn.

⁹ Lyndon Megarritty, "Necessary and Urgent? The Politics of Northern Australia, 1945–1975," *Journal of the Royal Australian Historical Society*, 97, no. 2(2011): 155–60.

¹⁰ Lee, "Buying Back the Farm," 36.

¹¹ Jeffrey D. Wilson, *Governing Global Production, Resource Networks in the Asia-Pacific Steel Industry* (Palgrave Macmillan, 2013), 84.

exported to Japan. Connor joined the ALP in the late 1930s and was elected to Parliament by the party in Wollongong-Kembla, and was a member of Parliament for New South Wales from 1950 to 1963, when coal began to be exported to Japan. In 1963, Connor gave up his career in New South Wales and became Cunningham's representative to the House of Representatives. Connor belonged to the left wing of the ALP—that is how he was not close to Whitlam when he was the opposition's leader. Although Connor lived in the shadow of the party from 1969 to 1972, Whitlam did not forget his long-standing interest in mining affairs and appointed him head of the mentioned Minerals and Energy ministry. Connor was well in line with Whitlam's policy and insisted on selling Australian coal and other mineral resources around the world. He also advocated the construction of a natural gas pipeline and interest in the resources of the continental shelf. He also advocated the preservation of privileges for companies such as BHP and Burmah-Woodside on the North-West Shelf.¹² On 31 January 1973, Minister Connor announced that the government had introduced controls on Australian coal exports. In the *Brisbane Courier-Mail*, he explained that the federal government will set minimum prices and a maximum tonnage of exported mineral resources.¹³ Lower coal prices in Queensland competed with coal from New South Wales, which Patterson criticised.¹⁴ If coal producers in the north demanded relatively high coal prices or the average world price, the coal basin in central and northern Queensland would not be developed at all.

In 1973, Connor planned to establish the National Pipeline Authority (NPA). It was an institution managing oil and mineral resources. One of its goals was to build a gas pipeline and transport natural gas from the North West Shelf in Western Australia to Southeast Australia, where it is most in demand. Whitlam, on the other hand, planned to establish the Petroleum and Minerals Authority (PMA) as an organisation to manage oil and mineral resources. Despite the fact that this body underwent the legislative process in August 1974, it was not established as a result of the resignation of the government.¹⁵

Whitlam's certain mining activities were successful. Federal control over the export of mineral resources has resulted in Australia obtaining higher prices for the export of raw materials, such as coal and iron ore. Maintaining such prices was due to the government convincing Australian companies to form an Australian industry association, which negotiated with Japanese Steel Mills. This policy was accepted and upheld by Fraser, whose government also strengthened efforts to increase Australia's influence on export prices. That is why the Foreign Investment Review Board

¹² Lee, "Buying Back the Farm," 38.

¹³ "Patterson Stands by Sales of Cheap Coal," *The Australian*, 3 February 1973: 1.

¹⁴ "Labor Closes Ranks Over Mineral Policy," *The Australian*, 6 February 1973: 1.

¹⁵ "Labor Closes Ranks Over Mineral Policy," *The Australian*, 6 February 1973: 1.

(FIRB) was established. It can be seen that Whitlam and Connor were successful in imposing federal control over price regulation in mining.¹⁶

After taking office in 1972, Whitlam had to fight inflation immediately, which had accelerated in the last years of McMahon's administration, and was partly fuelled by the mining boom that began in the 1960s. On 23 December 1972, Whitlam appreciated the Australian dollar by 7%. When he announced the decision, he said that foreign mining companies operating in Australia and oil prospectors would not be allowed to invest in the country until they had deposited investment funds amounting to 25% of their capital into the Reserve Bank of Australia.¹⁷ The main task of the Whitlam government was, as mentioned, to curb foreign capital.¹⁸

Another issue was that Connor was surprised that the McMahon government had agreed to sell uranium at low prices. As such, he demanded that these contracts be under the control of the Australian government. In the face of these proposals, there have been voices of dissatisfaction from some mines towards Whitlam. Connor considered the comments and made two decisions as early as 1971, which indicated that the ruling party would not allow the export of mineral resources sold for less than the full market price and would not allow the export of fuels and energy sources that are needed for Australia's development. Connor spoke of the mistake of selling coal extracted from the surface at lower prices and from deeper seams to Australia.¹⁹ Connor also noted that Japanese steel companies are based on a "cost plus a reasonable profit" policy. In this way, Japanese companies sought to take advantage by triggering competition between manufacturers in Australia. The mine owners and the Miners Federation, the Joint Coal Board, and the Department of Minerals and Energy demanded export controls and respect for the state's interests. The government has agreed to sign new coal contracts or expand existing ones, provided that Connor and his department accept coal prices.²⁰

In addition to coal-related matters, the government sought to control exports of iron, copper, and natural gas. There was also not enough control over bauxite, aluminium, and nickel until Connor took care of it. The federal control of mineral exports proved to be a lasting legacy of the Whitlam government's mining policy, which was later maintained by the Fraser government, and in the later 1970s and early 1980s, also by the Bob Hawke government in the 1980s. Both Whitlam and Connor wanted Australian companies to be able to invest in the most needed sectors, particularly the mineral sector, through the Australian Industry Development

¹⁶ Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 39.

¹⁷ Whitlam, *The Whitlam Government 1972–1975*, 39–40.

¹⁸ Whitlam, *The Whitlam Government 1972–1975*, 40.

¹⁹ Whitlam, *The Whitlam Government 1972–1975*, 42.

²⁰ Whitlam, *The Whitlam Government 1972–1975*, 42; Benjamin Huf, "A Monumental Energy Binge: The Balanced Development of Minerals and Energy," in *Curating the National Estate: Equality, Environment and the Whitlam Government* (Whitlam Institute within Western Sydney University, 2022).

Corporation (AIDC). In March 1973, Whitlam announced a project to expand the AIDC and wanted to establish the National Investment Fund to raise funds for investments. This project was approved by the parliament in August 1973. Already during Whitlam's visit to Japan in October 1973, the Prime Minister spoke comprehensively about foreign political investment. Whitlam explicitly stated that the government requires Australian investors to participate heavily in new energy projects related to coal, oil, gas, and uranium. These ventures in the field of technology, loans, and long-term contracts could be co-financed with the participation of other foreign investors. Whitlam was quite flexible in this policy, as he described his government's actions as wanting a partnership between Australian and foreign capital,²¹ and reduced the tariff on all goods by 25%.²² In these new regulations announced by the Prime Minister, all foreign investments required verification and approval from the Ministry of Treasury. This system was met with dissatisfaction by the opposition, because there was talk of state interference that could lead to a socialist model.²³

As mentioned, the Whitlam government introduced greater control over the export of mineral resources and coal, and these actions were met with protest from Tokyo. The Japanese government said the control would cause uncertainty and concern for Japanese investors. As a result, the Japanese reconsidered further investments in Australia.²⁴ In 1973, Australian coal and iron producers were the cheapest and simultaneously the largest suppliers of raw materials to the Japanese steel industry. As we can see, the Whitlam government has positioned itself as a strong partner for Japan. In 1973, Connor himself persuaded Australian iron-producing companies to negotiate together with Japan, which would translate into better profits. The result of these actions was a price increase of 17.5% in 1973 and another 20% in 1974. It was compensation for inflation and rising costs. At the same time, in the same decade, long-term coal contracts were signed with Japan, which were subject to annual renegotiations regarding planned prices from before April each year.²⁵

Returning to Minister Connor, it should be noted that his career changed when he was forced to resign as Minister of Minerals and Energy on 14 October 1975, for misleading Parliament about his role in applying for a loan in petrodollars. Despite the fall of the government in November 1975, Connor's policies continued. As a result of the oil crisis in 1973, Australia's economic situation deteriorated, but the oil-producing countries earned huge amounts of petrodollars. Japan, France, and Great Britain did so. Connor wanted to take advantage of this opportunity as

²¹ Lee, "Buying Back the Farm," 46.

²² NAA, A5931 Whitlam ministries—Cabinet files, single number series with CL prefix, 1972–1975, Cabinet Office (CA 1472).

²³ Lee, "Buying Back the Farm," 51.

²⁴ George Williams, "The Whitlam Government and Constitutional Reform," in *It's Time Again: Whitlam and Modern Labor*, eds. Jenny Hocking and Colleen Lewis (Melbourne Publishing Group, 2003), 205–06.

²⁵ Lee, "Buying Back the Farm," 51.

well. At the Executive Council meeting on 13 and 14 December 1974, Whitlam, Cairns (Deputy Prime Minister and Treasurer), Connor, and Lionel Murphy (Attorney General) agreed to take out a loan of USD 4 billion. This amount was to be allocated to the development of uranium mines and smelters, which were on the list of entities to be co-financed. There were also: LNG pipelines from Cooper Basin to Perth and an offshore pipeline from Dampier to North Rankin, a government stake in a petrochemical plant in Dampier, electrification of railways, and improving the condition of ports for coal exports.²⁶

The Loan Council also had to approve this loan. It was a council that consisted of officials from the various states and the Commonwealth. Deputy Prime Minister Jim Cairns, based on the opinion of the Secretary to the Treasury, Sir Frederick Wheeler, forbade Connor to borrow in petrodollars. When Whitlam returned from a trip abroad in January 1975, he strengthened Connor's position and ordered him to take out a loan. However, this decision was revoked by Whitlam on 20 May 1975, after speaking with the Secretary to the Treasury. Then, on 10 July 1975, a special session of parliament was held, during which Whitlam defended himself in the case of the so-called loans affair. The scandal (known as the Khemlani affair) was a political affair of the Whitlam government in 1975. The main charge was an attempt to borrow money from the Middle East through Pakistani banker Tirath Khemlani. The planned procedure was to bypass the standard procedures of the Australian treasury and thus violate the Constitution. As a result of these plans and misleading Parliament, Minister Rex Connor and Deputy Prime Minister Jim Cairns were forced to leave Whitlam's cabinet. These actions were the cause of the constitutional crisis in 1975.²⁷

Fraser used this scandal in the Senate to block money for the government. Then the Governor-General of Australia, John Kerr, dismissed the Whitlam government on 11 November 1975. Politician Wayne Swan claimed that Connor was too late in seeking petrodollar loans for the uranium enrichment project. This loan was supposed to provide Australia with huge profits.

In conclusion, Whitlam's efforts to regain Australia's position in domestic investment should not be assessed as a failure. However, Connor's rejection of his grand plan to lay a pipeline from the North West Shelf to the eastern states of Australia and the loans affair have contributed to the collapse of the government. After the change of power, there was a partial continuation of Whitlam's policy in matters related to mining. The Fraser government has empowered private companies to play a greater role in decision-making. Fraser has maintained the obligation to own 50% ownership for Australian new mining projects. The Fraser government established the independent agency—The Foreign Investment Review Board (FIRB), as a follow-

²⁶ Wayne Reynolds, "Australia's Quest to Enrich Uranium and the Whitlam Government's Loans Affair," *Australian Journal of Politics & History*, 54, no. 4(2008): 564–65.

²⁷ "Loans affair," Wikipedia, accessed 2 August 2024, https://en.wikipedia.org/wiki/Loans_affair.

up to Whitlam's Foreign Investment Advisory Committee. The FIRB played a role in estimating foreign investment against national criteria and Australian interests. Attention was paid to net economic benefits. It was possible to negotiate a share of ownership if someone invested in infrastructure.

After Connor's resignation in 1975, bipartisan support for a 50% share of Australian ownership in key mineral and energy areas continued. The creation of the FIRB allowed the Fraser government to facilitate cooperation in which foreign investors could negotiate the size of Australian ownership. The policy of controlling the proportion of Australian capital in new mining projects was abolished in 1992.

It should be emphasised that as a result, since the beginning of the 1970s, the market for Australian exports has expanded. In the first half of this decade, Asian countries purchased 31% of Australian exports, Pacific countries—23.7%, Europe—16.1%, North America—8.3%, South Africa—5.6%, and other countries—15.1%.²⁸

The mineral boom in the second half of the 1960s showed the structure and shortage of large-scale mineral extraction skills among Australian companies. High infrastructure costs and transportation difficulties have been major problems for mineral mining companies. Government assistance was sometimes offered, as in the case of nickel in Western Australia. Possible help from foreign corporations and reimbursement of tax costs for them caused serious public concern. Since 1974, under Gough Whitlam, this aid has been reduced. Despite these difficulties, the export value of Australian mineral resources increased significantly between AUD 1 billion and AUD 3 billion in 1970–1975.²⁹ In addition to the mentioned changes, the Whitlam government established the Prices Justification Tribunal, introduced the Trade Practices Act, and established the Industrial Assistance Commission.

ENVIRONMENTAL PROTECTION

The issues related to the mining industry are related to environmental protection. During his "It's time" campaign, Whitlam declared that he would make the Great Barrier Reef a national park and protect Australia's natural heritage.³⁰ The Whitlam government was a member of three environmental organisations:

- in May 1973, Australia joined the International Union for Conservation of Nature (IUCN), founded in 1948;

²⁸ Mieczysław Sprengel, *Zarys historii gospodarczej Australii w XX wieku* (Wydawnictwo Adam Marszałek, 2006), 120.

²⁹ Vamplew, ed., *Australian Historical Statistics*, 97.

³⁰ "The Environment," Whitlam Institute, accessed 4 April 2024, www.whitlam.org/whitlam-legacy-environment.

– in June 1975, Australia became a member of the International Centre for the Study of the Preservation and Restoration of Cultural Property (ICCROM) established in 1959;

– Australia established the Australian Heritage Commission, with David Yencken as its first chairman.

In 1975, Canberra fulfilled its commitments under the World Heritage Convention for the protection of cultural and natural heritage with adequate personnel and resources to perform these functions. It served as a basis for establishing the Australian Heritage Commission and the Australian National Parks and Wildlife Service.³¹

Another environmental issue was the extraction of uranium ore. Uranium exploration has a long history in Australia. Uranium mineralisation had been observed for the first time in 1894 in Carcoar, New South Wales, and then in many other places. These include Radium Hill (1906) and Mount Painter (1910) in South Australia, where radium, a heavy radioactive metal that was found there until 1934, was mined. Work on the search for uranium ore began in 1944 at the request of the American government, which needed it for atomic weapons. In 1952, the Income Tax Assessment Act was amended to provide tax exemptions for profits made by major Australian uranium mining and processing companies. The exploration boom took place in the 1950s. Spectacular discoveries have been made in the Northern Territory and Queensland, particularly in the Rum Jungle and Mary Kathleen. The largest uranium deposits are located in the Olympic Dam mine.³²

In 1974, Connor, Cairns, and Whitlam discussed about the companies Electrolytic Zinc Company of Australasia Limited and Peko Mines Limited extracting uranium ore in the Northern Territory and the production and sale of uranium concentrate from uranium ore in the Northern Territory within Atomic Energy (Prescribed Substances) Regulations. On 30 October 1974, Whitlam signed a contract with the director and chairman of both companies. On 28 October 1975, a Memorandum of Understanding was signed with the managing director and chairman to facilitate the early preparation of formal agreements for the planned project. It was decided that these agreements would not enter into force until the government confirmed them after considering two important issues. Firstly, to take into account The Report of the Ranger Uranium Environmental Inquiry of 9 September 1975 and secondly, to address any Aboriginal claims to land in the Ranger area (under the procedures set out in the Aboriginal Land Northern Territory Bill).³³

³¹ Whitlam, *The Whitlam Government 1972–1975*, 544.

³² “Cykl paliwowy. Wydobycie uranu,” Narodowe Centrum Badań Jądrowych, accessed 28 June 2022, www.atom.edu.pl/index.php/technologia/cykl-paliwowy/wydobycie-uranu.

³³ Jenny Hocking, “A Transforming Sentiment in This Country: The Whitlam Government and Indigenous Self-Determination,” *Australian Journal of Public Administration*, 77, no. S1(2018): S5–S12; Whitlam, *The Whitlam Government 1972–1975*, 544.

The government has also paid a lot of attention to water supplies. These issues are legally regulated in the The Seat of Government Acceptance Act 1909, which contains an agreement between the Commonwealth and individual states. Such an agreement has also been signed with New South Wales, under which the federal government has priority to use the waters of the Queanbeyan and Molonglo rivers and has a duty to protect them from pollution. It was necessary to build the Googong Dam on the Queanbeyan River to ensure the water supply to Canberra. The problem was water pollution by the Captain's Flat mines. The government felt responsible for the incurred costs because the mine was liquidated. From August 1974, the provisions of The Canberra Water Supply Bill were in force, and on 16 October 1975, the Captain's Flat Bill joined it. These legal acts allowed for the construction of the Googong Dam and fighting pollution.³⁴

On 2 March 1973, Moss Cass, an Australian doctor and politician who (he worked at the Minister for Environment and Conservation from 1972 to 1975) met with Whitlam and Prime Ministers Askin, Hamer, and Dunstan in Canberra. For the first time in many years, the heads of the four governments met on the issue of the Murray River. They decided that the River Murray Working Party was to investigate the quality of water in this river. The Commission also recommended amending existing agreements on Murray waters to allow for new actions. It was mainly about the necessary supply of water to Adelaide, which came from this river. To improve this situation, the Whitlam government established a special programme, which cost in the 1974 budget was AUD 4.4 million and AUD 8.9 million in 1975. In 1976, the costs increased to over AUD 9 million, but then the budget expenditure for this purpose decreased. In October 1975, the River Murray Working Party submitted a protocol with reports on salinity, water quality, and biological conservation. It was not until May 1983 that the Minister of Science and Technology, Barry Jines, was able to enact the Murray Waters Amendment Act. A new agreement was thus approved, which expanded the responsibility of the River Murray Working Party committee to measure and monitor the quality of the river's waters and its tributaries. It took more than a decade for Cass and Whitlam's initiative to be realised.³⁵

The Whitlam government followed up on the decisions made by the previous MacMahon government, in which all decisions on projects that could impact the environment were accepted. In April 1973, Whitlam wrote to state Prime Ministers that all projects of the previous government should be published and given the status of federal development projects that would be funded.³⁶

³⁴ Whitlam, *The Whitlam Government 1972–1975*, 536.

³⁵ Whitlam, *The Whitlam Government 1972–1975*, 532.

³⁶ Ben Huf, "Is the Government Willing to Fetter Itself? The Experiments of Environment and Conservation," in *Curating the National Estate: Equality, Environment and the Whitlam Government* (Whitlam Institute within Western Sydney University, 2022), 28–31.

In November 1973, the Western Australian Parliament approved an agreement with Alwest Pty Ltd and Dampier Miting Co Ltd. to build aluminium refining plants 140 km south of Perth. On 17 January 1974, Prime Minister Tonkin informed Whitlam of the project by letter. However, the Whitlam government noted that the guarantees contained in the agreement for the supply of water to Perth and Bunbury were insufficient. Therefore, the federal government sent a letter to Prime Minister Tonkin, which reached the addressee on 18 March and contained the requirements of the agreement, set out by Canberra. In January 1975, all the conditions were met and the project was started.³⁷

As a result of constitutional provisions, the federal parliament did not have the power to counteract, for example, floods in various states. State governments were responsible for preventing such events and received financial support from the Loan Council, which had funding from federal sources. Canberra tried to control environmental issues and compliance with appropriate standards by individual states. On the other hand, mining was more influenced by the federal government, because bauxite, uranium, and other raw materials were export products, subject to export regulations. The federal government has also signed agreements with individual states on the extraction of raw materials. For example, Canberra and the Queensland governments established a joint commission on oil drilling and exploitation in the Great Barrier Reef area in May 1970. It was the state government of Prime Minister Joh Bjelke-Petersen that advocated oil drilling in the area. Whitlam drafted the Seas and Submerged Lands Act in 1973, which gave Canberra authority over the seas surrounding Australia.³⁸ In this way, effective protection at the federal level over the Great Barrier Reef was ensured.

Despite various disturbing actions of Australian states and institutions, interest in environmental protection has been growing since the 1960s. The nature conservation movement developed. In 1965, the Australian Conservation Foundation was established. Two opposition sides emerged in the entire movement. The first sought to exploit natural resources while preserving the richness of nature; the second was more radical, proclaiming a total ban on violating the environment. As a result, conflicts arose in the authorities of this foundation.³⁹ When dealing with environmental protection in Australia, it is impossible not to refer to the issues related to the already mentioned Great Barrier Reef in this context. It is a huge collection of islands and coral reefs that stretch for about 1,900 km along the east coast of this continent. The area includes many unique forms of marine life and is the largest and most complex area of living coral reefs in the world, arguably the largest that has ever existed. It is an area of exceptional beauty and inestimable scientific val-

³⁷ Whitlam, *The Whitlam Government 1972–1975*, 536.

³⁸ “The Environment,” Whitlam Institute, accessed 3 April 2024, <https://www.whitlam.org/whitlam-legacy-environment>.

³⁹ Jan Lencznarowicz, *Australia* (TRIO, 2005), 318–19.

ue, which is a significant part of the world heritage. The economic activity and oil drilling carried out there in the 1960s, allowed by the government in Queensland, caused a real threat to the future of the Great Barrier Reef. Australian poet Judith Wright, a fighter for Aboriginal rights and nature conservation, described how conservatives in the late 1960s, irritated by the failure of the Australian Conservation Foundation, opposed the plans of AMPOL (an Australian company dealing with the distribution of fuel at gas stations), which was to extract oil near the Reef. Finally, on 30 October 1974, the Royal Commission (the royal commission conducting independent investigations into matters of the highest public importance) presented its report, as a result of which drilling on the Reef was prohibited, also under the Seas and Submerged Lands Act. Two of the three commissioners of the Royal Commission, namely James Eric Smith and Vincent John Moroney, however, thought that it would be safe to drill in the areas around the Reef under certain conditions. However, the chairman of the committee, Sir Gordon Wallach, declared that this proposal was not good for the Reef.⁴⁰

The Whitlam government took the position that the Great Barrier Reef must remain a significant part of the world's heritage and a priceless monument that would be protected for future generations. On 22 May 1975, the Royal Commission, through Cass, introduced the Great Barrier Reef Marine Park Act to the Parliament. The text has been prepared after extensive consultations with various departments and organisations covering all aspects of the Reef. In this way, in 1975, Whitlam created the Great Barrier Reef Marine Park, the area of which was enlarged in 1982.⁴¹

As part of the detailed arrangements, some areas of the reef belonged exclusively to the National Park and a strictly protected zone, while a few others could be used for tourism and fishing. The law specifically prohibited the use of this area for the purpose of extracting mineral resources. An office was established that was to consist of a full-time chairman appointed by the Queensland government and two part-time members. Although the Act came into force on 20 June 1975, Queensland Prime Minister Bjelke-Petersen refused to appoint his representative until the High Court had ruled on the validity of the decision under the Seas and Submerged Lands Act, which applies to the territorial seas and continental shelf of the Commonwealth. Because the federal government's ruling was not issued until December 1975, the Whitlam government was unable to work on establishing a national marine park in the Great Barrier Reef area during its last term.⁴²

The mentioned issue of subordinating the exploitation of Australia's coastal waters in June 1973 by the federal government was strongly opposed by all states. Tasmania's Attorney General, Jim Everett, called it the biggest attack on states' rights

⁴⁰ Whitlam, *The Whitlam Government 1972–1975*, 532.

⁴¹ Whitlam, *The Whitlam Government 1972–1975*, 533.

⁴² "The Environment," Whitlam Institute.

since the creation of the Federation of Australia in 1901.⁴³ However, Australia's signing on 22 August 1974 the Convention concerning the Protection of the World Cultural and Natural Heritage gave the federal parliament jurisdiction over the entire Australian territory and pristine areas in Tasmania, the Great Barrier Reef, and other tourist areas.⁴⁴

Fraser, Whitlam's successor, did not exercise his constitutional powers to protect the Reef, but instead sought opportunities to work together to create new marine national parks. The Queensland authorities did not agree to establish any park within three miles of the coast (i.e., 4.8 km). The federal government also did not have enough power to rule out the possibility of drilling for oil in the areas around the Reef.⁴⁵

In terms of environmental legislation, 1974 was a very important year. Various other acts were introduced: the States Grants Act, the River Murray Waters Act, the States Grants (Nature Conservation) Act, the States Grants (Soil Conservation) Act, and the Environment Protection Act. All these rights came into force on 26 November 1974.⁴⁶ Based on these regulations, the government wanted to control sand mining on Fraser Island and uranium mines in the Northern Territory. On 9 July 1974, Whitlam wrote a letter to the Prime Ministers of New South Wales, Queensland, and Western Australia. The Prime Minister reminded that according to the law, there is an obligation to inform the federal government about the export of extracted mineral resources. Individual states should also inform about contracts for zirconium, rutile, and titanium—about their sale prices and meeting all environmental conditions.⁴⁷

On 13 June and 4 July 1974, the Bjelke-Petersen government in Queensland issued a permit for the DM Minerale for mining mineral resources to Fraser Island. Requests were also made to the departments for the mineral resources energy in order to obtain an export licence under the procedures established in February 1973. However, in March 1975, the Australian Conservation Foundation began the campaign against the government for "betrayal of national heritage."⁴⁸ The press also devoted a lot of space to mining on the Fraser Island. In addition, the case was started before the Supreme Court of QLD (Queensland High Court). A commission was appointed to investigate the matter, which presented the report in October 1976. The findings and conclusions of the committee were as follows: "All exports mineral resources obtained from Fraser Island is absolutely forbidden."⁴⁹

⁴³ Eugeniusz Bajkowski in *Tygodnik Polski*, 30 June 1973: 3.

⁴⁴ Whitlam, *The Whitlam Government 1972–1975*, 546.

⁴⁵ Whitlam, "The Whitlam Government 1972–1975," 533; *The Sydney Morning Herald*, 9 April 1979.

⁴⁶ Jeff Angel, "Environment Policy," in *The Whitlam Legacy*, ed. Troy Bramston (Federation Press, 2015), 219; Whitlam, *The Whitlam Government 1972–1975*, 538.

⁴⁷ Angel, "Environment Policy," 219; Whitlam, *The Whitlam Government 1972–1975*, 539.

⁴⁸ Whitlam, *The Whitlam Government 1972–1975*, 542–43.

⁴⁹ Whitlam, *The Whitlam Government 1972–1975*, 540–41.

One of the last most important things under the Whitlam government was the ratification of the UNESCO convention: Convention on the Means of prohibiting and preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property of 1970.⁵⁰ Moreover, many other documents were signed. In November 1973, the Whitlam government accepted changes to the International Convention for the Prevention of Pollution of the Sea by Oil of 1954. In October 1973, Canberra signed the International Convention on the Prevention of Marine Pollution by Dumping of Waste and Other Matter of 1972. In December 1974, the government signed the International Convention for the Prevention of Pollution from Ships. In October 1975, Minister Jones implemented a law called the Navigation Bill to apply to two international conventions of 1957: Convention relating to Limitation of the Liability of Owners of Sea-Going Ships and of 1972: Convention on the International Regulations for Preventing Collisions At Sea. The ratification of this law allowed Australia to increase insurance limits for shipowners.⁵¹ The Navigation Bill of 1975 also provided the ability for the Department of Transportation to track the movement of ships through the Marine Operations Centre and determine the position of ships for possible assistance in an emergency. This improved rescue system was implemented by the Inter-Governmental Maritime Consultative Organization. The Whitlam government was the first in the world to introduce such a solution.⁵²

In January 1974, the federal government established the Council of Nature Conservation to coordinate nature conservation policy. In September 1973, Australia signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora. In February 1974, an agreement was reached with Japan on the Protection of Migratory Birds and Birds in Danger of Extinction and their Environment. And in March 1975, there was accepted in parliament National Parks and Wildlife Conservation Act. These pieces of legislation have made it possible to plan and manage national parks.⁵³ After the new law came into force, the government announced that it would purchase 600 hectares of land on the Towra Point in Botany Bay, to protect the natural environment of aquatic animals and ensure the protection of migratory birds in accordance with the agreement with Japan.⁵⁴

It is difficult to unequivocally assess the environmental activities of Whitlam and his government. Although many initiatives have been taken to protect the natural environment, protests by environmentalists have continued. The Report of the National Estate highlighted the government's efforts in this area: caring for forests, the natural and urban environment, as well as national parks and monuments. These problems were to be addressed for the next decades by groups from the Total Envi-

⁵⁰ Whitlam, *The Whitlam Government 1972–1975*, 586.

⁵¹ Whitlam, *The Whitlam Government 1972–1975*, 440.

⁵² Whitlam, *The Whitlam Government 1972–1975*, 441.

⁵³ Whitlam, *The Whitlam Government 1972–1975*, 441.

⁵⁴ Whitlam, *The Whitlam Government 1972–1975*, 550.

ronment Centre (TEC) established in 1975.⁵⁵ Certainly, in Whitlam's time, parks, coasts, and forests were taken care of. Non-governmental organisations (NGOs) were already highly active at that time and exerted pressure on federal ministers. However, there was still a problem at the intersection of business and environmental ethics. Nevertheless, the Whitlam era marked the beginning of environmental action. Whitlam has taken many initiatives to protect the natural environment and the mining industry from foreign influences. In this aspect, the "welfare state" acquires practical significance and is not limited only to the social security of individuals. The state indirectly becomes a guarantor of a better life for its citizens. This approach is close to the approach of Claus Offe, who spins his sociological and political considerations in this way. Titmuss also treated the "welfare society" as the ideal, highest goal of universal welfare. After all, universal prosperity also includes the use of goods, such as clean air, water, and other aspects related to environmental protection, so the hypothesis put forward at the beginning of this chapter should be verified negatively.

⁵⁵ Angel, "Environment Policy," 222.

CHAPTER VI

Changes in Education and Healthcare

ABSTRACT: The chapter concerns changes in education and healthcare. One of the most important points was to enable more people to study with easier opportunities to access education at universities. Changes in this area have been implemented since 1973. Moreover, the chapter presents reforms concerning educational institutions. The second important aspect is healthcare. Whitlam's efforts to reverse the neglect of the time of Prime Minister Menzies are presented. Australia's economy was strong enough to provide citizens with a wider use of health services from advances in medical science.

KEYWORDS: Australia; Whitlam; education; healthcare; universities

CHANGES IN EDUCATION

Education and healthcare are always of great interest to the citizens of the state. In the first few decades of the twentieth century, access to education for the poorer classes and women was difficult. These problems were encountered by young Whitlam, who was a keen observer of social life in Australia. Therefore, whether he could have made changes while holding the office of Prime Minister and to what extent—is a research question in this chapter. Therefore, the thesis is that Whitlam and the government have made significant changes in the education system and healthcare. For this purpose, the chapter shows statistical data and cites the names of institutions and organisations established during the times of Gough Whitlam. The method of analysis and examination of documents was used.

From 1958 to 1973, universities and colleges of higher education were jointly funded by the federal government and state governments. In 1969, the government in Canberra introduced a system of direct grants for schools depending on the num-

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ber of pupils.¹ According to the accepted model, the federal government provided AUD 1 for this purpose, and the states contributed AUD 1.85 (including the tuition fee). The administration, as well as academics, emphasised that the shortage of financial resources provided by the states limited the development and quality of education. It was widely believed that the federal government should spend more money on higher education. Whitlam took advantage of these sentiments, noting that the proposed changes in education could contribute to his party's victory. Meanwhile, until 1973, there were two commissions that dealt with recommendations regarding the financing of universities. Financial changes were made based on negotiations and discussions between the states and the federal government. The federal government's treasurer did not have enough funds to better fund education. In the first place, it is the individual states that should provide funds for this purpose. Despite this, the Whitlam government did not want to cut federal spending and decided that funding for higher education should be increased. This position was reflected at the ALP meeting. The federal government has recommended increasing the number of administrative staff at universities to 34,000 people. In addition, 8,000 Australian university officials received a 21% to 24% pay rise. 6,000 higher education teachers (the so-called Colleges of Advance Education) also received increased salaries.²

According to the ALP's plans, even before the 1972 elections, six goals were outlined to be achieved within the framework of education in higher schools. Five of them were implemented in the first year of the Whitlam government. The sixth goal was not achieved due to a lack of financial resources. The first was to take responsibility for the coordination and full state funding of higher education in universities and colleges run under the higher education system. The second concerned the abolition of fees for higher education. Third, it is planned to recognise teacher training colleges as autonomous institutions. The fourth objective provides for a review of scholarships and an extension of financial support for students. The fifth provided financial assistance for Australian states that continue to work for the development of education. As mentioned, the sixth objective was not achieved, and it concerned the opening of additional specialised institutions for the needs of higher education.³

The government's success in education was the result of Education Minister Kim Beazley. Ever since Beazley succeeded Curtin as a member of the Frematle Club in August 1945, he had vigorously advocated, both within and outside his

¹ Michael Hogan, "Education Policy," in *The Whitlam Legacy*, ed. Troy Bramston (Federation Press, 2015), 187.

² Eugeniusz Bajkowski in *Tygodnik Polski*, 16 June 1973: 3.

³ Peter Karmel, *Open Tertiary Education in Australia: Final Report of the Committee on Open University to the Universities Commission*, December 1974, 12.

party, stable funding for education. The efficiency and integrity he demonstrated during his tenure as minister contributed to one of the major successes of the Whitlam government.⁴ That is why Beazley's work for education in Australia was awarded in 1976 by the Australian National University and the University of Sydney, which honoured him in 1979 by awarding him a Legum Doctor (LL.D.) honorary degree.⁵

The Whitlam government was the first Australian government to take responsibility for adequate and equal standards of education in all schools. In primary and secondary education, policies were put in place to broaden educational opportunities for all pupils and to ensure that parents' income was of no consequence to any child's educational opportunities. On 12 December 1972, after discussions with Beazley, Whitlam appointed the Interim Committee for the Australian Schools Commission chaired by Prof. Peter Karmel. He was asked to examine the situation in public and private primary and secondary schools across Australia and make recommendations on the most urgent financial needs of these schools.⁶

These activities were to ensure that the quality of education for children was equal, regardless of the location of the school and other factors. Educational needs were to be fully satisfied at a satisfactory level. This applied to all states. The Karmel Report of 18 May 1973 to the Interim Committee for the Australian Schools Commission was submitted to Parliament on 30 May 1973. It referred to past decades, when financing education was not matching the needs of particular schools.⁷ The following statement can be found in the document:

We have no doubt that many Australian schools have urgent financial needs. In all school systems and in some independent schools, the level of teaching resources is significantly below the needs—this applies to both public and non-public schools. The standards are below the required modern educational methods used to prepare all children, regardless of the method they learn, to perform useful roles in society. There are schools in the public and non-public sectors where staff training, equipment and buildings illustrate the state's approach to children. Many schools are attended by children from relatively poor families. This includes, e.g., the children of immigrants or Aborigines, and their education should therefore offer better means of improving their career start regardless of their background.⁸

The report was met with criticism. At that time, Australia was not mentally ready to provide such help to everyone. The report also notes that there are inequalities in educational opportunities for studying in Australian universities. It was

⁴ Hogan, "Education Policy," 190.

⁵ Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 315.

⁶ Whitlam, *The Whitlam Government 1972–1975*, 315.

⁷ Hogan, *Open Tertiary Education in Australia*, 188.

⁸ Whitlam, *The Whitlam Government 1972–1975*, 317.

assumed that those who wanted to study should choose the same professions that their fathers already had.

As we can see, one of the most important points in the Whitlam's reform programme was education. According to Prime Minister Whitlam, it was the "greatest instrument for promoting equality." ALP began to apply a policy of financing education based on the real needs of education.⁹ Commonwealth spending on schools had tripled in the two years to mid-1975. Scholarships for students have been expanded at universities to make colleges more accessible to those who want to.¹⁰ Table 23 shows the number of students enrolled at universities and the number of diplomas obtained in 1967–1977.

Table 23. Number of university students and bachelor's and master's degrees in Australia in 1967–1977

Year	Bachelor studies		Master studies	
	Number of all students	Number of bachelor's degrees obtained	Number of all students	Number of master's degrees obtained
1967	78,825	10,393	9,181	1,002
1968	84,317	11,576	9,230	1,248
1969	90,738	11,360	10,564	1,354
1970	97,354	13,484	11,549	1,551
1971	102,644	14,994	12,469	1,784
1972	106,300	16,877	13,054	1,970
1973	109,068	18,525	13,777	2,223
1974	116,368	21,115	15,262	2,081
1975	120,119	21,860	16,676	2,356
1976	124,575	23,025	17,581	2,616
1977	127,358	23,812	18,430	2,735

Source: Wray Vamplew, ed., *Australians Historical Statistics* (Syme & Weldon Associates, 1987), 342.

Table 23 shows a continuous increase in the number of people studying bachelor's and master's degree and obtaining degrees at universities. This is certainly due to the expansion of access to studies for more people. Table 24 shows the percentage increase in students and pupils in Colleges of Advanced Education (CAEs) from the previous year in 1970–1980.

⁹ Hogan, *Open Tertiary Education in Australia*, 188.

¹⁰ Whitlam, *The Whitlam Government 1972–1975*, 293.

Table 24. Percentage growth of students in Colleges of Advanced Education compared to the previous year in 1970–1980

Year	Universities		CAEs	
	Percentage increase compared to the previous year	Australian population aged 17–22 (%)	Percentage increase compared to the previous year	Australian population aged 17–22 (%)
1970	–	7.9	–	2.6
1971	6.1	8.5	18.2	3.1
1972	4.1	8.6	17.2	3.5
1973	3.8	8.8	18.3	4.1
1974	7.4	9.2	–	6.8
1975	4.1	9.3	17.8	8.9
1976	3.7	9.5	7.7	9.4
1977	2.8	9.5	5.4	9.6
1978	1.0	9.4	6.7	10.0
1979	0.5	9.2	3.7	10.2
1980	1.5	9.6	1.0	9.8

Source: Don S. Anderson and Aat E. Vervoor, *Access to Privilege: Patterns of Participation in Australia Post-Secondary Education*, combination of Tables 2.1 and 2.4 (Australian National University Press, 1983).

In terms of universities, the largest percentage increase was seen during Whitlam's time in 1974, while CAEs recorded the largest increases in 1971–1975. The Whitlam government's most enduring achievement was the transformation that took place in education in Australia. His government was the first to make a number of significant changes in education. One of the first decisions of the authorities in this field was the appointment of Professor Peter Karmel as head of the Australian Schools Commission by Whitlam and Minister Barnard and the distribution of funds to schools taking into account their needs. In addition to this, the government took full financial responsibility for higher education and also abolished fees for studying at Technical and Further Education, the so-called TAFE. These actions were the beginning of the Australian government's involvement in financing education.¹¹

In 1973, the financing of education began to change dramatically. The Australian Universities Commission, which was established in 1958, was the prototype of subsequent commissions dealing with financial matters of universities. The next one was established in 1969 and was called the Commission for Advanced Education. The Technical and Further Education Commission and Schools Commission was created by Whitlam himself. The Prime Minister also promised in his keynote speech to set up a Pre-Schools Commission. After Whitlam, in 1977, one federal

¹¹ Whitlam, *The Whitlam Government 1972–1975*, 315.

commission was constituted on education: the Commonwealth Tertiary Education Commission.¹²

Due to changes in the financing of higher education, shortly after the election, Whitlam promised the establishment of universities in the metropolitan area of Sydney, Melbourne, and the Albury-Wodonga region. The federal government decided in December 1973 to establish two new universities at Campbelltown near Sydney and at Albury-Wodonga on the New South Wales border with Victoria.¹³ Increased funding for higher education has resulted in more students and the expansion of several new learning centres. In 1975, the University of Wollongong gained autonomy, and Murdoch and Griffith universities recruited the first students. The government also decided to support the establishment of Deakin University in Victoria with a state grant under the States Grants (Universities) Act 1975, which supported the construction of this university, and its first students were admitted in 1978.¹⁴ In 1975, arrangements were also made for new medical schools at Newcastle University and James Cook University in Cairns.¹⁵ Griffith University in Brisbane in 1975 recruited four lecturers from China to teach Asian studies.¹⁶ On the other hand, 235 American teachers came to Victoria.

The previous Prime Minister, Robert Menzies (1949–1966), was also enthusiastic about supporting education, and during his reign new university centres were established (Macquarie, La Trobe, Newcastle, Flinders, New England, New South Wales, and Monash). ALP supported Menzies' initiatives in higher education. However, a clear difference from its predecessors was the abolition of fees for full-time and part-time studies at universities by the Whitlam government in March 1973. The announced abolishing university fees by Minister Kim Beazley has enabled easier access to study for less affluent people, which has met with a positive response from parents and students. And this is the main difference from Whitlam's predecessors. As a result of the abolition of tuition fees in 1973, compensation was made to universities in the following financial year in the amount of AUD 300 million. However, not everyone in the ALP agreed to such a solution.¹⁷

As a result of the changes, the opportunities for women to study have also increased. In 1969, there were 26,713 women enrolled in bachelor's studies, and in 1975, there were 45,326 women, while in 1969, there were 1,735 women enrolled in master's studies, and in 1975—3,632.¹⁸ Thanks to the changes, the income of people who were to study was not taken into account and thus the possibility of students

¹² Karmel, *Open Tertiary Education in Australia*, 12.

¹³ Eugeniusz Bajkowski in *Tygodnik Polski*, 22–29 December 1973: 3.

¹⁴ Eugeniusz Bajkowski in *Tygodnik Polski*, 5 October 1974: 3.

¹⁵ Bajkowski, *Tygodnik Polski*, 5 October 1974: 3.

¹⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 8 June 1974: 3.

¹⁷ Hogan, *Open Tertiary Education in Australia*, 190.

¹⁸ Wray Vamplew, ed., *Australian Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 342.

receiving education was not limited. Despite the abolition of compulsory tuition fees, there were still fewer students from working-class families. As a result of federal funding for college, higher education institutions became more dependent on the government in Canberra. Tuition fees for 13 years, i.e., from 1975 to 1988, did not apply to students with citizenship or who were on permanent residence. However, since 1980, foreign students have been charged with tuition fees in full. Since 1987, fees have been imposed on all students by the Higher Education Administration Charge, and two years later, the Higher Education Contribution Scheme was implemented. As a result of this system, all students were charged tuition fees, which could be paid in advance or recovered by the state later through the tax system. This was usually the case when the income of graduates was above the average salary earned in Australia at a given time.¹⁹

Other institutions that were subject to reform were Teacher's Colleges for teachers and kindergarten teachers, which were under state control by Education Departments until 1974. These schools were not part of the higher education system. In 1973, there were 39 Teacher's Colleges. However, the Whitlam government decided that these institutions should belong to higher education on the condition that they become autonomous. The result of this decision, which was recommended by the Senate Standing Committee on Education, Science & the Arts, in 1972 was an increase in the number of institutions specialising in the fields taught in colleges.²⁰

Technical and Further Education (TAFE) was established in 1975 based on the recommendations of the Committee on Technical and Further Education, which was established in early 1973 and chaired by Myer Kangan.²¹ In addition to the mainly vocational studies offered in various places in Australia, various two-, three-semester or longer courses are still conducted in various centres, e.g., Real Estate, on management and real estate brokerage. The government has provided a lot of support for TAFEs and the financing of their fixed costs. In 1974, the Commonwealth Tertiary Scholarship Scheme was established, later replaced by the Tertiary Education Allowances Scheme. The issues of full-time students were dealt with there as part of the continuation of higher education. This system, which applies to students in secondary schools and universities, has survived for many years and is still functioning today under the name AUSTUDY.

The committee drew up an interim report (capital and recurrent grants) in April 1974, which provided subsidies for planning and constructing new technical colleges and improving infrastructure in existing ones, particularly with regard to student accommodation, research centres, library services, and teacher training. The sum spent by the federal government increased from AUD 18.1 million in 1972/1973 to AUD 81.1 million in 1975/1976. In March 1975, Kim Beazley presented a new

¹⁹ Vamplew, ed., *Australian Historical Statistics*, 342.

²⁰ Karmel, *Open Tertiary Education in Australia*, 14.

²¹ Hogan, "Education Policy," 192.

Technical and Further Education Commission Bill—the plan for allocating funds and developing education policy. Particular attention was paid to implementing the recommendations of the Kangan report on lifelong learning and improving the educational status of migrants, Aboriginals, women, and people with disabilities through the development of better technical and further education opportunities in Australia.²² This support was continued by the team of Prime Minister Fraser.

Shortly after Kim Beazley became Minister of Education in the Whitlam government, a committee was set up to explore the possibility of organising the so-called open university. This committee operated until the end of 1974. The report it developed provided the basis for a discussion on the development of open university education, but it ended up in the sphere of intentions and ideas. Already at the beginning of 1975, the Minister of Education completely abandoned the desire to finance this type of education.

The ALP policy under the Whitlam administration relating to education, especially regarding colleges, focused on issues related to financing. Significant reforms were brought about that changed a lot in the structure of higher education and support for students, which eventually also caused further changes. However, the Whitlam government believed that these institutions should be more self-financed in the future.

Despite the increase in the number of bachelor's and master's degrees, at the same time the number of doctoral degrees in humanities defended at Australian universities was decreasing, because graduates did not find suitable jobs. Illiteracy among young people who graduated from Australian primary schools could not be eliminated either. In 1973, Queensland police arrested a young criminal who could neither read nor write. The young man, who had completed his first year of high school, could only sign his name.²³

The issue of inequality of educational opportunity was addressed by a committee chaired by Peter Karmel (Interim Committee for the Australian Schools Commission), which formulated long-term goals to ensure that all Australian schools were to achieve equal standards of education by the end of the 1970s. To accomplish these tasks, financial support was provided to all schools, although it varied from state to state in Australia. The government has decided not to provide government subsidies to private schools in Australia. This concerned as many as 105 facilities of this type. This decision was criticised by the then cardinal and archbishop of Melbourne. In Victoria, it was actually about one school that was on the list. Jewish organisations in Australia also objected, as they did not agree with the decision to withdraw subsidies from Jewish schools.²⁴ In this situation, in December 1973, Xavier College in Kew, Melbourne, run by the Jesuit order, wanted school fees to be

²² Whitlam, *The Whitlam Government 1972–1975*, 324.

²³ Eugeniusz Bajkowski in *Tygodnik Polski*, 10 November 1973: 3.

²⁴ Eugeniusz Bajkowski in *Tygodnik Polski*, 15 September 1973: 3.

paid by parents according to their earnings. The schools administered by this order in Sydney and Adelaide demanded the same.²⁵

Against this background, the Interim Committee for the Australian Schools Commission emphasised the right of parents to educate their children in private schools. The committee appreciated the high standard of teaching in some such schools, often achieved after many years of work by these units. Carmel's intention was to raise the level of education in all schools. Therefore, they received equal public financial support. However, due to the large differences in standards in schools and the limited availability of funds to date, priorities were set for individual schools, especially for those that operated below a certain level. In addition, the committee accepted the right of parents to choose a school at a higher level, but did not approve of the right to provide increased public assistance in these institutions to facilitate this choice.²⁶

Thanks to the recommendations of Peter Karmel's committee, grants for schools are included in the States Grants (Schools) Bill. The opposition, led by Fraser, unsuccessfully tried to introduce several amendments to this law. A dispute arose between the houses of parliament that lasted until 5 December 1973, in which case Whitlam threatened a snap election because of amendments to the Senate Schools Commission Bill.²⁷

Within a week, Country Party members from Victoria and Western Australia persuaded their party to accept both bills. It was widely believed that the approval of the law was the only way to improve the plight of schools. The clergy, especially Bishop Mannix, also agreed with this opinion. On 12 December 1973, the Country Party joined the government in voting against the Liberals on amendments to the Senate school commission bill and on amendments to both bills. Table 25 shows state and private expenditure on education in Australia from 1950 to 1976.

Table 25. State and private expenditure on education in Australia from 1950 to 1976 (in AUD thousand)

Years	State expenses	Private expenses	Total
1950/1951	790	168	958
1955/1956	1,386	306	1,692
1960/1961	2,191	437	2,628
1965/1966	3,327	698	4,025
1970/1971	5,714	835	6,549
1975/1976	9,847	583	10,430

Source: ABS 5510.0; ABS 4101.0; Peter Karmel, *Open Tertiary Education in Australia: Final Report of the Committee on Open University to the Universities Commission*, December 1974.

²⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 22–29 December 1973: 3.

²⁶ Whitlam, *The Whitlam Government 1972–1975*, 317.

²⁷ Whitlam, *The Whitlam Government 1972–1975*, 318; Hogan, "Education Policy," 188.

Table 25 shows an increase in spending on education in the public and private spheres in all periods. Table 26 shows the financial support of the Australian government at the end of Whitlam's administration.

Table 26. Australian government financial support for schools in individual states in 1974 and 1975 (in AUD). Programme recommended by the Interim Schools Committee

State	NSW	VIC	QLD	SA	WA	TAS	Total
Public Schools							
Buildings	35,900	28,200	13,600	10,600	8,100	3,600	100,000
	65,550	50,110	25,050	16,910	13,290	4,980	175,890
Libraries	11,960	9,420	4,480	3,530	2,720	1,150	33,260
Schools for children with disabilities	16,090	16,210	4,340	4,260	2,260	630	43,790
Special educational programmes	10,820	8,260	4,620	3,010	2,580	960	30,250
Total	140,320	112,200	52,090	38,310	28,950	11,320	383,190
Private Schools							
Buildings	5,508	6,139.5	2,980	334.5	2,519.5	198.5	17,680
Catholic	25,120	22,030	9,610	2,800	4,080	1,210	64,850
Non-System	24,760	20,051	12,651	5,154	5,466	1,853	69,935
Libraries	2,970	2,500	1,240	510	600	200	8,020
Schools for children with disabilities	2,190	2,800	380	490	280	70	6,210
Special educational programmes	1,690	1,200	800	100	120	—	3,910
Total	62,238	54,720.5	27,661	9,388.5	13,065.5	3,531.5	170,605
Joint Public and Private School Programmes							
Librarian training	1,310	1,150	520	370	290	140	3,780
Specialised teacher education training	3,260	2,870	1,300	920	700	330	9,380
Teacher development	3,400	2,890	1,430	1,120	950	460	10,250
Special programmes and information systems	—	—	—	—	—	—	6,200
Total	7,970	6,910	3,250	2,410	1,949	930	29,610
Total (all programmes recommended by the Interim Schools Committee)	210,528	173,830.5	83,001	50,108.5	43,955.5	15,781.5	583,405

Source: Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia Ltd., 1985), 319–20.

There is a disproportion between the financing of public and private schools, which charged separate fees for using education.

Table 27 shows the existing support programmes for public and private schools.

Table 27. Financial government support for existing public and private school programmes in individual states (in AUD)

State	NSW	VIC	QLD	SA	WA	TAS	Total
Grants for public schools							
Scientific laboratories	3,552	3,172	1,258	993	700	372	10,047
High school libraries	2,737	3,816	885	763	539	285	9,025
Financial aid for schools	22,900	17,700	8,900	6,900	5,300	2,300	64,000
Total	29,189	24,688	11,043	8,656	6,539	2,957	83,072
Grants for non-public schools							
Scientific laboratories	2,004	2,038	1,246	249	665	251	6,453
High school libraries	896	781	453	134	144	67	2,475
Financial aid for schools	6,822	5,970.5	2,780	1,155.5	1,350.5	421.5	18,500
Total	9,722	8,789.5	4,479	1,538.5	2,159.5	739.5	27,428
Total existing programmes	38,911	33,477.5	15,522	10,194.5	8,698.5	3,696.5	110,500
Total grants	249,439	207,308	98,523	60,303	52,654	19,478	693,905

Source: Whitlam, *The Whitlam Government 1972–1975*, 319–20.

The Disadvantaged Schools Programme provided additional financial assistance to more than 1,000 institutions whose pupils suffered particular socio-economic difficulties. The programme recognises that non-discrimination policies are necessary to balance the educational opportunities of some children based on their background. The programme included additional measures in the financial plans of education to better meet the specific needs of pupils.

Through a special education programme, the Whitlam government was the first cabinet to provide funding to improve the education of children with disabilities who had been grossly neglected by all previous governments. Some Prime Ministers did not feel responsible for the education of people with disabilities. Teachers who took care of children and young people in special schools did not have the opportunity to participate in specialist training courses. Under Prime Minister Whitlam, financial assistance was made available in 1973 in the field of running costs for the education of people with disabilities. A major training programme in the area of special education for teachers and basic training was also initiated. The number of trainings for students who wanted to be teachers of disabled children was increased.²⁸

²⁸ Hogan, "Education Policy," 193.

The programme of innovative projects for education has been successful, giving teachers, parents, and community groups the first opportunity to try out their ideas to improve education. Over a thousand projects were financed, ranging from very simple initiatives to computer programs. A network of educational initiatives was set up to share experiences and provide peer support among those who wanted to actively improve schools. The programme's aim was not so much to initiate internships, but to help individuals and groups in their efforts to improve education. The Whitlam programme served to improve the overall quality of education delivery in Australia and to significantly reduce inequalities in the education system.²⁹ To this end, the focus was on colleges educating highly qualified teaching staff. Table 28 shows the number of selected types of educational institutions in Australia in 1969–1977.

Table 28. Number of educational institutions in Australia in 1969–1977

Year	Public schools	Roman Catholic schools	Colleges for Advanced Education	Universities
1969	7,541	1,785	45	15
1970	7,470	1,781	44	15
1971	7,404	1,769	44	15
1972	7,362	1,768	45	15
1973	7,311	1,754	43	17
1974	7,295	1,731	78	18
1975	7,266	1,711	78	18
1976	7,306	1,698	83	18
1977	7,325	1,685	73	19

Source: Vamplew, ed., *Australians Historical Statistics*, 342.

Table 28 shows a surge in the number of emerging Colleges of Advanced Education between 1973 and 1974. Subsidies for these institutions grew at a faster rate than the funds paid out to public schools or less affluent private schools. Table 29 shows that the number of public and private schools was gradually increasing.

Table 29. Number of public and private schools in Australia in 1975–1981

Year	Public schools	Private schools
1975	7,266	429
1976	7,306	440
1977	7,325	440
1978	7,364	465

²⁹ Whitlam, *The Whitlam Government 1972–1975*, 321.

Year	Public schools	Private schools
1979	7,393	506
1980	7,444	529
1981	7,472	564

Source: Vamplew, ed., *Australians Historical Statistics*, 342.

Returning to the Whitlam government, it should be mentioned that as part of financial assistance for students, the previous scholarship programme replaced the system of allowances, which were allocated only for the basic needs of the child. The allowances were introduced to compensate for the educational disadvantages suffered by children living in remote areas of Australia. In the 1974 budget, the maximum amount given to parents by way of deduction from income was reduced from AUD 400 to AUD 150 per child. The quality of curricula, on the other hand, has been improved by the creation of The Curriculum Development Centre in 1975. The idea for the centre was born in October 1967, when Whitlam, as the leader of the opposition, declared: "We need a national education agency that represents each of the existing education systems. Federal aid would then be channelled towards research and development, which is seen as an essential part of closing existing shortfalls."³⁰

The decision to establish the centre was announced by the government in June 1973 and a temporary statutory council was appointed to plan the project. The Curriculum Development Centre Bill was introduced by Minister Beazley on 5 March 1975 and passed all legislative stages by 27 May 1975. The centre operated successfully until it was transferred by the Fraser government to the Department of Education's curriculum development department in 1982. Many valuable educational materials for schools were published, and the work of state government departments was coordinated by Bob Hawke's government until July 1983.³¹

On 1 January 1974, the government in Canberra assumed full financial responsibility for universities and colleges, and from the same day abolished tuition fees for students in universities and technical colleges. Government scholarship project Commonwealth Scholarship Scheme was abolished by the law Student Assistance Act 1973 and replaced by the Tertiary Education Assistance Scheme (TEAS), which offered financial aid to all college students. These reforms have made higher education more accessible to lower-income groups. Due to the onset of the economic recession in 1974, there was a dramatic decline in the number of students from less privileged families. A study of first-year college students in 1974, 1975, and 1976 found that without TEAS support, 20% of university students and 25% of college students would have been forced to postpone their studies.³²

³⁰ Whitlam, *The Whitlam Government 1972–1975*, 322.

³¹ Whitlam, *The Whitlam Government 1972–1975*, 322–23.

³² Hogan, "Education Policy," 192.

In October 1972, during the government of William McMahon, a special committee was established—The Special Committee on Teacher Education to support teacher training. The Whitlam government continued this policy. The Committee presented its report in March 1973, and then steps were taken to implement its recommendations. Based on special state subsidies, new school libraries were opened and teacher training in educational colleges was supported.

The government's actions in pre-school education have been delayed and limited by the lack of sufficient information and the dispute that has arisen between Department of Education and Department of Social Security, which initially took responsibility in this area and emphasised the importance of educational functions. The Department of Social Security emphasised the need to build facilities that were to meet the requirements of women working there as part of childcare.³³ Therefore, in February 1973, the Australian Pre-Schools Committee, chaired by Joan Fry, was established. The Committee has issued recommendations on how to meet the government's targets in this area.³⁴ This was to ensure that all Australian children had access to the first year of pre-primary education by the end of the 1970s and to organise daycare for children from working class backgrounds and disadvantaged families.³⁵

The commission's report, issued in November 1973, was the most disappointing document of its kind ever received by the Whitlam government. The proposed scheme did not pay enough attention to the consequences that women's undercare of children could have on Australian society.

The case was transferred to the Social Welfare Commission (SWC). Its report was published in July 1974. A key aspect of this document was the programme for allocating funds to local governments based on the priority of needs. These funds would be available for projects run by community groups and government agencies. The programme allowed the local community maximum flexibility in terms of childcare and recommended that most of the available funds be directed to these needs.³⁶

On 19 September 1974, Bowen announced the government's decision to create the Children's Commission, responsible for preparing a comprehensive child welfare programme. Before introducing the provisions to enable this programme to operate, a temporary committee allocated AUD 75 million from the 1974 budget for these purposes. The Children's Commission Act was drafted on 11 July 1975, but the bill never went into effect. In 1976, the Fraser government cut the childcare budget to AUD 9 million and decided not to continue any programme with the Interim Committee for the Australian Schools Commission.

Whitlam's actual achievements in education can be seen in the statistics relating to universities, colleges, schools, and kindergartens, presented in Table 30.

³³ Whitlam, *The Whitlam Government 1972–1975*, 325.

³⁴ Hogan, "Education Policy," 193.

³⁵ Whitlam, *The Whitlam Government 1972–1975*, 325.

³⁶ Whitlam, *The Whitlam Government 1972–1975*, 325.

Table 30. Financial support for the education of the Whitlam federal government (in AUD million)

Financial support for universities	1972/73	1973/74	1974/75	1975/76
Grants	142.2	292.1	502.1	539.4
Help for students	46.1	37.1	47.6	61.7
Other forms of support	1.2	1.4	1.9	2.0
Support for the Australian Universities Commission	0.3	0.5	0.7	0.7
Total	189.8	331.5	552.3	603.8
Financial support through CAEs and Teachers' Colleges	1972/1973	1973/1974	1974/1975	1975/1976
College grants	64.4	175.6	360.7	386.8
Help for students	7.2	16.1	28.6	43.8
Other forms of support	0.2	0.6	3.2	3.6
Commission on Advanced Education	0.4	0.6	0.8	0.7
Total	72.0	192.8	393.2	434.8
Financial support through Technical Colleges	1972/1973	1973/1974	1974/1975	1975/1976
Grants for technical colleges	18.1	34.1	55.0	81.1
Help for students	1.0	7.4	15.4	20.2
Other support	–	–	0.3	0.6
Total	19.1	41.4	70.6	101.9
Financial support for schools and kindergartens	1972/1973	1973/1974	1974/1975	1975/1976
Private schools in Australian territories	3.5	4.1	8.9	10.1
Private schools in the states	47.8	70.2	130.1	152.4
Public schools and kindergartens in Australian territories	36.3	47.5	72.0	108.5
Public schools in the states	26.3	89.5	288.0	300.4
School transport	1.0	1.3	1.5	2.4
Help for students	8.8	11.9	9.4	10.1
Projects for schools	–	2.1	16.0	22.7
Other forms of support	0.1	0.4	0.6	0.4
Commonwealth Teaching Service	–	0.3	0.4	0.6
Australian Schools Commission	–	0.4	1.9	2.6
Total	124.1	234.5	574.4	675.0
Special groups covered by education	1972/1973	1973/1974	1974/1975	1975/1976
Aborigines	14.3	20.8	31.2	41.4
Immigrants	8.1	14.3	21.3	21.4
Children of soldiers	3.6	3.5	3.7	3.6
Children in isolation	2.6	8.2	9.5	10.4
Others	–	–	0.1	0.2
Total	28.6	46.8	65.7	77.0

Administrative offices dealing with education	1972/1973	1973/1974	1974/1975	1975/1976
Administration	8.7	12.5	15.4	17.5
Other offices	0.9	1.2	2.0	3.0
Total	9.6	13.7	17.4	20.5

Source: Whitlam, *The Whitlam Government 1972–1975*, 327.

In total, government support for education in 1972–1973 amounted to over AUD 442 million, 1973–1974—AUD 860 million, 1974–1975—AUD 1671 million, 1975–1976—AUD 1.911 million.

The expansion of areas of government financial involvement was complemented by an unprecedented increase in total federal spending on education in 1972–1975. While education spending in Australia increased from 4.83% of GDP in 1972–1973 to 6.18% in 1974–1975, the federal government's share of funding increased from 22.6% in 1972–1973 to 42.5% in 1975–1976.

The Whitlam government's reforms in education met the expectations of society, where the goal was to provide the best future for children and young people in Australia. For the first time, financial resources have been used to ensure appropriate standards in education. In addition, all students could expect equal opportunities in education, and the public debate on teaching became more mature.³⁷

Whitlam's implementation of increased funding for schools and the creation of opportunities for free higher education reflected his determination to improve education and its contribution to the state's development. Whitlam's vision that every child should have a desk and a lamp at home for studying was a no-brainer. Many educated Australians remember that it was Whitlam and his contribution to education that had an impact on their own professional achievements.

Whitlam's commitment to education and his achievements in the field created a pattern that continues to this day. Regardless of the ALP's ups and downs, polls consistently identify the party as better equipped to deal with education policies, and the beginnings of achievements can be traced back to the Whitlam era.³⁸

HEALTHCARE

A very important element in the reforms of the Whitlam government was health-care. Until 1944, the federal government did not have the power to direct health-care in Australia because it remained the responsibility of state governments. The only exception was the Quarantine Act of 1908. John Curtin's cabinet was the first federal government to enact the first federal health law, the so-called Pharmaceutical Ben-

³⁷ Whitlam, *The Whitlam Government 1972–1975*, 328.

³⁸ Paul Rodan, "Vale Gough Whitlam, 1916–2014," *Australian Universities Review*, 57, 2015.

efits Act, in 1944. This document included provisions for pharmacists guaranteeing reimbursement of costs incurred for the supply and distribution of medicines prescribed by doctors registered with the Commonwealth Pharmaceutical Formulary. As a result of the action of the Attorney General of the State of Victoria on behalf of the Medical Society Victoria, the bill was rejected by the Supreme Court. It was argued that the federal parliament did not have jurisdiction to introduce such a law as the others, such as the pensions of disabled people and retirees. As a result of the 1946 referendum, the Chifley government created opportunities to introduce legislation on maternity benefits, widows' and orphans' pensions, the unemployed, reimbursement for medicines, sickness benefits, medical hospitalisation and dental services, and financial care for students and their families.³⁹

On the other hand, the Whitlam government sought to make up for the negligence of Menzies' time. Already in 1968, Whitlam in the *Australian Journal of Social Issues* published a text entitled "The Alternate National Health Programme." In this article, the future Prime Minister wrote that effective healthcare is of fundamental importance for the well-being of society and individuals forming this community. One cannot treat healthcare as a commodity that can be bought and sold on the market. Without a national hospital system, Australians will not have proper healthcare. Continuing, he went on to say that the Australian economy is rich enough to provide citizens with the benefits of medical science.⁴⁰ In the same article, Whitlam reminds that based on the available data, it can be indicated that in the financial year 1960/1961, Australia spent more than AUD 681 million on health. In relation to national income, it was only 77% of the amount spent by the United States, 78% of the amount spent by Israel, and 81% of the amount spent by Canada. Whitlam said the ALP government will spend more on healthcare when it comes to power.⁴¹

Whitlam was negative about health insurance funds that collected money from citizens. Economically, this system was uneconomical due to the separate administration for each medical and hospital insurance fund. At the time, there were 78 medical insurance funds and 109 hospital insurance funds in Australia. Each fund generated unnecessary costs by employing people who were involved in documenting these funds and processing piles of completely unnecessary documents. Moreover, there was competition between the funds. At that time, Australia covered 12 million citizens. On average, annual operating costs in 1953–1967 were 15.3% for medical services and 12.1% for hospital services. With comparable medical funds in Canada incurring operating costs of just 7.9%.⁴² The largest reserves were created in those

³⁹ Rodan, "Vale Gough Whitlam, 1916–2014," 329–30.

⁴⁰ John Deeble, "Health Policy," in *The Whitlam Legacy*, ed. Troy Bramston (Federation Press, 2015), 180.

⁴¹ Gough Whitlam, "The Alternative Health Programme," *The Medical Journal of Australia*, 2, no. S2(1968): 15.

⁴² Whitlam, "The Alternative Health Programme," 16.

funds that needed them the least. So Whitlam wrote that Australians got back AUD 3 for every AUD 4 they paid, and Canadians got back CAD 3.4 out of CAD 4 paid.⁴³

The secretary of Victoria's Foundation wrote that the insurance rate, which most patients are able to afford, reimburses only half of the cost of a doctor's home visit. In these circumstances, even the insured families were afraid of having to call a doctor, and they perceived hospitalisation as bordering on a financial disaster.⁴⁴ Voluntary health insurance did not cover, for example, used surgical equipment, nor did it provide protection for chronically ill people. In other words, the programme helped those who needed it the least. Whitlam wrote directly that there is no need for a minister of health who claims that a citizen has a free hand in choosing insurance, but is not sufficiently protected.

Whitlam rightly argued that Australians want healthcare that provides adequate protection for society as a whole, regardless of age or income. The ALP has strongly advocated the establishment of such a programme. Already at that time, economists showed how the party's proposals could be implemented. The government in Canberra could replace the existing voluntary insurance system with a general insurance system. This system could be supervised by the National Health Insurance Fund. The system was to be financed, among others, from taxes, financial contribution of the state, and voluntary contributions. According to data from the 1965/1966 financial year, the sources of projected revenues were expected to bring AUD 290 million.⁴⁵ Whitlam also had reservations about dental care. He claimed that dental checks of Australians are among the worst in the world. ALP preached the need for a system of caries prevention and prevention of oral diseases.⁴⁶ Whitlam's mentioned article also points to the need to improve hospital funding and the salaries of medical staff.

The Whitlam government's approach to health policy was characterised by the delegation of more power to federal structures to finance health costs and to expand medical services. The changes began with the creation of new regional hospitals, thus expanding and coordinating health services to the public, dental school programmes were initiated, universal health insurance was established, and contracts with hospitals were secured by individual Australian states.⁴⁷ Tables 32–37 present quantitative changes in the medical sector in individual states in 1961–1981.

Table 31 of hospitals in New South Wales clearly shows an increase in the number of hospitals during Whitlam's rule, and the number of beds has increased noticeably, and care for the sick has improved.

⁴³ Whitlam, "The Alternative Health Programme," 17.

⁴⁴ Whitlam, "The Alternative Health Programme," 17.

⁴⁵ Whitlam, "The Alternative Health Programme," 18.

⁴⁶ Whitlam, "The Alternative Health Programme," 22.

⁴⁷ Whitlam, *The Whitlam Government 1972–1975*, 341.

Table 31. Data on public hospitals in New South Wales, 1961–1980

Year	Hospitals	Beds	Patients	Medical staff
1961	268	23,135	494,109	5,992
1966	263	24,587	555,843	7,227
1971	265	26,354	682,220	8,025
1976	282	28,577	797,734	–
1980	284	29,024	926,822	–

Source: Vamplew, ed., *Australians Historical Statistics*, 326.

Based on Table 32 concerning hospitals in Victoria, we can observe a slight increase in the number of hospitals (only by two) during the period falling under the Whitlam government, the number of beds decreased, but the number of patients in hospitals increased.

Table 32. Data on public hospitals in Victoria, 1961–1981

Year	Hospitals	Beds	Patients	Medical staff
1961	144	13,108	273,988	1,096
1966	156	13,612	323,631	1,627
1971	158	17,639	391,938	–
1976	160	14,109	455,670	–
1981	161	13,879	528,703	–

Source: Vamplew, ed., *Australians Historical Statistics*, 326.

Data on hospitals in Queensland (Table 33) show a slight increase in the number of hospitals (only two) during the Whitlam period, with an increase in the number of beds and patients receiving treatment in hospitals.

Table 33. Queensland public hospital data, 1961–1981

Year	Hospitals	Beds	Patients	Medical staff
1961	139	12,376	221,804	881
1966	143	13,273	254,865	994
1971	140	12,308	277,130	622
1976	142	12,820	323,150	965
1981	155	14,242	385,975	–

Source: Vamplew, ed., *Australians Historical Statistics*, 327.

Table 34 for public hospitals in South Australia shows an increase in the number of public hospitals (by six) during the Whitlam period, while the number of pa-

tients receiving treatment in hospitals also increased. Unfortunately, the available data does not include the number of beds.

Table 34. Data on public hospitals in South Australia, 1961–1981

Year	Hospitals	Patients	Medical staff
1961	65	87,386	731
1966	67	111,313	984
1971	67	135,927	1,025
1976	73	179,733	1,079
1981	81	228,593	940

Source: Vamplew, ed., *Australians Historical Statistics*, 327.

Table 35 for hospitals in Tasmania shows no clear increase in the number of hospitals during the Whitlam period, while the number of patients receiving treatment in hospitals increased. From 1971 to 1976, only one new hospital was established, which was due to Tasmania's small population.

Table 35. Data on public hospitals in Tasmania, 1961–1981

Year	Hospitals	Beds	Patients	Medical staff
1961	20	1,531	30,544	1,012
1966	20	1,766	33,762	1,532
1971	21	2,203	48,209	1,912
1976	22	2,299	59,363	2,354
1981	22	2,223	57,582	—

Source: Vamplew, ed., *Australians Historical Statistics*, 327.

Table 36—concerning hospitals in Western Australia—shows the establishment of six hospitals by the Whitlam government, and that the number of patients receiving treatment in hospitals has increased.

Table 36. Data on public hospitals in Western Australia, 1961–1981

Year	Hospitals	Beds	Patients	Medical staff
1961	91	4,590	90,349	137
1966	97	5,491	120,430	228
1971	101	7,238	159,244	393
1976	107	7,984	206,550	759
1981	106	7,918	235,285	—

Source: Vamplew, ed., *Australians Historical Statistics*, 327.

In 1972, Doug Everingham became Minister of Health and was responsible for the new Hospitals and Health Services Commission Act (HHSC), which came into force in June 1973. Based on this Act, the Hospital and Health Services Commission was established, which prepared reports to the government on diagnostic services, sick people transportation, rehabilitation, occupational diseases, health condition of people living in rural areas, children's health, and the preparation of medical statistics. Two reports of this commission were the basis for supporting important programmes initiated by the government. In April 1974, the commission produced a report on hospitals in Australia. This document recommended the development of the hospital system in each region. The report also includes recommendations to improve the effectiveness of treatment in hospitals and to pay attention to savings in financial management.⁴⁸

In connection with the reports in the 1974 budget, the government planned a five-year programme to intensify the modernisation of public hospitals. The Hospitals Works Council was established to coordinate state and federal efforts for medical funding in each state. The scheme was largely aimed at building hospitals in areas far from cities in New South Wales, Victoria, and Queensland. In 1974–1975, AUD 28 million was spent on this programme, and a further AUD 108 million was allocated for the period 1975–1976. Already in the 1973 budget, in anticipation of the start of this project, AUD 4.5 million was allocated for the construction of a hospital in New South Wales. This fund included an AUD 4 million grant to establish Westmead Hospital in Sydney.⁴⁹

The report was followed by another health programme, A Community Health Programme for Australia (CHP), which was initiated by HHSC in June 1973. CHP provided financial support to state and local governments and other eligible organisations for medical care, totalling AUD 120 million over three years, thus covering 75% of capital costs and 90% of operating costs for proven projects. Another programme in the Mental Health and Related Community Services Act of 1973 subsidised state-wide benefits for people affected by alcohol, drugs, and mental health problems. The finances allocated for these purposes amounted to AUD 6.7 million in 1973–1974 and AUD 6.2 million in 1974–1975. In 1975–1976, this programme was integrated into the CHP.⁵⁰

The results achieved by the CHP had a positive impact on medical care. By the end of 1975, nearly 600 private projects had been launched, including the establishment of health centres, the provision of jobs for community nurses, regional geriatric and rehabilitation teams, and day hospitals and mental health services. A review

⁴⁸ Whitlam, *The Whitlam Government 1972–1975*, 341.

⁴⁹ Whitlam, *The Whitlam Government 1972–1975*, 343.

⁵⁰ Whitlam, *The Whitlam Government 1972–1975*, 343.

of the programme's achievements in 1976 found that health services improved significantly for 15–20% of Australians living in areas where healthcare was inadequate.⁵¹

Proven healthcare system procedures in well-equipped private centres have been applied to public healthcare facilities, thus satisfying previously neglected public healthcare. In this way, Australia began to act more preventively, rather than typically curatively, thus reducing the costs of public healthcare. However, CHP management has not been spared problems with the inclusion of this system. For example, the New South Wales government did not want to combine the services of General Practice Doctors with public clinics. As a result, only a few clinics in the state, managed by NGOs, were able to provide a wide range of services to patients. In Victoria, the situation was even worse. The Liberal government opposed the acceptance of CHP grants and did nothing to proceed with the CHP's suggested changes.⁵²

The 1975 budget provided funding for 20 women's care homes across Australia under the banner of the CHP programme. Women who lived in these houses received therapy and psychological support. In July 1976, the Queensland government announced the unique decision that it would not agree to funds made available by the Whitlam government to fund two nursing home projects in Queensland. As a result, Townsville Women's Shelter, sponsored by the Women's Electoral Lobby, was denied a grant of AUD 42,933, and Brisbane Women's Shelter, sponsored by the Community Aid Association, was denied access to its AUD 71,384 grant. Despite strong protests from the ALP and Church officials, the Bjelke-Petersen government in Queensland has not changed its mind.⁵³ It should be noted that the Fraser government continued to reduce subsidies to the CHP, and in 1980–1981, the federal share of financing individual projects fell to 50% of capital and operating costs.⁵⁴

An important aspect in treatment is the care of patients' teeth. In 1973, a project was submitted to the Dental Services Branch of the Department of Health concerning the provision of services by dentists in Australian schools. The grants targeted individual states to train staff in dental clinics and to dental hygienists to provide free dental services to all Australian children up to the age of 15. Hygienists were to work with dentists and not only assist in treatment, but also engage in oral education. Due to a lack of training places in Australia, 100 hygienists were trained in New Zealand under an agreement with the New Zealand government. In 1973–1974 and 1975–1976, AUD 51.1 million was allocated for this training.⁵⁵

At the end of 1975, there were 126 operating clinics, and 1,371 school dental assistants provided dental care to about 624,000 children. This plan covered 64% of

⁵¹ Whitlam, *The Whitlam Government 1972–1975*, 344.

⁵² Whitlam, *The Whitlam Government 1972–1975*, 344.

⁵³ Whitlam, *The Whitlam Government 1972–1975*, 344.

⁵⁴ Whitlam, *The Whitlam Government 1972–1975*, 344.

⁵⁵ Whitlam, *The Whitlam Government 1972–1975*, 345.

children in kindergartens and 98% of children in primary schools. Federal funding for this project through special grants was abolished by the Fraser government on 1 July 1981, at which point 3,200 people across Australia lost their jobs in dental care.

Whitlam pushed for a universal health insurance system, which was accurately outlined during two campaigns for the Senate and two for the House of Representatives. Whitlam's proposed new health insurance system has sparked quite a large outcry among private for-profit health funds.

Medibank, one of Australia's largest private health insurers, started as a private insurance company owned by the Australian government, founded by the Whitlam government in 1975 through the Health Insurance Commission.⁵⁶ The introduction of a universal insurance system was also hampered by resistance from conservative state governments. Trade unions and health funds were mistakenly seen by Medibank as the first step towards nationalising health services in Australia.⁵⁷

The Australian Medical Association (AMA) set up an AUD 2 million advertising campaign fund to oppose Medibank. Private healthcare funds also launched costly campaigns and financed them from their sources, which came from the payers of insurance contributions. The General Practitioners Society has also called on its members to send letters to their patients to condemn the new health insurance arrangements.⁵⁸

Criticism of Medibank was shared by the opposition in the federal parliament, which decided to oppose all aspects of the programme, no matter how constructive or relevant these changes may have been for Australia's health service. The federal government's project to nationalise the health service has met with fierce opposition from doctors.⁵⁹ To mitigate the protests, doctors' fees were raised from 10 to 20% from 1 July 1973.⁶⁰

The Health Insurance Planning Committee by the act on health insurance of 1973 authorised the payment of medical services and the negotiation of hospital contracts with individual states. It is envisaged that both public and private hospitals, despite being insured, will pay AUD 16 per day for each bed occupied by a patient. All Australian residents were to receive, under Medibank, reimbursement of the costs of medical services provided by doctors and hospitals to at least 85%. Patients were to have a completely free choice regarding the scope of availability of medical and hospital services. Patients and doctors were offered a choice of three ways in which they could pay their doctor's fees. First, it was possible to pay the doctor directly with a subsequent request for reimbursement to the Health Insurance Center (HIC); second, to transfer the unpaid bills to HIC to the doctor, who was

⁵⁶ "Medibank," Wikipedia, accessed 1 September 2024, <https://en.wikipedia.org/wiki/Medibank>.

⁵⁷ Deeble, "Health Policy," 180–82.

⁵⁸ Whitlam, *The Whitlam Government 1972–1975*, 345–46.

⁵⁹ Eugeniusz Bajkowski in *Tygodnik Polski*, 19 May 1973: 2.

⁶⁰ Eugeniusz Bajkowski in *Tygodnik Polski*, 14 April 1973: 3.

later to receive the cheque due to him for the treatment; and third, bulk invoicing, whereby doctors simply bill HIC for consultation fees, receiving a payment equal to 85%. Two bills concerning Medibank were rejected twice by the Senate. After the May 1974 elections, two bills on Medibank gathered as many supporters as opponents in this chamber. Finally, the bills were voted through in July 1974.

At the beginning of 1975, a decision was made to finance the programme from general revenues, and the initial date for the start of operations was set for 1 July 1975. Negotiating hospital contracts with states where the ALP was not in power was a lengthy and frustrating process. This problem, combined with the resistance of the Senate, led to the postponement of the date of the start of Medibank's operation to 1 September this year. Only workers in Tasmania and South Australia signed contracts with hospitals by the deadline of 1 July. The governments of Victoria and Western Australia signed agreements that came into effect on 1 August, while in Queensland they came into force on 1 September, and in New South Wales on 1 October of the same year.⁶¹ Position of the State Government in Queensland (Country Liberal Party) was an example of how political opportunism caused delays. Queensland had already fulfilled the terms of the agreements signed with Medibank, which had provided free treatment in the public sector since 1948, and the reason for the delay in negotiations was only to shame and discredit the Whitlam government. Ultimately, Queensland did not enter into an agreement until Bjelke-Petersen in government was defeated on the issue by a coalition of ministers led by Deputy Prime Minister and Liberal Party leader Sir Gordon Chalk.⁶²

Signing contracts with hospitals had the advantage of significantly shifting the burden of financing hospital costs to the federal government, thus freeing up state resources for use in other areas of healthcare and social needs. The 1975 budget allocated AUD 947.6 million to the states to meet their federal obligations regarding public hospitals. The Australian government's share of the daily cost of managing public hospitals, which in 1949, was 43% under the Chifley government's last budget, then fell to 20% during the 23-year rule of the Liberal Party of Australia (LAS). However, the Whitlam government has shown a greater commitment to public health spending, which can be estimated at 40%.⁶³

During the election campaign in 1975, Fraser announced that he would not end the activity of Medibank. He repeated the same thing once again on 3 February 1976, during an interview with the *Australian Financial Review*. However, in May 1976, the new government took the first steps to liquidate this institution, and after the next elections in 1977, further liquidation work continued.⁶⁴ Fraser's team withdrew federal funding from 1978–1979. Whitlam said at the time that as long as

⁶¹ Deeble, "Health Policy," 182.

⁶² Whitlam, *The Whitlam Government 1972–1975*, 347.

⁶³ Whitlam, *The Whitlam Government 1972–1975*, 347.

⁶⁴ Whitlam, *The Whitlam Government 1972–1975*, 348.

the federal and state governments were responsible for the management of public hospitals, the situation would not be good.⁶⁵

The Fraser government argued that its actions to liquidate Medibank were the costs of maintaining this institution and the growing abuses in medical services. However, when analysing the statistics in terms of provided medical services, Medibank's activity over a ten-month period shows something completely different. In 1974–1975, the number of medical services *per capita* in the Australian population increased from 5.39 to 5.50, i.e., by 0.11. This trend continued throughout the rest of the 1970s. In the financial year 1979–1980, this ratio reached the value of 6.58. On the other hand, the costs of private treatment have increased enormously compared to those provided by Medibank, whose administrative activities were simpler and thus cheaper. In this way, the Fraser government actually saved a lot on federal healthcare spending.⁶⁶

The Medibank case was one of the most important political issues at that time. The opposition's rejection of the health insurance reform in favour of health insurance contributed significantly to another ALP victory on 4 May 1974. Medibank has become an important element of Australia's socio-political reality. Fraser was aware of this, which is why the promise to maintain this institution in 1975 strengthened his popularity. This issue also proved important to Hawke, who won the March 1983 election based on a simple and unambiguous message: "We will restore Medibank."⁶⁷

In December 1984, the dispute between the newly elected government and the health unions took on a new dimension, encompassing deep issues of parliamentary democracy in Australia. The main topic of discussion was the rights of all Australians to healthcare, especially those who could not afford it.

As mentioned, there was a lot of talk in Australia about a new health insurance programme in the early 1970s. Its aim was to insure people who get sick against incurring costs due to medical examinations and care in hospitals. Citizens were entitled to free treatment in ordinary departments of public hospitals. Pensioners who received reduced financial assistance from the state were entitled to full medical treatment and hospital care. On the other hand, those who earn money were deducted low amounts of tax from their salaries. For example, a man supporting his wife and two children, who was earning AUD 100 per week before tax, paid AUD 1 per week for health insurance. Thus, since the 1970s, all Australian residents have been automatically insured against sick pay thanks to the new programme. It means that people who came to Australia with the intention of settling down were also protected from incurring medical costs. These changes were beneficial for the inhabitants and resulted from the fact that the government realised that some of them, dissatisfied with the expensive system of treatment in Australia, had emi-

⁶⁵ Deeble, "Health Policy," 183.

⁶⁶ Deeble, "Health Policy," 183.

⁶⁷ Whitlam, *The Whitlam Government 1972–1975*, 349.

grated, returning to their home countries.⁶⁸ Therefore, this system was designed similarly to the one existing in European countries at that time and came into force on 1 July 1974. In addition, the federal government agreed to an average increase in doctors' fees of 20% and increased the fund for reimbursement of medical expenses.⁶⁹

By the way of considerations about health, it is worth mentioning that in the 1970s, an experiment was carried out in Australia to transplant a human fertilised egg into the mother's womb. This experiment was partially successful. The fertilised cell developed successfully for three days and in the mother's womb for the next nine days. However, the experiment conducted at Queen Victoria Hospital in Melbourne was unsuccessful.⁷⁰

In addition to the main medical care programme, separate health projects for women were created and a special maternity allowance was initiated. The government has also invested heavily in the rehabilitation of patients in cities and the region.⁷¹ Despite these activities, the number of pharmacies was constantly decreasing due to the unprofitability of running them.⁷² Modern treatment centres for alcohol and drug addiction have also been created. Such a centre was opened in Victoria in November 1974.⁷³ The Whitlam government reported little on the reforms being carried out. More could be learned from the very good speeches Whitlam wrote himself or consulted with his advisor Graham Freudenberg.⁷⁴ He was the author of a thousand speeches for several federal Prime Ministers on behalf of the ALP.

In the 1980 election campaign, the ALP proposed a different way for Medibank to function. The public was irritated by a series of changes in health insurance that resulted in instability, and 2 million Australians had no insurance at all. However, the people of this country were not happy that Medibank was closed by the AMA in 1983. These activities were initiated on 1 February 1984.⁷⁵ If any social reform in Australia's history has had a lot of acceptance and support from the majority of residents in addition to the work system, it was universal health insurance and the right of all citizens to free hospitalisation.⁷⁶

Whitlam led to universal health coverage in the country.⁷⁷ To this day, Medibank remains the national health insurance system in Australia.⁷⁸ At the time of

⁶⁸ Australian Health Insurance Programme, *Tygodnik Polski*, 29 September 1973: 3.

⁶⁹ Bajkowski in *Tygodnik Polski*, 10 November 1973.

⁷⁰ Eugeniusz Bajkowski in *Tygodnik Polski*, 15 September 1973: 3.

⁷¹ Whitlam, *The Whitlam Government 1972–1975*, 349.

⁷² Eugeniusz Bajkowski in *Tygodnik Polski*, 17 November 1973.

⁷³ Eugeniusz Bajkowski in *Tygodnik Polski*, 13 April 1974.

⁷⁴ Kerry O'Brien, *Keating* (Allen & Unwin, 2015), 80.

⁷⁵ Whitlam, *The Whitlam Government 1972–1975*, 349.

⁷⁶ Whitlam, *The Whitlam Government 1972–1975*, 349.

⁷⁷ Emma Mitchell, *Making a Life on Mean Welfare: Voices from Multicultural Sydney* (Bristol University Press, 2023), 16.

⁷⁸ Hamish Townsed, *Missionaries, Radicals, Feminists: A History of North Yarra Community Health* (North Yarra Community Health, 2012), 38.

implementation, 17% of Australian citizens (outside of Queensland's free public health system) were uninsured. The majority of this group were people with low income.⁷⁹ This system proved to be extremely resistant to attempts at possible liquidation and enjoys strong support from the Australian society to this day. Stephen Duckett wrote that it was not perfect, but it provided the basis for improving medical care in Australia.

Medibank was actually one of the most important institutions undergoing change and survived with some modifications for almost 50 years. The change came about as a result of Whitlam's and Hayden's ability to separate the issues of medical care for society from financial calculations. Whitlam had very good information about the public mood at the time.

The issue of change in education and healthcare is broader than just providing funding for those most in need. In a highly developed country such as Australia, with a certain level of economic development and high GDP indicators, the state's involvement in these sectors should be greater. Therefore, Whitlam's actions in the 1970s deserve a positive assessment, because in this way, social security has embraced all citizens and has become, in a way, a universal category and does not have the character of a privilege. During the Whitlam administration, such a policy was accepted by the majority of society. Australia was then almost the modern welfare state.

The thesis was positively verified, because Prime Minister Whitlam increased funding for schools and created opportunities for free higher education. Whitlam's commitment to education and his accomplishments in the field shaped a pattern that continues to this day. Regardless of the ups and downs, polls consistently identify the ALP as the party better positioned to deal with education policies. Significant changes have also taken place in healthcare.

⁷⁹ Peter Botsman, "The Public—Private Frontier: The Land Oz," in *Health Reform: Public Success, Private Failure*, eds. Daniel Drache and Terry Sullivan (Routledge, 2005), 108–09.

CHAPTER VII

Immigration, Wage and Social Security Policy

ABSTRACT: The chapter focuses on immigration policy, wages, and the social security system. The presentation of Whitlam's attitude to racial issues, discrimination, the tasks of implementing a policy of tolerance towards immigrants is presented. The issues of obtaining Australian citizenship are presented and the rights of Aborigines to land are discussed. The second subchapter discusses wage policy. The Labor Party's approach to social assistance is described in more detail, not only in the context of financial support, but also in the context of help in looking for a job.

KEYWORDS: Australia; Whitlam; immigration; wages; discrimination

IMMIGRATION POLICY

Immigration policy has taken on a special role in the history of Australia, it has been an important factor in the economic development of this country. Therefore, the concept and policy of individual government teams are interesting. This chapter is intended to examine immigration policy and to answer the direction in which Whitlam and his ministers have taken in the admission of foreigners on a permanent basis. Thus, the hypothesis for this part is: Whitlam's policy of 1972–1974 was an opening of the door to non-Anglo-Saxon immigration. The second important issue raised in this chapter concerns wages, especially social security aspects. The hypothesis for this subsection is that social security policy was an important project in Whitlam's social policy.

In 1948, the rules and functioning of the refugee system were defined, based on which about 350,000 immigrants arrived in Australia within three years. In 1951, Australia became a member of the Intergovernmental Committee for European Mi-

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gration (ICEM), which dealt with newcomers from Europe. This committee organised transport, provided financial support and other forms of assistance. It should be mentioned that at that time, the policy of White Australia was still maintained.¹

In October and November 1971, the ALP launched a mini-campaign in preparation for the federal elections. On 24 October 1971 in Perth, the ALP addressed immigration policy.² Whitlam addressed his message to the public through the local press. In a speech to the local press club, he presented three proposed changes in immigration matters. The ALP assumed, among other things, that the main goal of the state should be to increase the population. It was emphasised that an appropriate programme should be prepared to provide immigrants mainly with jobs and education. There is no longer an emphasis on discrimination in matters of race, colour, and nationality.³

The future ALP government paid a lot of attention to regulations affecting the migration of people from outside Europe and offered them help with adaptation in Australia. Whitlam emphasised government assistance for immigrants who came to reunite with their families, as he believed that in these cases adaptation was more efficient and effective.⁴

The Whitlam government was the first to tackle racial issues and discrimination. The authorities also addressed the problem of reparations for the Aboriginal community. The second urgent task was to create a tolerant policy towards immigrants and to guarantee adequate social assistance to ethnic minorities. These tasks were initially entrusted to the Minister of Immigration, Albert J. Grassby, who demonstrated reforming abilities.⁵

Four years after the 1969 election, Albert J. Grassby became an ALP MP for New South Wales for Riverina. In December 1972, he was appointed Minister for Immigration. His electoral and parliamentary achievements were widely respected throughout the parliament and by all political parties in Riverina. His service in the Ministry of Immigration has earned the respect and trust of his fellow parliamentarians.⁶ In August 1973, Minister Grassby appealed to 250,000 Australians, who were

¹ Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 4; Michael Rowland, "Ethnic Diversification in Australia" (thesis Degree of Master of Arts, Australian National University, 1983), 24; Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 489.

² Harold Throssell, *Ethnic Minorities in Australia: The Welfare of Aborigines and Migrants* (Australian Council of Social Service, 1974), 1; Whitlam, *The Whitlam Government 1972–1975*, 487.

³ Gough Whitlam, *Message from the Labor Leader* (Press Release, 1 October 1970); Whitlam, *The Whitlam Government 1972–1975*, 498.

⁴ Alexander Simon, "Ethnicity as a Cognitive Model: Identity Variations in a Greek Immigrant Community," *Ethnic Groups*, 2, no. 2(2014): 133.

⁵ Nathan Glazer and Daniel P. Moynihan, *A Resurgence of Ethnicity?* (Harvard University Press, 1995), 30; Whitlam, *The Whitlam Government 1972–1975*, 499.

⁶ Whitlam, *The Whitlam Government 1972–1975*, 499.

out of the country for various reasons, to return to Australia.⁷ Another of Grassby's initiatives was a shift in immigration policy, as a result of which the Immigration Planning Board recommended that the federal government increase the number of people who could settle in Australia between 1973 and 1974 to about 130,000.⁸

Despite his merits, the events of May 1974 were unfavourable for Grassby and he lost his position. This was related to the elections in Riverina, which was described by Dr. James Warburton from the University of Adelaide in the *South Australian Journal of Social, Political and Cultural Comment*.⁹ At that time, extremist protests broke out. It was described as the most intense racist campaign recorded in Australia at the time.¹⁰ This campaign stemmed from the reforms introduced by Grassby regarding immigration, emigration, granting citizenship and offering services to non-English speaking Australians. The introduction of uniform migration laws and procedures, applicable to everyone at the time, was contrary to the views of racist extremists.¹¹ Over the years, these groups have put pressure on ministers, parliamentarians, and community leaders to maintain discrimination based on race, colour, and ethnicity. These people also tried to influence the media with racist propaganda. During Whitlam's rule, extremists had to contend with a reformist Prime Minister who not only argued on issues of discrimination, but who actually sought to eliminate all forms of discrimination through legislative and administrative action. The extremists decided to fight the policy of racial tolerance and remove Grassby from political power.¹² Summing up his minister's work, Whitlam wrote: "my government has lost one of the most creative ministers."¹³

Despite the difficulties, the government has liberalised immigration laws. Firstly, the arrivals of people from outside Europe were supported. Second, in July 1973, an easier visa regime was introduced. Under this system, tourists and other short-term visitors from non-European countries could, like most Europeans, obtain visas without prior careful screening, and they were required to have a return ticket, a valid passport, a statement that they had sufficient funds for their stay, and a written statement that they would not work during their stay in Australia. Thirdly, special privileges and conditions have been introduced for British citizens in Australia on the way to achieving citizenship more easily. Fourth, the Migration Act repealed laws that discriminated against Aborigines and required them to apply for special permission to leave the country. Fifthly, the rules for travelling between Australia and New Zealand by, for example, the Maori, the indigenous ethnic group of New

⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 4 August 1973: 3.

⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 16 June 1973: 3.

⁹ *South Australian Journal of Social, Political and Cultural Comment*, 6, no. 1 (1970).

¹⁰ Whitlam, *The Whitlam Government 1972–1975*, 499.

¹¹ Whitlam, *The Whitlam Government 1972–1975*, 500.

¹² Whitlam, *The Whitlam Government 1972–1975*, 500.

¹³ Whitlam, *The Whitlam Government 1972–1975*, 499–500.

Zealand, have been changed. Sixthly, as a result of mutual arrangements, visa facilitation was introduced for Japanese businessmen visiting Australia, who were allowed to double the length of their stay, i.e., to 360 days. Seventhly, there is a greater emphasis on immigration of people in the context of family reunification. It has been found that the stays of people who come to visit relatives and relatives already settled in Australia are more auspicious. Eighthly, international students could stay in Australia until they graduated and for the duration of job recruitment in case their qualifications were sought by employers. Ninth, support was given to the process of admitting and adopting orphaned children from any country, particularly Vietnamese orphans. Tenth, the first amnesty for illegal migrants was introduced. Eleventh, the Offenders Act was amended to eliminate discrimination based on those who had committed a crime and could be deprived of their citizenship. The principle was that an Australian will always be an Australian. Twelfthly, the Act on Foreigners was amended to eliminate the need for foreigners to report updates to their address, profession, and marital status on an annual basis. Finally, the policy for registering foreigners was changed to remove restrictions on their change of names.¹⁴ Table 37 shows the number of immigrants arriving in Australia between 1970 and 1979.

Table 37. Number of immigrants arriving in Australia in 1970–1979

Years	Immigrants
1970	111,784
1971	79,060
1972	56,320
1973	67,494
1974	87,248
1975	13,513
1976	34,030
1977	68,027
1978	47,397
1979	68,611

Source: Wray Vamplew, ed., *Australians Historical Statistics* (Fairfax, Syme & Weldon Associates, 1987), 7.

From the figures in Table 37, it can be seen that the number of immigrants settling in Australia under the Whitlam administration increased by about 10,000 between 1972 and 1973 and by 20,000 from 1973 to 1974. In 1975, the number of immigrants drastically decreased to about 13,500, but compared to 1970 and

¹⁴ John Dixon, *Australia's Policy Towards the Aged: 1890–1972* (Australian National University, 1976), 164; Whitlam, *The Whitlam Government 1972–1975*, 501–02.

1971, there was a decrease in the total number of immigrants. With the onset of the global recession, the government reduced the annual limits on the admission of immigrants. In December 1972, the limit was reduced from 140,000 to 110,000, at the end of 1974 to 80,000, and at the end of 1975 to 50,000 immigrants.¹⁵ Despite such upper limits, fewer immigrants came to Australia than the stipulated limits.

The issue of immigration is the granting of citizenship. In April 1973, Grassby introduced the Australian Citizenship Bill on Australian citizenship to establish uniform civil rights. The first Citizenship Act in Australia was passed in 1949, following the introduction of British legislation that ended the joint citizenship of residents of the British Empire colonies. Australians could finally become Australian citizens. The first certificate of Australian citizenship was granted to the then Prime Minister Chifley before 1973. Non-European nationals were not eligible for citizenship unless they had lived in Australia for five years, while newcomers from Europe could obtain citizenship after one year in Australia. The Whitlam government abolished this provision. People from non-European countries and Europe could now apply for citizenship after three years in Australia.¹⁶ The Whitlam government's policy resulted in a greater influx of immigrants from Asia to Australia.¹⁷ The influx of immigrants from selected Asian countries is shown in Table 38.

Table 38. Influx of immigrants from selected Asian countries in 1971 and 1981

Country	Years	
	1971	1981
China	17,601	27,593
Japan	4,929	8,356
Indonesia	7,985	12,962
Philippines	–	3,849
Thailand	2,550	16,060
South Korea	468	4,701

Source: Vamplew, ed., *Australians Historical Statistics*, 9.

Table 38 shows a significant increase in the number of immigrants arriving in Australia from 1971 to 1981. The reforms of the Whitlam government led to a significant increase in the number of people applying for Australian citizenship and actually granted rights as Australian citizens. The statistics from 1972–1977 best illustrate the trend at that time for people applying for citizenship (Table 39).

¹⁵ Whitlam, *The Whitlam Government 1972–1975*, 502.

¹⁶ Whitlam, *The Whitlam Government 1972–1975*, 502.

¹⁷ Whitlam, *The Whitlam Government 1972–1975*, 153.

Table 39. Australian Citizenship Applicants (1972–1977)

Years	Foreigners	Commonwealth Citizens	Total
1972	30,250	12,111	42,361
1973	35,660	21,528	57,188
1974	65,859	49,354	115,213
1975	65,385	47,333	112,718
1976	50,315	23,880	74,195
1977	43,919	23,832	67,751

Source: Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 503.

A significant increase in citizenship applicants in the 1970s occurred during the Whitlam administration in 1974 and 1975, but in 1974, the Minister of Immigration, A.J. Grassby, in a special appeal to newcomers, asked them to accept Australian citizenship as proof of belonging to this country.¹⁸

In 1974, appropriate reforms were made in the structures dealing with the immigration of people to Australia. The Ministry of Immigration expanded its activities into all areas where the Whitlam government undertook initiatives such as education, health, and urban services.¹⁹

There was a decentralisation of responsibilities – migrant education was transferred to the Department of Social Security. Migration services have improved by using a wider range of human and financial resources in bureaucracy. In educational programmes, additional funds have been allocated to the migration programme. In August 1973, Grassby has introduced measures into the immigration act to provide assistance to migrant children in the education sphere and additional support in schools with special programmes for them. In 1973–1974, the number of teachers working in classes with migrants increased from 1,000 to 1,500, and the number of children receiving learning assistance increased from 40,000 to 60,000. A form of home education for immigrants was introduced. During Grassby's trip to Italy in January 1974, a programme of exchange of teachers from Italy to Australia and Australian teachers to Italy was arranged in order to exchange experiences and improve the teaching of English.²⁰ In the field of social welfare, the government has recruited 48 officials from all multilingual groups to overcome the existing social isolation.

Immigration minister Grassby has called on young Australians to help in efforts to integrate new settlers. At the same time, the minister stated that North

¹⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 16 March 1974: 5.

¹⁹ Whitlam, *The Whitlam Government 1972–1975*, 502.

²⁰ Jehoshua Bruck, *Gough Whitlam Did Much for Migrants* (Fairfax Media Publications, 2014), 1; Whitlam, *The Whitlam Government 1972–1975*, 504.

African citizens wishing to visit Australia will have to apply for entry visas in the future.²¹ Minister Grassby stated that “foreign interests” were involved in the activities of a “fifth column” that wanted to overthrow the federal government of the ALP.²² A.S. Peacock stated that some representatives of the ALP and a number of important trade union chairmen were plotting to overthrow Prime Minister Whitlam.²³ With Grassby’s death in 2005, comments surfaced about his connections to the mafia. The published articles portrayed the then Minister of Immigration and the architect of multiculturalism, who had a lot of influence in the Whitlam government, in a bad light. Bruce Provost, a retired National Crime Authority investigator as a recognised authority on crime, confessed that he did not doubt Grassby’s involvement in committing crimes and taking money from members of the Calabrian Mafia. Political pressure was exerted on the investigators of that time not to delve into the investigation of this type of cases. Bruce Provost was removed from conducting this investigation. There are serious allegations that Grassby sponsored the arrival in Australia of an Italian mafia member who killed a police officer with a grenade. In addition, the mafia financed Grassby’s election campaign in exchange for his use of ministerial influence.²⁴

Returning to the main theme of this chapter, it should be emphasised that Byrne, the minister for immigration and decentralisation in the state of Victoria, declared that only this state needs 60–70,000 immigrants a year to meet the demand of the labour market.²⁵

The Whitlam government rejected the principles that the nationality of the people was used to grant permanent residence permits. This removes forms of discrimination against non-British migrants and prohibits unequal treatment based on race or descent. Assimilation was no longer a priority, and the advantages of diversity were recognised. Monoculture has changed into multicultural. Ethnic groups were to have access to the creation of organisations that would maintain their culture and customs.

In Australia, Aboriginal issues were an important and simultaneously overlooked issue. In 1967, a referendum was held, which was important for the Aborigines and their rights to the territories. As early as 1969, a new political trend emerged suggesting that the federal government accept the equalisation of Aboriginal status with other Australians, as well as ensure the former’s right to their land. Whitlam’s policy paid particular attention to education, housing, health, and employment for Aboriginal people.

²¹ Eugeniusz Bajkowski in *Tygodnik Polski*, 18 August 1973: 3.

²² Eugeniusz Bajkowski in *Tygodnik Polski*, 27 October 1973: 2.

²³ Bajkowski in *Tygodnik Polski*, 27 October 1973: 2.

²⁴ National Observer—Australia and World Affairs (Issue 65), *Mafia Influence and the Whitlam Government*, Council for the National Interest, 1.

²⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 1 December 1973: 2.

Although Whitlam had already taken initiatives to determine Aboriginal status, these were ineffective and required a longer perspective. Holt's government held a referendum in 1967 in which Aborigines were formally recognised as Australian citizens with the right to vote. This was done 179 years after the white man settled on this continent. Whitlam referred to the Native Title Act, by which Aborigines were recognised as citizens, and stated that "this is a great example of correcting the disenfranchisement of people."²⁶ The Whitlam government has made progress in the legislative process of empowering Aboriginal rights to their land.

In 1972, Whitlam promised to legalise land rights for Aboriginal people. He also decided to set up a fund for the area and to organise legal aid and the creation of the Ministry for Aboriginal Affairs. The first Minister for Aboriginal Affairs, Bryan Gordon, was appointed, who presented himself in the Council of Ministers as a real defender of rights for the Aborigines. Gordon was interested in the substantive side of legislative work concerning state and federal governments. At the same time, Aboriginal legal aid units were established within the ministry in individual states. Gordon launched bilingual education programmes for Aboriginal people in the Northern Territory. Already based on the referendum of 1967, the federal government interfered with state laws that discriminated against Aborigines. Whitlam was personally involved in the implementation of the mandate of the 1967 referendum.

As for the Aboriginal lands, Edward Woodward was assigned to work on the legislative process for the Northern Territory. Based on the developed measures, the law was sanctioned in October 1975 in favour of Aboriginal reserves in the Northern Territory, which were placed in the Aboriginal Land Trusts.²⁷ Although the law was amended by Fraser, it was stressed that such an inalienable right for Aborigines should be sanctioned by the Hawke government. It should be emphasised that no Australian government had previously negotiated with Aborigines like Whitlam and dealt with the Northern Territory Land Rights Act.²⁸

WAGE POLICY AND SOCIAL SECURITY

The second important element discussed in this chapter is wage policy, which was one of the central aspects of ALP policy. Gough Whitlam played a leading role in this process. As soon as the government was formed, Prime Minister Whitlam approved a proposal to introduce equal pay for men and women. The application was filed back in December 1972 before the reopening of the Full Bench of the Arbitration Commission. Whitlam also announced that the Australian government would support Australian Public Service Unions' request for four weeks' annual leave for

²⁶ Whitlam, *The Whitlam Government 1972–1975*, 556.

²⁷ Kerry O'Brien, *Keating* (Allen & Unwin, 2015), 528.

²⁸ O'Brien, *Keating*, 349.

employees during the working year.²⁹ Families were guaranteed maternity and paternity leave. At the same time, the possibility of employing people part-time in state institutions was provided. Private entrepreneurs were also encouraged to this form of employment. These actions demonstrate the government's interest in wage policy.³⁰

As a result of the slowdown in employment growth in 1971, there was an increase in unemployment from 1.4 to 1.7%. In August 1972, it rose to 2.5% and almost half compared to 1971. Except for 1961, it was the highest unemployment rate noted in Australia after World War II. The inflation rate of 6.8% in 1971–1972 was clearly the highest since the peak in 1950–1951 and 1951–1952.³¹

Despite the increase in unemployment, men's earnings increased by 2.9% in 1972, but were much lower compared to 1970 (4.3%) and 1971 (8%). In March 1971, the average weekly earnings for men were AUD 82.58, and in December 1972 it was AUD 84.37.³² In the early days of Whitlam's rule, there were opportunities to increase wages without undesirable inflationary consequences.³³ Table 40 shows the average gross weekly income of men in 1967–1980.

Table 40. Average gross weekly income of men in Australia in 1967–1980 (in AUD)

Year	Gross weekly income of men
1967	68.43
1968	70.70
1969	74.00
1970	77.00
1971	82.58
1972	84.37
1973	93.70
1974	108.10
1975	102.21
1976	103.09
1977	102.84
1978	102.11
1979	101.56
1980	98.44

Source: Australian Bureau of Statistics, 6412.0.

²⁹ Paul A. McGavin, *Wages and Whitlam: The Wages Policy of the Whitlam Government* (Oxford University Press, 1987), 2.

³⁰ Gough Whitlam, *Paper: Australian Labor Party Policy for Women—a Detailed Statement*, 28 November 1977.

³¹ McGavin, *Wages and Whitlam*, 4–5.

³² ABS, 6302.0, 6312.0, 6314.0.

³³ McGavin, *Wages and Whitlam*, 13.

Since 1967, there has been an increase in the average weekly earnings of men, which took place until 1974, and then there was a gradual decrease until 1980. The Liberal Party of Australia (LPA) lost the elections on 2 December 1972 because economic results deteriorated. McGavin also made the same diagnosis in case of the defeat of the Whitlam government on 12 December 1975. He considered employment only in market terms, and this is how the Whitlam government's wage policy was analysed. It should be emphasised that it has changed, but very slowly. In 1975, it did not differ significantly from the one in 1972. Early ALP policy proposals allowed for broader appeal to market wage determination along with a reduction in government intervention and control. Between 1973 and 1975, labour costs increased by 20% and workers' incomes by half. During Whitlam's rule, there were pay rises, especially for young workers. The financial situation of employed women has also improved. Changes in wages and welfare during the Whitlam period reduced the employment of young people and the elderly. There is an opinion of a lack of coherence in wage and social welfare policies, which has resulted in a decrease in supply and an increase in demand. The Whitlam government's adjustment of wage policy was incomplete and slow.³⁴

Whitlam increased the amount of national benefits for infrastructure investments. In fact, this later became one of the causes of high inflation rates through increased demand for goods and services.³⁵ The intention of the Australian Prime Minister was to create new jobs and thus stimulate economic growth. An important element of Whitlam's policy was the situation of women. The Prime Minister appointed Elizabeth Reid as an adviser on women's issues, who included feminism in the public debate. In 1972, the Whitlam government passed the Equal Pay for Equal Work Act, which was intended to end pay discrimination based on gender. This led to a significant increase in the average wage of women—over the next four years by more than 95%.³⁶ In the end, women under the Whitlam government were fully guaranteed a minimum wage. This was the result of the decision of the Court of Arbitration in 1974. More attention was paid to motherhood, childcare centres for working women and health centres for women were organised.³⁷ Similar changes were made to the new Aboriginal ministry, where Aboriginal officials, reporting to white superiors, launched a number of ventures, including medical and legal services in support of the indigenous people.³⁸

³⁴ Gough Whitlam, *Paper: Australian Labor Party Policy for Women—a Detailed Statement*, 1–2; McGavin, *Wages and Whitlam*, 10.

³⁵ Emma Mitchell, *Making a Life on Mean Welfare: Voices from Multicultural Sydney* (Bristol University Press, 2023), 16.

³⁶ Ray Brooks, "Inflation and Monetary Policy Reform," in Anoop Singh et al., *Australia: Benefiting from Economic Reforms* (International Monetary Fund, 1998), 64.

³⁷ Whitlam, *Paper: Australian Labor Party Policy for Women—a Detailed Statement*, 1–2.

³⁸ Stuart Macintyre, *A Concise History of Australia* (Cambridge University Press, 1999), 232.

When raising wages, the government justified this action with the flexibility of the economy and the projected higher productivity of work. Commitment to the principle of wage justice was a cornerstone of the ALP. In 1974, there was opposition to the proposal for wage increases in the National Wage Case subcommittee, but it was not very firm. Plenipotentiary J.F. Staples, on behalf of the Minister of Labour, presented a statement in March 1974 on the support of wages for people with lower wages by the government. At the end of October 1974, the Prime Minister said that inflation was costing jobs. The ALP, which had ruled since 1972, believed that a major transformation of Australian economic policy could be steered by relying only on its own agenda. However, in the last year of Whitlam's rule, there was a greater emergence of pragmatism and an increase in the government's awareness of the importance of economic policies, which should be in line with economic realities.³⁹

As part of the wage policy, Federal Labour Minister Clyde Cameron has submitted a motion to the Senate for equality between women and men in terms of pay for work.⁴⁰ Such actions were needed because in Australia women were excluded from almost all levels of government, most forms of business management and virtually all forms of trade union activity. Momentous decisions regarding military power, finance, and technology, as well as other important issues, were made by men. The issue of women's participation in social life was coming back more and more.

Although the political activity of Australian women began in the 1880s and 1890s, there was a lot to be done in this area to improve the situation. In Victoria, women involved in clothing trade became involved in political activity, and in Queensland, they worked as sheep shearers. In South Australia, women protested against working conditions in workshops. Degrees began to be awarded to women from 1880, and the universities of Sydney and Melbourne admitted women to college from 1881.⁴¹ In Queensland, in the 1890s, the first woman to be a union organiser was appointed. In addition to fighting for economic and political equality, women in the political and social arena took part in the contraceptive campaign during World War I.

It took some time before the parties also began to elect women to fill the next positions. Women were first elected to the Senate in Queensland in 1947, in Victoria in 1950, in South Australia in 1955, and in Tasmania in 1975. There were no women's vocations in New South Wales. Australian women were elected to the House of Representatives for the first time in Victoria in 1946, in South Australia in 1966, in the Queensland in 1980, and in New South Wales and Western Australia in 1983.⁴²

³⁹ McGavin, *Wages and Whitlam*, 16.

⁴⁰ Whitlam, *The Whitlam Government 1972–1975*, 370.

⁴¹ Whitlam, *The Whitlam Government 1972–1975*, 510.

⁴² Michell Arrow, ed., *Women and Whitlam: Revisiting the Revolution* (New South Publishing, 2023), xxv–xxvi.

In the second half of the XX century, women mainly turned to the federal governor to secure the rights that women had already achieved in other parts of the world. These rights are set out in four international conventions: ILO Convention No. 100—Equal Remuneration of 1951; UN Convention on the Political Rights of Women of 1953; UN Convention on the Nationality of Married Women of 1957; and ILO Convention No. 111—Discrimination (Employment and Occupation) of 1958.⁴³

The Menzies government ratified only the third convention. Decisions concerning women's issues and movements were intensively discussed in the 1960s and 1970s. The Whitlam government did much more than previous governments and initiated a series of reforms to address changes in the position of women in Australia. In December 1972, Whitlam and Labour Minister Lance Herbert Barnard informed Mary Gaudron, a lawyer and the first woman to sit on the Supreme Court in Australia, of the possibility of filing a motion with the Arbitration Commission to resume a hearing on an equal pay for women at federal positions to men. The hearing resumed on 24 October 1972 and the commission unconditionally accepted the principle that the two genders should be paid equally for the work performed in those positions.⁴⁴

Another important issue concerning women was the appointment on 21 August 1974 of the Royal Commission on Human Relationships. The committee was chaired by Elizabeth Evatt, and the members were Felix Arnott and Anne Deverson. The events that led to the formation of the Royal Commission on Human Relationships began on 10 May 1973 with a debate on the Medical Practitioners Clarification Bill by David McKenzie. The bill provided for the possibility for doctors to terminate pregnancy up to the 12th week and only at their request. Consent to abortion was to be given on the condition that there was a reasonable belief that the woman had received adequate advice on alternative help for her.⁴⁵

The Whitlam government, as mentioned, has also taken care of ensuring equal pay for men and women in the same positions. This was also one of the main goals of Whitlam's policy, i.e., non-discrimination. On 1 January 1973, 12 weeks of paid maternity leave was introduced for women working in public positions, with the possibility of receiving 40 weeks of unpaid leave and an obligation on the employer to re-employ after 52 weeks of absence. Access to public service employment for middle-aged and married women has also been increased. The upper age limit for employment in government administration was also abolished.⁴⁶ On 2 May 1974 the Australian Conciliation and Arbitration Commission announced a decision that women should be paid as adult men by 30 June 1975. The May 1974 decision meant that from the first reference period on or after 23 May 1974, women were to receive

⁴³ Arrow, ed., *Women and Whitlam*, 208.

⁴⁴ Whitlam, *The Whitlam Government 1972–1975*, 516.

⁴⁵ Whitlam, *The Whitlam Government 1972–1975*, 518.

⁴⁶ McGavin, *Wages and Whitlam*, 105; Arrow, ed., *Women and Whitlam*, 210.

85% of the amount due to adult men. From 30 June 1975, all women employed in the state sector received the same minimum wage as men. Between the beginning of 1973 and mid-1975, there were significant changes between hourly rates for work between men and women in favour of the latter.⁴⁷ At the same time, it should be emphasised that there was a strong market segmentation in terms of the employment of women in typical men's workplaces. There was an increase in women's employment in 1975–1979. These changes also applied to part-time employment. For the sake of accuracy, it can be added that the number of working hours for women in full-time work in production positions decreased by 16%, and in the sale of goods decreased by 10%. On the other hand, it increased by over 27% in state institutions.⁴⁸

When the ALP began to rule, it believed that there were opportunities to raise wages without undesirable inflationary consequences. The government supported the policy of compensation for wages due to price increases, i.e., indexation. This position was supported by Minister of Labor and Immigration, C.R. Cameron.⁴⁹ P.A. McGavin argued that the Whitlam government's agreement to wage indexation was not supported by analysis.⁵⁰ An analysis of McGavin's article leads to a highly critical judgment of the Whitlam government on wage indexation. Nevertheless, it should be emphasised that the increase in real wages contributed to the increase in the participation rate of all age groups. It has also led to more frequent full-time employment, especially among young people.

The second important issue, in accordance with the expectations of the society regarding the state's care for citizens, was the social welfare system. When Menzies left power in the 1960s, there was considerable interest in the issues of financial assistance to those in need. Much of the interest in these initiatives should be attributed to the future Prime Minister Whitlam, who became the leader of the ALP in 1966. Until now, the party has had conservative leaders. Whitlam's plans for a national superannuation system proved to be a "powerful weapon" in the 1969 campaign that nearly led to the ALP's election victory.⁵¹ However, the then Prime Minister John Gorton, who held this position in 1968–1971, was also interested in radical welfare reforms. At that time, some changes were introduced, e.g., an allowance for children staying in social welfare homes.⁵² However, the Whitlam government, which took the reins in Canberra in 1972, promised greater changes in social security policy. The ALP leader decided to increase unemployment benefits and pensions for all Australians over 70.⁵³ For most of the post-war period, successive

⁴⁷ Whitlam, *Paper: Australian Labor Party Policy for Women—a Detailed Statement*; McGavin, *Wages and Whitlam*, 107.

⁴⁸ McGavin, *Wages and Whitlam*, 121.

⁴⁹ Speech of the Minister of Labor and Immigration on 18 November 1974, AGD 2:4:1197.

⁵⁰ Speech of the Minister of Labor and Immigration on 18 November 1974, 32.

⁵¹ Terry Carney and Peter Hanks, *Social Security in Australia* (Oxford University Press, 1994), 41.

⁵² Carney and Hanks, *Social Security in Australia*, 42.

⁵³ Mitchell, *Making a Life on Mean Welfare*, 16.

conservative governments in Australia (1949–1972) closely followed the American model of healthcare. However, the Whitlam government has introduced significant changes, following the example of solutions previously adopted by the Canadians.⁵⁴

Despite the economic boom in the 1950s and 1960s, there was a large group of people living in poverty in Australia. Information about prosperity or poverty came from the Commission of Inquiry into Poverty. On 6 March 1973, the Whitlam government instructed the committee to investigate secondary poverty more deeply. An additional four commissioners have been appointed. Each was given a special task: Dr. Ronald Fitzgerald was to investigate the impact of problems in education and culture on the poor; Pastor George Martin social and medical aspects of poverty; Prof. Ronaldo Sackville, the effects of the justice system for vulnerable groups; and Professor Ronald Gates was asked how selected economic issues are treated, including the role of local government in providing social services, and the importance of consumer protection. The main reports of the committee did not reach the parliament until August 1975 and, as a result of the second examination, in December 1986. The reports showed the level of poverty in Australia. Without the protection of the social system, many people would certainly find themselves in greater poverty.

As far as pensions are concerned, it should be added that during the session of the federal parliament in April 1973, an increase for pensioners of AUD 1.50 per week was passed. The then governor of South Australia, the well-known scholar Sir Mark Oliphant, believed that working people should not be forced to retire after reaching the age of 65. He claimed that by doing so, great harm was done to such people.⁵⁵

From the beginning, Gough Whitlam's message was clear: Australia can become a better place to live and the federal government has the capacity to create better development opportunities for all Australians. Whitlam proposed a new approach to social assistance. The Liberals usually offered slight increases in benefits before the election, while Whitlam was thinking about introducing packages. His concept was not only to provide financial support to the unemployed, but also to help provide training and find jobs for people who wanted to work. The Whitlam's system was supposed to be closer to people's needs and their problems. Therefore, between 1969 and 1972, Bill Hayden worked on a new reform of health and social care. In its assumptions, since 1972, the ALP has talked about large increases in benefits. Whitlam proposed a plan for state compensation for those who take care of children. Since 1972, politicians have talked about three issues: striving for equal opportuni-

⁵⁴ Peter Botsman, "The Public—Private Frontier: The Land of Oz," in *Health Reform: Public Success, Private Failure*, eds. Daniel Drache and Terry Sullivan (Routledge, 2005), 109.

⁵⁵ Marcus Laurence Elwin Oliphant is an Australian physicist and politician. In 1933, together with Ernest Rutherford, he confirmed the validity of the theorem about the equivalence of mass and energy for nuclear processes. In 1934, he obtained a rich source of neutrons by bombarding deuterium atoms with fast deuterons. He discovered the hydrogen isotope tritium and helium III.

ties for the unemployed, motivating people to make decisions about employment, and developing talents.⁵⁶

For the Whitlam government, welfare was not a marginal issue. This system was not only intended to provide opportunities for professional career, but also to complement government action on education and public health. An important aspect was also help for people who did not pursue their careers and had no chance of taking up a job, and were additionally deprived of support from their immediate family. The Whitlam's goal was also to support people in need of help and to activate part of society. According to the reports, at least 750,000 Australians lived in poverty, most of them were beneficiaries of the social security system. Among them were pensioners, the sick, the unemployed, widows and single mothers, migrants and Aborigines, and large families.

In 1950, the rate of the allowance was 21.6% of the average weekly salary and this amount of financial support existed until 1965, while over the next seven years the rate decreased and amounted to, for example, 18.3% of the average weekly salary in 1972. This caused the Whitlam and Hayden government to react quickly to improve the situation. The necessary organisational changes were made in February 1973. Hayden has set up a universal database of financial security for all those in need of support. Another reform concerned the introduction of financial assistance for students over 21. Since May 1975, Hayden announced that benefits will reach an average of 24.5% of the average salary. The introduction of an allowance for disabled children and their carers taking care of them at home was also significant. Particular attention was paid to the allowance for families and single mothers. The ALP government distanced itself from the views of the previous Conservative government, criticising their undesirable moral overtones, and financially supported every teenage girl who became pregnant. These additional changes were made in May 1973.

Another reform was the state pension system covering pensioners, widows, and the disabled. Whitlam wanted the new pension system not to lead to a sudden reduction in the standard of living of working people by half or 1/3 of their current salary. The main assumption of Whitlam's project, which he announced as early as 1968, was to be regular contributions by the employee to the pension fund (superannuation fund) in order to generate a future pension. The pension industry was to meet these expectations. The pension fund was an important undertaking because the more employees saved, the more money they would receive in retirement. A pension fund is a long-term investment that increases in value over time. For most people, the fund started functioning when they started working, and their employer paid them a percentage of their salary into the fund's account. Pension fund managers invested and traded this money until the interested parties retired. Whitlam has been very involved in improving the pension system. To this end, he

⁵⁶ Stuart C. McGill, *The Australian Social Wage*, Book and Microform (State Library NSW, 1991).

relied on foreign examples presented to him by Bill Hayden in 1973, and the research was carried out under the leadership of Professor Hancock. In addition, Whitlam also committed to paying Australian pensions to Australians while they were living in another country as early as 1972. On 23 March 1972, the Prime Minister introduced a bill to pay pensions to Australian citizens outside Australia.

In addition to these reforms, the National Compensation Scheme was introduced in Australia during the Whitlam era. As part of this programme, the Prime Minister has pledged to rectify inequalities among Australians. To this end, the National Committee of Inquiry on Compensation and Rehabilitation was established in March 1973. Based on the motions submitted by the committee, the government made decisions about the payment of money to people unable to work due to illness practically within a week.

Another programme—Aged Persons Services—recommended by Hayden, suggested that assistance for the elderly with low income should be introduced, consisting in living in state housing. A 1975 report found that the care provided was randomised and inadequate to needs.⁵⁷ Not only did benefits and pensions increase during Whitlam's administration, but so did benefits under the Aged or Disabled Persons Homes Act and the Aged Persons Hostels Act.⁵⁸ In total, they tripled, from AUD 19 million in 1972–1973 to AUD 70 million in 1975–1976.

Yet another issue within this chapter is the Australian Assistance Plan. Until 1972, Australian governments viewed social assistance only as benefits provided to support people in difficult situations. The Whitlam government had a different view on this issue than the previous Prime Minister William McMahon and the head of the later government, Malcolm Fraser. For Whitlam, the range of services provided by the public sector was to be wide and strongly focused on helping the public, whose representatives were to take part in consultations regarding their needs. A good example is the care of children of local authorities. In Australia, there were not enough kindergartens and thus not available. Only in Canberra did children have fully secured places in kindergarten. In Melbourne, for example, there were only 320 childcare places for 8,000 working women in the western districts. In Victoria, when deciding who should be assigned a kindergarten, factors such as the father's profession and English-speaking origin were decisive. These difficulties interested Whitlam, who in 1969, announced the creation of a pre-school commission and ensuring that every child in Australia had access to pre-school education. The commission was to support people who took up work and had small children. Especially in 1972, the commission said that it would work for mothers who wanted to work. In this situation, mothers could put their children in private kindergartens, and the cost of AUD 260 per year could be deducted from their income.⁵⁹

⁵⁷ Roper Centre for Public Opinion Research, *Social Security*, 8.

⁵⁸ Aged or Disabled Persons Homes Act 1974, No. 115 of 1974.

⁵⁹ Roper Centre for Public Opinion Research, *Social Security*, 100.

Despite the unambiguous political declarations, the development of programmes for kindergartens has not been easy to implement. Education Minister Kim Beazley set about forming a preschool committee with a strong educational mindset. The conflict had already emerged at a party conference in 1973, where unsuccessful efforts were made to move childcare to schools only. The report recommended a programme that did not pay enough attention to childcare and was too focused on the teachers who were supposed to take care of the children. In February 1974, the government decided to ask the Social Welfare Commission and Priorities Review Staff to develop new proposals. In this temporary situation, Whitlam used the commission's proposals to allocate AUD 130 million for a comprehensive childcare programme as his election promise.⁶⁰

In addition to providing financial assistance to the unemployed, support programmes have been developed to help them find a job. The employment policy promoted by the government was conducted based on a study by the Committee of Inquiry into Labor Market Training under the leadership of Professor Donald Cochrane. In May 1974, the committee recommended to use training programmes. These programmes prepared the unemployed to take up vacancies. Again, this project trained workers to acquire better skills in a wide range of industries. To this end, the government has set up the National Employment and Training Scheme, administered by the Commonwealth Employment Services. This organisation helped increase the qualifications of employees and at the same time reduce unemployment. In this plan, priority was given to Aborigines, people with disabilities, widows, and the long-term unemployed. In the first year of the organisation's operation, 15,000 people took part in this programme. In October 1975, the rules were changed to give more support to the unemployed or those who may have lost their jobs. In 1976, the Fraser government abolished this type of aid.⁶¹

Prime Minister Whitlam stated in 1985 that the federal government wanted to recognise welfare benefits "as a right, not as a charitable institution." They were to be available to all residents of Australia.⁶² The commission's first report, the Henderson Poverty Report, established poverty limits for all individuals and families. These limits were set in money and, for example, a standard family with a working father and a mother with two children had a fixed threshold of AUD 62.70 per week. The thresholds were set based on scientific research at the time, which considered the need for food, healthcare, and other basic issues.⁶³

Under the Whitlam administration, taking into account all incomes of adult Australians, 10.2% of people were classified as very poor with incomes below the poverty line and 7.7% as poor with incomes up to 20% above the poverty line (over

⁶⁰ Roper Centre for Public Opinion Research, *Social Security*, 224.

⁶¹ Roper Centre for Public Opinion Research, *Social Security*, 224.

⁶² Eugeniusz Bajkowski in *Tygodnik Polski*, 26 May 1973: 3.

⁶³ Whitlam, *The Whitlam Government 1972–1975*, 356.

AUD 62.70). By analysing individual social groups, this phenomenon can be better defined: 36.6% were older men, 31% older women, 9.4% complete families, 36.5% families without a father, 13.1% families without a mother, 14.1% single women, 21.4% sick or disabled, and 16.6% unemployed, who were classified as very poor.⁶⁴

The results of the commission contributed to the arguments that served to justify the Whitlam government's reform programme. Henderson wrote the introduction to his report as follows:

Poverty is not just a personal characteristic; it comes from the organisation of society. Australian society could not cope with the arrival of the Aborigines from the bush to the metropolis. Aboriginal housing has not been adapted, and information, language instruction, and childcare for migrants have not been provided. Australian society has failed to adapt to the changing geographical pattern of workforce requirements. As a result, there is a shortage of jobs for young people in small towns, as well as in metropolises. When it comes to families, particularly women, we can see this failure when we look at Housing Commission Estates, like Mount Druitt on the outskirts of Sydney, with no adequate employment opportunities nearby. Society has not met the needs of a large number of single parents and part-time married women, and childcare facilities have not been provided.⁶⁵

The Whitlam government's main goal was to equalise chances and provide social security for all Australians. The government sought to create an effective system of social services to address financial and social problems and inequality in Australia. A system of social services was organised, in which there was no class discrimination and stigmatisation of poor people. It was recognised that social welfare in Australia should be one of the rights of democracy, not a charitable activity.⁶⁶ However, some abused this system for their own purposes, so in October 1975, an inspection was carried out in the field of the correctness of granting unemployment benefits. It was shown that 4,451 people (30.8%) cheated the Department of Social Security and taxpayers. Of the 1,277 unemployed people receiving benefits in Victoria, 768 were still working, 441 were not living at the indicated address, and 68 were always rejecting a new job offer.⁶⁷

It should be mentioned that measuring state spending on social security is not an adequate way to assess government involvement and improve financial security. These figures cannot be compared with high inflation and a growing number of beneficiaries. For example, in 1975–1976, the Whitlam government allocated AUD 5,011.8 million for social spending, and the Fraser government in 1982–1983—AUD 13,272.2 million. However, it cannot be claimed that this expenditure accurately shows the commitment of these two governments to social security reforms.⁶⁸

⁶⁴ Whitlam, *The Whitlam Government 1972–1975*, 357.

⁶⁵ Ronald F. Henderson, *Poverty in Australia: First Main Report*, April 1975 (Commission of Inquiry into Poverty, AGPS, 1975).

⁶⁶ Whitlam, *The Whitlam Government 1972–1975*, 359–60.

⁶⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 11 October 1975: 1.

⁶⁸ Whitlam, *The Whitlam Government 1972–1975*, 360.

In the 1970s, the number of single-parent families, pensioners, and the unemployed increased dramatically. Between November 1974 and July 1981, the number of single-parent families with dependent children increased from 9% to 12.9%. Expenditure on the unemployed and sick increased from AUD 180 million in 1972/73 to AUD 2.6 billion in 1982/83, representing 1.8% to 5.3% of budget expenditure. From June 1972 to June 1982, the number of pensioners in Australia increased by 554,000 people. Financial outlays for pensioners, the sick, and the unemployed were relatively higher than under Prime Minister McMahon and Fraser.⁶⁹

Maternity allowances were launched in July 1973. This allowance was at the level of the benefit granted to widows, it was aimed at reducing the level of financial problems of unmarried mothers and their children abandoned by their fathers. The allowance for orphans without both parents came into force in September 1973. The government paid AUD 10 per week to the caregiver of an orphan who had lost both parents. On the other hand, the allowance for disabled children began to function in December 1974. They also paid AUD 10 a week to carers of children with physical or mental disabilities who did not live in homes with special needs. A special allowance was also granted to single fathers, which was granted from August 1974 in the amount of unemployment benefit.⁷⁰

In addition, in this social welfare system, from February 1975, tribunals were established in all states, which were to enable the submission of possible complaints about social benefits. The Tribunal was made up of two independent members, usually a lawyer and a social worker, and a member of staff from the social department. By 30 June 1975, 5,241 cases had been reported to this institution.⁷¹

The Whitlam government sought to improve the lives of groups such as the elderly, the disabled, the homeless, and ex-soldiers through special measures. The government also financially supported the construction of hostel accommodation, as well as supporting other forms of housing for the population on a non-profit basis. On 31 October 1974, Hayden drafted the new Aged or Disabled Persons Homes Bill. This law increased federal subsidies for these homes, adding two dollars to every dollar that came from a non-profit organisation or local government. The Aged Persons' Homes Act of 1954 was also amended and has since also applied to adults with disabilities.⁷²

The government developed a position which showed that if elderly people can stay in their home and are protected there by social assistance and have a better mood there, they do not have to live in a home for the elderly. The *Medical Journal of Australia* reported in November 1972 that 25% of patients in nursing homes for the elderly live there for virtually no serious reasons. The State Grants (Home Care)

⁶⁹ Whitlam, *The Whitlam Government 1972–1975*, 360–61.

⁷⁰ Whitlam, *The Whitlam Government 1972–1975*, 362.

⁷¹ Whitlam, *The Whitlam Government 1972–1975*, 363.

⁷² Whitlam, *The Whitlam Government 1972–1975*, 365.

Act of 1973 increased federal funding from one to two AUD spent by individual states to help homes for the elderly.⁷³

Based on the Hancock-MrCrossin report, the government expanded the new pension plan, which was partly based on capital raised by working people aged 19 to 63. In this scheme, every citizen aged 65 and older was eligible for a pension. The pension consisted of three components: (1) a general pension for all, equal to 25% of the Average Weekly Earnings (AWE); (2) an amount acquired based on increased contributions; and (3) a healthcare allowance, which guaranteed an income of up to about 30% of AWE. Raising pensions by 3% for married couples and 2% for each person living alone caused different reactions in society. In Australia in 1974, there were 932,000 pensioners, 150,000 invalids, and 100,000 widows.⁷⁴ In April 1974, the federal parliament approved an increase of AUD 3 per week for pensioners.⁷⁵

When discussing work-related issues, reference should be made to unemployment benefits. Despite the growing demand for white-collar and blue-collar workers in Australia at the time, unemployment still existed. At the end of 1973, the number of unemployed increased slightly.⁷⁶ In January 1974, it increased by 18,347 people, i.e., to 121,082 unemployed.⁷⁷ The government offered people who were unemployed to find employment and pay unemployment benefits. The first thing a jobseeker did was to register with the Commonwealth Employment Service. Then, if the applicant has not found a job within seven days, he should apply for unemployment benefit. At that time, the allowance was granted to people who: were unemployed but able to take up work and showed a willingness to work, did not have a pension, had lived in Australia for at least a year, or wanted to settle permanently in Australia and their weekly income did not exceed AUD 43.50 including the income of the wife, or if it was a single person over the age of 21, whose income did not exceed AUD 27.50, and for minors AUD 24.50. Allowances were also granted to the unemployed who had dependent children or students. The minimum income could be increased by AUD 4.50 for each person they maintained. The highest applicable rate of unemployment benefit was AUD 37.50 per week, including the allowance for a wife who is not gainfully employed. The rate for singles was then AUD 21.50. The unemployment benefit did not take into account the value of the property in which the person lived. The value of other social benefits received by the person applying for the allowance or by the spouse was also not included. According to the regulations of the time, unemployment benefit was not granted to strikers. Unemployed people receiving benefits were automatically entitled to receive free health insurance under the health service (Hospital and Medical Benefits). This meant that beneficiaries

⁷³ Whitlam, *The Whitlam Government 1972–1975*, 365

⁷⁴ Eugeniusz Bajkowski in *Tygodnik Polski*, 23 March 1974: 2.

⁷⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 13 April 1974: 2.

⁷⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 1 December 1973: 2.

⁷⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 2 March 1974: 2.

did not have to pay contributions as long as they received unemployment benefit. Detailed information on these provisions was available from the offices of the Commonwealth Employment Service and the Australian Department of Social Security.⁷⁸ In some cases, it was not possible to guarantee benefits. For example, Minister Hayden stated that in the financial year 1973/1974 there would be no benefits for non-working mothers.⁷⁹

To sum up, it should be stated that both in the immigration policy, wage policy, equalisation of women's wages with men's wages, and social security, the Whitlam government has shown exceptional activity and willingness to change the current state policy towards citizens. It should be emphasised that the Whitlam government has had a long-term impact on Australia's future, especially in such areas as: institutional powers under the Constitution, occupational health and safety, equal employment opportunities, protection of industry, and pension reform (superannuation). According to Michael Easson, the Whitlam government, ridiculed and slandered by some, over time was considered one of the most solid. Before or after him, there was no government that motivated people to work so strongly.⁸⁰ Some of the important successes of Bob Hawke and Paul Keating can certainly be traced back to the Whitlam era.

In later decades, especially in the late XX century, the Union of Australia emerged among other OECD countries as a country that spent significant financial resources on improving well-being programmes. According to data on social spending, between 1980 and 2001, Australian social spending increased between 11.3% and 18% of GDP. This change can be interpreted as a delayed falsification of the federalism hypothesis.

Australia, in terms of immigration policy, wage policy, and social security, fits into the concept of welfare state. It can be seen that gradually, as Bonoli stated, in the post-industrial era, liberal welfare state shifted its attention and interest from the man as the sole breadwinner to the women. The main distinguishing features of liberal welfare state determined by Esping-Andersen were: the percentage share of income-related social assistance in social expenditure; the percentage of private pension systems, and private health expenditure and their share. Alva Myrdal drew attention to a very important, contemporary welfare state theme, which is the issue of women's rights and social legislation, which was strongly emphasised after World War II. Hernes stressed that Myrdal put emphasis on feminism as an important element described as women-friendly welfare state. The Myrdal approach has been applied in two basic principles. One concerned the social security of children, the other—women's rights. Myrdal postulated a fundamental combination of economic

⁷⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 8 September 1973: 3.

⁷⁹ Bajkowski in *Tygodnik Polski*, 27 October 1973: 3.

⁸⁰ Michael Easson, "Industrial Relations Policy," in *The Whitlam Legacy*, ed. Troy Bramston (Federation Press, 2015).

and cultural aspects. These solutions were developed in Australia. A positive change has taken place for women. The development of public benefits was to lead to the equalisation of economic inequalities between families.

With regard to the hypothesis, it should be emphasised that it has been positively verified based on the available data. Whitlam's policy in 1972–1974 was open to non-Anglo-Saxon immigration and, to a large extent, to non-Europeans. The Whitlam government was the first to tackle racial and discrimination issues. The “open door” policy has been curtailed with the onset of the global recession. In 1973, the provisions of the Australian Citizenship Bill came into force. As a result of this policy, a large number of people took Australian citizenship in 1974 and 1975—over 100,000 per year. Equal pay for men and women in the same positions and four weeks' leave per year were introduced. Statistics show that from 1973 to mid-1975, there were significant changes between the rates of work among men and women. In social matters, financial support was provided to the unemployed, single women, people with disabilities, students, and learners.

CHAPTER VIII

Support for Arts and Culture

ABSTRACT: The chapter discusses support for art and culture. The state's commitment to enriching Australia's cultural and intellectual heritage was discussed. The institutions covered by the analysis include galleries, libraries, museums, theatres, and symphony orchestras. Plans and implementation of the construction of facilities for these purposes related to art and culture were also presented.

KEYWORDS: Australia; Whitlam; art; culture; libraries

If we compare Australia with other British colonies, we can easily see many similarities, such as the legal system or education. A common cultural heritage with England did not make it easy for it to define itself. On the other hand, looking at the brief history of “white Australia,” there are few events that unite the nation, such as uprisings, wars, etc.¹ So, in order to build a nation, it is necessary to emphasise the local history and heroes worth following. Undoubtedly, art played an important role here. For itself and the artists, it is important to support art and culture.

Whitlam argued that in every civilised society, the arts and the possibilities of practicing it are to be the focus of the state's attention, and this is the hypothesis for this chapter. It will be verified based on the laws that have entered into force and institutions organised for the needs of art and culture. One of the government's priority goals should be to enrich Australia's cultural and intellectual heritage. Whitlam believed that his government should encourage the arts and the enrichment of Australia's cultural and intellectual heritage. In his opinion, all other goals of the government, such as social and justice reforms, the provision of social services and education, were to create a society in which art and spiritual and intellectual values can develop.²

¹ Isabelle Bertrand, “National Identity, National History, National Film: The Australian Experience,” *Historical Journal of Film, Radio and Television*, 4, no. 2(1984): 179–87.

² Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 370.

Sprengel, Mieczysław. “Support for Arts and Culture.” In Mieczysław Sprengel, *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*, 179–91. Adam Mickiewicz University Press, 2025. © Mieczysław Sprengel 2025. DOI: 10.14746/amup.9788323244547.9.

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One of the first tasks was to formulate an acceptable basis for the government's strong commitment to the arts and artistic activities. Whitlam wanted his policy not just a financial benefit, but something more. The leader of the ALP had a positive attitude towards the idea of the British Labour government, which in 1965 published a document called *A Policy for the Arts: The First Steps*,³ the so-called white paper, devoted to the practice of art, in which the relationship between the artist and the state in a modern democratic community was analysed. As stated in the document, it is nobody's intention for state patronage to impose its will in any way on even the most unconventional and experimental artists or to limit their freedom. If a high level of artistic achievement is to be maintained, then the freedom of artists must be guaranteed. Whitlam believed that local, regional, and national institutions could not discriminate against cultural creators.⁴ By this time, many Australian artists were already working abroad, and the country's cultural institutions represented largely colonial or Edwardian times.⁵

During Whitlam's rule, there were several small theatres and symphony orchestras, which were administered by the Australian Broadcasting Commission (renamed a corporation in 1983). Until his time, there was no specific legal basis for national policy on artistic creation. Artists' activities in Australia were not properly funded and depended on the Australian Elizabethan Theatre Trust, founded in 1954.

Every state in Australia had its own art gallery, library, and museum, but many were neglected and understaffed. The valuable collections required care and renovation. For instance, there is a federal museum in Canberra dedicated to the memory of the participation of Australian soldiers in wars. The museum was in a very bad condition, and the exhibits were classified chaotically. After taking over the Prime Minister's portfolio, Whitlam took action to improve this situation and so the management of the museum was changed.⁶

The functioning of galleries and the film industry was not satisfactory. Aboriginal art and crafts were ignored.⁷ Material support for writers and artists has been insufficient for many generations. The ageing members of the cultural committees were very frugal and full of political and social prejudices. Despite the establishing the Australian Council for the Arts in 1967, with H.C. Coombs as chairman, there was still no effective national body responsible for allocating federal support funds. Under these circumstances, artists in Australia not only felt left out, but were also depressed.⁸

³ See <https://collective-encounters.org.uk/wp-content/uploads/2019/10/A-Policy-for-the-Arts-Jennie-Lee.pdf>, accessed 1 October 2024.

⁴ See <https://collective-encounters.org.uk/wp-content/uploads/2019/10/A-Policy-for-the-Arts-Jennie-Lee.pdf>, accessed 1 October 2024.

⁵ Paddy Amphlett, "Whitlam, Women and the Arts," in *Women and Whitlam: Revisiting the Revolution*, ed. Michelle Arrow (New South Publishing, 2023), 209.

⁶ Whitlam, *The Whitlam Government 1972–1975*, 505.

⁷ Geoffrey Bolton, *The Oxford History of Australia* (Oxford University Press, 2002), 197.

⁸ Amphlett, "Whitlam, Women and the Arts," 210.

In this context, Whitlam discussed the issue of improving these areas of state activity in Sydney in October 1972, when it was declared that a single council would be formed with several separate bodies responsible for each field of the arts. This model was based on solutions adopted in the United Kingdom and Canada. This proposal was favoured by artists in Australia, who had been attending government consultations in increasing numbers since 1972. Whitlam said that he felt the support of people of art and that they were an inspiration to him, despite the suspicions that conservatives aroused.⁹

Whitlam's first task was to find suitable candidates for councils representing various types of artistic activities, such as Aboriginal art, theatre, music, visual arts, crafts, literature, and film with television. Whitlam originally wanted to get rid of his existing advisors, but Coombs convinced him that some continuity with the old institutions should be maintained by maintaining one-third of their staff. The Prime Minister's concern was to ensure the best possible representation of people who know art. The first nominations to the Australian Council for the Arts were announced on Australia Day on 26 January 1973. Many eminent artists from various fields were selected. Among others, Patrick White, widely known in Australia, was appointed, who received the Nobel Prize in Literature in 1973 for his novel *The Eye of the Storm*.¹⁰ Some, like historian and writer Geoffrey Blainey, were opposed to the idea of a Literature Board to be established in Sydney. Blainey preferred to leave the Literature Board as a literary fund based in Melbourne, because for him Sydney was unacceptable because of the distance it was too long. However, this was an extreme case of opposition. The Whitlam Literature Board promoted literature and provided scholarships to authors, while making it easier for them to publish their works. One of the first books published as part of this project was the 1975 novel *Poor Fellow My Country*, written by Xavier Herbert. The legal basis for providing financial support for the publication of such works was the Australia Authors Fund Bill and the Public Lending Right Act.¹¹

To protect historic buildings of architectural value, parks, reserves, and areas along the coast of Australia, Justice Hope was appointed as Chairman of the National Heritage Research Committee on 17 May 1973. A detailed and final report on the condition of these facilities was prepared in September 1974.¹² By the time the commission's report was presented, the government had already begun a grant programme for the Australia Council National Trust, the State Government Trust, and various other sections of society to protect and maintain buildings. AUD 2.5

⁹ Whitlam, *The Whitlam Government 1972–1975*, 557.

¹⁰ Whitlam, *The Whitlam Government 1972–1975*, 559.

¹¹ Whitlam, *The Whitlam Government 1972–1975*, 560.

¹² Whitlam, *The Whitlam Government 1972–1975*, 548.

million was spent in 1973–1974, and AUD 7.5 million in 1974–1975. The funds went to 346 projects, and most of them were allocated to the renovation of buildings.¹³

In order for cultural activities to have a legal basis, on 23 July 1974, Prime Minister Whitlam presented the Australia Council Bill. This regulation was needed to establish the Arts Council of Australia. The work of this organ was very useful, because the world of culture went through difficult years. John Rickard wrote in his work *Australia: A Cultural History* that “writers, artists, members of bohemia were themselves on the margins of society. The marginal status of the artists, together with the nostalgic attachment to the old image of the bush and the bushman, created unfavourable conditions for modernism.”¹⁴ This is one of the reasons why significant artists lived abroad, the film industry in Australia barely existed and entire areas of art needed stimulation.

All this was to change with the financing. Therefore, Prime Minister Whitlam proposed Jean Battersby as president of the Arts Council of Australia and an increase in the budget of the new council by 100%, which meant an increase to AUD 14 million. In 1975, the budget was increased to AUD 24 million.¹⁵ Whitlam was pleased with the progress in this area. Already at the beginning of his term of office, he decided to reform the structures of the main cultural institutions. The work proceeded quickly, and when Queen Elizabeth II opened the second session of the 18th Parliament on 28 February 1974, she was able to announce that, in addition to the creation of the Arts Council of Australia, the government had established the statutory bodies of Australia Archives and the National Gallery and for the film and television industry.¹⁶

A clear demonstration of the Whitlam government’s support for Australian arts was the fact that it spent more money on the purchase of Australian artworks than any previous government team in Canberra. The Art Acquisitions Committee was in charge of this, and decided to exhibit more works of art abroad. Excellent collections were prepared, mainly art based on the works of peoples living in the Pacific and African areas. The art of Australia’s neighbours in Asia and the early civilisations of South America were not neglected. A large collection of graphics has been created. One can be sure that no Australian artist of great importance was left out, and names such as Brancusi, Calder, Daumier, Rodin, and Tiepolo left no doubt that galleries were looking for their work.¹⁷

One of the first actions of the government was also to amend the National Library Act of 1960, which in Whitlam’s opinion was perhaps the only area of Australian cultural life in which liberal governments had merit. From the outset, the Na-

¹³ Whitlam, *The Whitlam Government 1972–1975*, 548.

¹⁴ John Rickard, *Australia: Historia kultury*, trans. Wojciech Weinert (Ossolineum, 1994), 150.

¹⁵ Whitlam, *The Whitlam Government 1972–1975*, 563.

¹⁶ Amphlett, “Whitlam, Women and the Arts,” 211.

¹⁷ Whitlam, *The Whitlam Government 1972–1975*, 566.

tional Library of Australia in Canberra¹⁸ sought to emulate the Library of Congress of the United States, but there was no incentive to do so because Parliament had access to the Public Library of Victoria. In 1960, the National Library was separated from the Parliamentary Library, which became a reading room and lending library for Canberra residents for several years. Whitlam came to this library regularly and borrowed English classics and Latin translations.

The Act of 1960 defined the institution of the National Library as a legal entity. In 1961, the government chose the site for the construction of the library, and entrusted the design of the building to two architects: Bunning and Madden. Menzies laid the foundation stone for the new library in March 1966, six weeks after resigning as Prime Minister. The first plans for the building, with six columns at each end and thirteen on either side of the library, soon proved inadequate. Eventually, the number of columns at each end of the building was increased to eight, and on both sides to 16 instead of the 17 required by the Parthenon's canon. Whitlam, however, was more interested in the design of two more buildings—the National Gallery and the High Court.¹⁹

Whitlam has commissioned the Interim Council for the National Gallery to manage this gallery, which has been a source of spiritual inspiration for future generations of Australians. It took care of the national heritage and Australians were proud for this reason. Richard Crebbin became the Council's chairman, cooperating with eight other members from September 1973. As a result of its action, in November 1973 work began on the construction of the National Gallery in the so-called parliamentary triangle, where the National Library had already stood for five years. In August 1973, the Prime Minister announced that Edwards, Madigan, Torzillo, and Briggs had won the architectural competition to design the High Court building. Work on the construction of this building began in September 1975, and the Fraser government gave the implementation of this project a higher status than the construction of the gallery. The High Court was officially opened by Queen Elizabeth II in May 1980, and the National Gallery in October 1982.²⁰

Despite the difficulties, Prime Minister Whitlam was very pleased with his work to promote the arts, improve media perception, better focus on the functioning of the archives, and make libraries and galleries accessible to the widest possible public.²¹ His approach was confirmed by a study organised by the *Journal of Cultural Economics* entitled "What Price Culture?" The results showed the following interest of the audience: in theatre (73%), visual arts (67%), classical music (65%), handicraft

¹⁸ "National Library of Australia," Wikipedia, accessed 1 October 2024, https://en.wikipedia.org/wiki/National_Library_of_Australia.

¹⁹ Whitlam, *The Whitlam Government 1972–1975*, 566.

²⁰ Whitlam, *The Whitlam Government 1972–1975*, 566.

²¹ Elizabeth Webby, ed., *The Cambridge Companion to Australian Literature* (Cambridge, 2000), 12–15.

(44%), ballet and opera (37%).²² Fraser continued the activities of his predecessor and supported particularly purchases of Australian art.²³

Marek Haltof writes that Australian art from the very beginning can be seen as an attempt to define a new continent and face the problem encapsulated in the question: what is Australianness? Haltof's book on Australian cinema helps to answer this question.²⁴ Prime Minister Hawke stressed that: "No one is entitled to claim true *Australianness* based on descent."²⁵ The structure of common values was dealt with in a special way by Jerzy Smolicz. During his twenty years of research, he and his team have managed to capture the development of a structure of shared values that Australians accept. In the 1970s, many common values were pointed out, including democratic tradition, individual freedom, economic pluralism, and the English language as a means of communication among all Australians.²⁶

The new National Library building was opened in August 1968 during the reign of Prime Minister John Gorton. Whitlam proposed a solution whereby the National Library of Australia also became a library and information centre through which libraries and institutions with library collections could connect. The project also provided quick access to the latest foreign information through international channels. State libraries were not able to support themselves, and municipal libraries were not able to provide adequate library and information services. Therefore, in March 1975, Whitlam commissioned a committee headed by Allan Horton, a librarian at the University of New South Wales, to produce a report on the general needs of public libraries.²⁷

After Whitlam left the office of Prime Minister, the Horton report was presented to the Fraser government in February 1976, the first review of library services in Australia in 40 years, when the Munn-Pitt report, sponsored by the Carnegie Corporation of New York, was published. The report revealed serious deficiencies in the standard of public libraries in Australia. In Queensland, for example, the free municipal library served only 4.4% of the population, and 15% of the state's population did not have access to any public libraries. There were no libraries in cities as large as Bundaberg in Queensland with a population of over 30,000 and Lilydale in Victoria, in the western region of Adelaide and the Shire of Swan in Western Australia. On the other hand, the Melbourne City Council did not envisage the creation of any library for the city's central business district.²⁸

²² Whitlam, *The Whitlam Government 1972–1975*, 588.

²³ Whitlam, *The Whitlam Government 1972–1975*, 557.

²⁴ Marek Haltof, *Kino australijskie (słowo/ obraz terytoria)*, (2005), 9–10.

²⁵ *The Weekend Australian*, 23–24 January 1988: 6.

²⁶ Jerzy Smolicz, *Współkultury Australii* (Oficina Naukowa, 2000), 17.

²⁷ Whitlam, *The Whitlam Government 1972–1975*, 569–70.

²⁸ Whitlam, *The Whitlam Government 1972–1975*, 570–71.

Horton's report estimated that a total of 816,000 people lived in areas without library services, with Queensland and South Australia being the most neglected states. On the other hand, Australians who had access to libraries were forced to pay a library fee. In Horton's report, it was pointed out that library services were not at a satisfactory level, because unqualified staff were employed and the book collections were small.²⁹

The Committee also emphasised that expenditure on public libraries *per capita* and the burden on taxpayers for providing these services vary greatly from state to state. In Queensland, AUD 3.17 *per capita* was spent on public libraries between 1975 and 1976, and in Tasmania, AUD 9.94 *per capita* was spent in the same period. In this situation, a nationwide, coordinated programme for the development of public libraries seemed necessary. The goal was to eliminate large differences between individual states in the financing of public libraries. Accordingly, the Horton report recommended that in order to "to ensure the proper functioning of public libraries, expenditures should be borne by the federal, state, and local governments, partly financed by each of these levels."³⁰

The Committee also recommended the establishment of a statutory body called Public Libraries and Information Council, which would advise state governments on national policies for the development of library and information services. It also called on the federal government to support state and local governments in addressing serious inefficiencies and inequalities in existing services. The federal government was required to provide a ten-year financial assistance programme of AUD 20 million per year. Despite the financial support, state, regional, and municipal libraries still needed federal funding. Years later, Whitlam wrote that this area did not see the continuation of activities with Prime Minister Fraser.³¹

In addition to the libraries, Whitlam became even more interested in the service and condition of the archival collections, and was not satisfied with the imperfections in these institutions. He himself used the archives twice. The first situation concerned the documents on the abdication of the Duke of Windsor in 1936, and the interest in these documents arose due to the Duke's death. The second case concerned documents related to Prime Minister Lyons—at that time, Whitlam accused the staff of having too little documentation in this respect.³²

Organisational matters and filling positions in the archives were dealt with especially in February 1975, and Whitlam even consulted former Prime Minister Menzies on this matter.³³ Whitlam stressed that there were gaps in the records in the archives and this was the result of a long negligence. The first person to be

²⁹ Whitlam, *The Whitlam Government 1972–1975*, 571.

³⁰ Whitlam, *The Whitlam Government 1972–1975*, 571.

³¹ Whitlam, *The Whitlam Government 1972–1975*, 571.

³² Whitlam, *The Whitlam Government 1972–1975*, 572.

³³ Whitlam, *The Whitlam Government 1972–1975*, 572

fully responsible was the Commonwealth Archives Officer, appointed by the War Archives Committee in 1942. The Archives Department was not separated from the National Library until 1961 and became the Commonwealth Archives Office. At the end of September 1973, Senator Don Willesee received from Dr. W. Kaye Lamb, a former archivist from Canada, a report commissioned three months earlier on the statutes of the National Archives and the plan to build a building based in Canberra. The report of Dr. Lamb was introduced by Minister Bowen in March 1974 and announced that the government had decided to modernise and expand the activities of the Archives Office and to organise an institution known as the Australian Archives. The next task of the Prime Minister's team was to create the leadership of the task force. The aim of the group was to explore specific proposals, such as the planning of an archive building in Canberra and a directory search system.³⁴

Later in his term of office, Whitlam was not happy that what he considered an exaggerated title Director General was accepted. In the case of a library, the term derives from British Library Act 1972, which gave British Library a separate name for this position than in the case of British Museum. Whitlam was convinced that state institutions should use terms such as "state librarian" or "chief archivist" rather than "director."

In August 1975, the government appointed Professor Bob Neale as Director General of the Australian Archives. Previously, Neale was the editor of historical documents at the Department of Foreign Affairs (Ministry of Foreign Affairs) and prepared a document describing the beginnings of Australian involvement in Vietnam, including documents belonging to previous Liberal governments. When Vietnam was liberated and reunited, Fraser, as leader of the Liberal Party, refused to allow Whitlam to see these documents, though with Neale's appointment, Whitlam announced "that the Australian Government documents would be duly preserved and properly accessible to the public."³⁵

In the early 1970s, the ALP government and media owners viewed each other with distrust. The media did not favour Whitlam's party, but the ALP hoped that when it came to power, access to public information would be increased for all journalists. Thanks to the personal relations of government representatives with the owners and other representatives of the media, the situation improved.³⁶ It is clear that ALP's efforts have contributed to improving media quality. Before the Whitlam's rule, Australia was one of the few countries in the world that had television stations mostly supporting the rulers. In addition to the expansion of the federally funded public television ABC, permits were gradually granted to private broadcasters. The

³⁴ Whitlam, *The Whitlam Government 1972–1975*, 573.

³⁵ Whitlam, *The Whitlam Government 1972–1975*, 573.

³⁶ Whitlam, *The Whitlam Government 1972–1975*, 576.

vast majority of them were in the hands of the owners of press concerns.³⁷ On the other hand, running ethnic stations was not possible.³⁸

Thanks to the ruling issued by the High Court, the government had the opportunity to reform the media. The government's goal was to weaken the position of the media and make them more responsible for providing accurate information. Most of the elderly, the sick, the poor, and ethnic minorities got their news mainly from radio, television, and newspapers. This is how public opinion was formed.³⁹ The media were often used to attack politicians. For example, in 1975, the Whitlam government struggled with strong criticism of Rupert Murdoch's newspapers. During this time, the press devoted most of its space—as has already been mentioned—to the so-called loans affair, and this topic was taken up by the Editor-in-Chief of the *Sydney Morning Herald*.⁴⁰

The December 1972 election took place six months after Murdoch's takeover of the Daily Telegraph. The Liberal Party of Australia (LPA) faced its toughest campaign before the federal election since 1961. McMahon inherited a troubled economy and, despite his experience as treasurer, found no solutions to get out of the crisis. Even friendly newspapers described the government's budget for 1971 as "catastrophic." Under McMahon, unemployment has reached a ten-year high. Newspapers have felt the effects of significant cost increases and lower advertising revenues. The industry has been clustered around three large press groups. When McMahon and Whitlam thought about newspapers in 1972 and how they wanted to be presented, they must have thought of Philip Jones, Warwick Fairfax, and Rupert Murdoch, because of the twelve independent newspaper owners, only three remained. It should be noted that in Australia, the number of press readers has decreased despite population growth. Some newspapers saw an increase in circulation, especially in Canberra and Perth, where there was a huge increase in population. However, in Sydney, despite the increase in the number of residents, this was not the case, perhaps due to the greater number of press titles on sale.⁴¹

An important change has taken place in press journalism. Previously, journalists operated in a system of gathering information for the so-called Club, where there was also an informal exchange of information, in this way the content of the messages was often similar. Since the Whitlam era, a new kind of journalist has emerged, independent, more critical, and with less respect for politicians. These changes were in favour of Whitlam, not McMahon. There was also a turn towards investigative journalism. Whitlam's programme of political change was often presented in the

³⁷ Jan Lencznarowicz, *Australia* (TRIO, 2005), 319–20.

³⁸ Whitlam, *The Whitlam Government 1972–1975*, 577.

³⁹ Whitlam, *The Whitlam Government 1972–1975*, 577.

⁴⁰ Whitlam, *The Whitlam Government 1972–1975*, 581.

⁴¹ Sally Young, *Media Monsters: The Transformation of Australia's Newspaper Empires* (New South Publishing UNSW, 2023), 445.

press. The ALP had a well-functioning professional electoral machine. Six to eight political events were organised a day and the press reported about it. Murdoch became heavily involved in the ALP campaign, so his business was not threatened.⁴² Table 41 shows the daily circulation of the press in December 1972.

Table 41. Australian national and local press editions in December 1972

Location	Title	Daily circulation (in thousands)	Publisher
National	<i>Australian</i>	136	Murdoch
	<i>Australian Financial Review</i>	39	Fairfax
Sydney	<i>Sydney Morning Herald</i>	274	Fairfax
	<i>The Daily Telegraph</i>	316	Murdoch
	<i>Sun</i>	309	Fairfax
	<i>Daily Mirror</i>	312	Murdoch
Melbourne	<i>The Age</i>	206	Fairfax and Syme family
	<i>Sun News—Pictorial</i>	648	Herald and Weekly Times
	<i>Herald</i>	498	Herald and Weekly Times
Brisbane	<i>Courier-Mail</i>	260	Queensland Press
	<i>Telegraph</i>	159	Queensland Press
Adelaide	<i>Advertiser</i>	217	Advertiser Newspaper
	<i>News</i>	133	Murdoch
Perth	<i>West Australian</i>	218	Herald and Weekly Times
	<i>Daily News</i>	123	Herald and Weekly Times
Hobart	<i>Mercury</i>	53	Davies Brothers
Canberra	<i>Canberra Times</i>	34	Fairfax
Darwin	<i>NT News</i>	10	Murdoch

Source: Sally Young, *Media Monsters: The Transformation of Australia's Newspaper Empires* (New South Publishing UNSW, 2023), 442–43.

Out of 19 newspapers, eleven belonged to Murdoch and John Fairfax's family. In this way, they had an unquestionable influence on shaping public opinion in Australia at that time. Another significant medium was television. From 1954 onwards, the royal commission recommended limiting the number of foreign advertisements on local television. As a result, in 1960, at least 85% of the ads were produced in

⁴² Young, *Media Monsters*, 447–50.

Australia. In the 1960s, the famous Vincent report was published, which emphasised the harmfulness of foreign media, mainly about American content influencing the young generation. It was pointed out that the government is largely responsible for this state of affairs and it can implement the postulates contained in the report. Commercials were also even more related to the issues raised in Australian cinematography. The condition of Australian cinema also coincided with the public debate around Australian identity. Therefore, at the beginning of the 1970s, we can see an unprecedented demand for books on the history and culture of Australia.⁴³

In 1970, the Australian Film Development Corporation (AFDC) was established, which was replaced by the Australian Film Commission (AFC) in 1975. In order not to write about individual film works, directors, and actors, it is important from the point of view of this work that the government is interested in cinematography and statistics. And so, in the 1970s, 153 full-length productions were made. For comparison, 25 were made in the 1950s, only 17 in the 1960s, and 335 films were produced in the 1980s. It was clear from the beginning that with a small internal market, Australian cinema would not do without government subsidies. British and Canadian cinematography, which was supported by the state, served as a model. This is what made Australian cinematography different from American cinema, where there is a free market without state subsidies.⁴⁴

The Whitlam government's pressure on cinematography was broad and affected virtually all aspects of film production. There was a great threat of direct government interference in the programming policy of television and cinema distributors. The largest distributors were Village-Roadshow, Hoyts, and Greater Union, who began to timidly finance local cinema. From the beginning of the 1970s, the sponsorship of film productions by government institutions was right, because the Australian film industry was being built. Loans and grants were given for scripts and production, and "Australianness" was an important criterion. It concerned the subject of the film, the place where it is made, the source of financing, as well as the participation of local filmmakers. The *Australian Film Commission* has become the guardian of "Australianness." In 1973, the first state film corporation in South Australia (South Australian Film Corporation) was established. The artistically successful corporation was followed by other states. In the same year, the Australian Film, Television and Radio School (AFTRS) was established in Sydney. It is worth mentioning that formally the director and founder of this institution was a Pole, Professor Jerzy Toeplitz. At the end of the 1970s, production costs increased, but at the beginning of the next decade, significant tax breaks were introduced in the film industry to encourage potential investors.⁴⁵ It should be emphasised that the role of the Australian government in building the screen Australia has been decisive. The artistic

⁴³ Webby, ed., *The Cambridge Companion to Australian Literature*, 12–15.

⁴⁴ Haltof, *Kino australijskie*, 35.

⁴⁵ Haltof, *Kino australijskie*, 35–41.

style of filming promoting Australianness met with the approval of government institutions. The government's interest in cultural matters is most clearly seen in the actions of Gough Whitlam's government.

Whitlam's interest in culture and art was also expressed in the Prime Minister's foreign visits, especially his trip to Italy in 1975. The Australian side has signed an agreement on cultural cooperation with Prime Minister Aldo Moro. In January 1975, Whitlam was also finalising an agreement with the USSR on cooperation for culture. Negotiations were started to conclude agreements with Greece,⁴⁶ France, and Yugoslavia.⁴⁷ In Greece, Whitlam spoke with Prime Minister Constantinos Karamanlis, and before this trip, he made a four-day visit to Brussels in December 1974. It was the first time that the leader of Australia, while in Europe, did not start his visit from the United Kingdom. In this way, Australia has shifted the burden of relations with the United Kingdom in favour of the European market.⁴⁸ Before Whitlam, Australia had its first cultural agreement with Indonesia in 1968, followed by South Korea and India in 1971, and the Whitlam government had also worked out agreements with Iran, Japan, Thailand, Singapore, and Malaysia.⁴⁹ One of the last most important things under the Whitlam government was the ratification of the UNESCO Convention on the Means of prohibiting and preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property of 1970.⁵⁰ Malcolm Fraser decided to continue supporting cultural institutions in collecting works of art in Australia.⁵¹

The world-famous Sydney Opera House is also associated with culture and education. The final cost of the construction of the building was estimated at AUD 102 million. The designer was the Danish modernist architect Jørn Oberg Utzon, who left Sydney when the authorities noticed that the financial limit for construction would be exceeded. Utzon never returned and never saw his creation. When the opera became a symbol of Australia and Sydney, it was appreciated. In 1985, he was awarded the Order of Australia, and in 2003, the University of Sydney awarded him a *honoris causa*.⁵²

Financial support for culture and art was very much in line with the welfare state, thus the hypothesis was positively verified. It can be argued that we have here the beginnings of a system-wide action, i.e., its range was wider and more common in other countries at the end of the twentieth century. At that time, almost all mod-

⁴⁶ "Whitlam in Athens for Two-Day Visit," *The Washington Post*, 3 January 1975: D11.

⁴⁷ Christopher Sweeney, "Australian Returns from 39-Day Trip," *The Washington Post*, 22 January 1975: A18.

⁴⁸ "Whitlam Trip Seen Break in Tradition," *The Washington Post*, 16 December 1974: A4.

⁴⁹ Whitlam, *The Whitlam Government 1972–1975*, 585.

⁵⁰ Whitlam, *The Whitlam Government 1972–1975*, 586.

⁵¹ Whitlam, *The Whitlam Government 1972–1975*, 567.

⁵² "Jørn Utzon," Wikipedia, accessed 19 May 2021, https://en.wikipedia.org/wiki/J%C3%B8rn_Utzon.

ern states, as Nowiak writes, offered some form of security—sometimes in relation to the elites, other times towards people in extreme poverty. The Australian system dedicated to art and culture not only helped people of art, i.e., the elite, but also opened up to the recipients of works of art and culture. Therefore, Whitlam's actions from the early 1970s should be appreciated all the more.

CHAPTER IX

Foreign Policy

ABSTRACT: The chapter deals with the analysis of Australia's foreign policy relations. An important event was the establishment of contact with the People's Republic of China and closer cooperation with Japan. Economic cooperation has been given a strong priority over political issues. Relations with the United States have always been important for Australia, which also gained importance under Whitlam. The concluded treaties, agreements, and protocols were discussed.

KEYWORDS: Australia; Whitlam; policy relations; China; United States

NORMALISATION OF RELATIONS WITH CHINA

Australia's foreign policy and its evolution is a very interesting issue for a country so young and located far from other important countries and allies. Therefore, in addition to the question of Australia's international role in 1972–1975, a hypothesis should be put forward: in Australia's foreign policy in 1972–1975, the key partners were the United Kingdom, the United States, Japan, and China. In order to verify it, the author analyses Australia's relations with the mentioned countries, using a constructivist approach. The second hypothesis concerns relations with communist countries and is that relations with the USSR, China, and other smaller communist countries were not based on the support of the regime of these countries. The third hypothesis for this chapter is devoted to the ratification of documents and various agreements, and is that a large number of such documents were signed during Whitlam's time.

In the assessment of Australia's foreign policy since 1972, several internal conditions should be considered. One of the first was the rule of Robert Menzies as part of the centre-right coalition of the LPA-CP, which lasted from 19 December 1949 to 26 January 1966. Previous governments were very rigid and accustomed to

Sprengel, Mieczysław. "Foreign Policy." In Mieczysław Sprengel, *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*, 193–230. Adam Mickiewicz University Press, 2025. © Mieczysław Sprengel 2025. DOI: 10.14746/amup.9788323244547.10.

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the old world order. With the advent of Whitlam as Prime Minister, there was a definitive end to the White Australia policy, usually dating back to 1973.¹ Whitlam has long opposed racial discrimination. As early as 1961, he and the future Prime Minister of South Australia, Don Dunstan, called for the words “Maintenance of White Australia” to be removed from the ALP platform. This was achieved in 1965, but the language of danger (the so-called yellow peril) continued for some time.² In Australia, as a result of greater tolerance, society gradually became multi-ethnic and multicultural. There has also been a change in the internal structure of the centre-right coalition. The Country Party (CP) became the National Party of Australia (NPA). In Australia, environmental issues and the emergence of the Greens began to be emphasised. It should also be remembered that Prime Minister Whitlam was also Foreign Secretary for eleven months, and even when he appointed Senator Don Willesee to this position, he exercised control over foreign policy.³

However, when it comes to external conditions, the end of the Vietnam War (1975) was important. It was perceived positively by some Australian voters due to its alliance with America, but a significant part of the society was critical of it.⁴ Australia was covered by the so-called Nixon Doctrine, also known as the Guam Doctrine, which was promulgated in 1969. This doctrine on the part of the United States, firstly, ensured readiness to honour all treaty obligations and, secondly, maintaining a nuclear umbrella for all allies, including, of course, Australia. In turn, the third point of the Nixon Doctrine said that a state attacked with conventional weapons should defend itself first using its own military forces.

When discussing the positions of other politicians, it should be noted that British Prime Minister Clement Attlee decided to establish diplomatic relations with China on 6 January 1950.⁵ Menzies used this issue for a long time in internal political games. Whitlam, on the other hand, was the first member of the Australian Parliament to insist that the Australian government recognise the communist government in China. Already at the Hobart conference, the ALP wanted to recognise the Chinese government, but later there was a split into two factions in this party. Some believed that China with a communist government should be considered a state, while for others, criticism of this view was seen as a sign of patriotism.⁶

¹ Suzanne D. Rutland, “Whitlam’s Shifts in Foreign Policy 1972–1975: Israel and Soviet Jewry,” *The Australian Journal of Jewish Studies*, 26, 2015: 360.

² Jenny Hocking, *Gough Whitlam: A Moment in History* (The Miegunyah Press, 2008), 206–08.

³ Peter Edwards, *Australia and the Vietnam War* (University of New South Wales Press Ltd., 2014), 248–49.

⁴ Harry G. Gelbert, “Australia and the Great Powers,” *Asian Survey*, 15, no. 3(1975): 192–93.

⁵ Colin Mackerras, *The New Cambridge Handbook of Contemporary China* (Cambridge University Press, 2001).

⁶ Gough Whitlam, “Sino-Australian Diplomatic Relations 1972–2002,” *Australian Journal of International Affairs*, 56, no. 3(2010): 324.

During this period, Australia's attitude towards the People's Republic of China was a dividing line between the government and the opposition. This distinction had already lasted since 1955. Prime Ministers a generation younger than Menzies, such as Harold Holt (1966–1967), John Gorton (1968–1971), and William McMahon (1971–1972) did not change their policy on recognising the PRC. Certainly, Canberra would have behaved differently if it had been known that since August 1969, at the behest of President Nixon, American diplomacy—first through intermediaries, then, in top-secret direct contacts—led efforts to normalise relations with China. Canada decided to regulate relations with China in the early 1970s, which was an important reference point for Australia due to its similar history. In 1983, an article by Edmund Fung appeared in Australia's leading Sinological journal with the significant title "Australia's China Policy in Tatters 1971–1972."⁷ The author of this book tries to answer the question why the last right-wing Prime Minister before the change of the ruling party, William McMahon, did not decide to recognise China, despite the growing number of reasons to support such a decision. Fung pointed to three main reasons: the Prime Minister did not want to lose the support of the anti-communist DLP party, he did not want to show weakness in the face of the fact that Gough Whitlam had already paid a visit to Beijing and was received there with dignity, and thirdly, McMahon did not want to antagonise Australia's important neighbours, especially Indonesia, who were unfavourable towards China.

It was important that the American side looked at the possible improvement of Australia's relations with China without enthusiasm.⁸ However, as long as Canberra assured Washington of its support for American policy, there was no major diplomatic friction. At that time, scientists who dealt with Australia's foreign policy, e.g., the leading American expert on this subject Henry Albinsky, saw a serious threat to Australia that the US actions brought. If there was a dispute between China and Taiwan, the United States would stand firmly on Taiwan's side. Under the ANZUS treaty, Australia would be required to take military action together with the US, not just in case of an attack on US territory. In this way, at least in theory, the threat of a war involving Australia against China would be much more real than either side would like.⁹

Ever since Whitlam became the leader of the ALP and the entire federal opposition in 1967, he believed that it was necessary to normalise relations with China. This vision has been slowly consolidated since 1970, when Canada recognised the government in China. The change in approach was supposed to create opportunities for export of Australian wheat to China, but unfortunately the Australian Wheat

⁷ Edmund S.K. Fung, "Australia's China Policy in Tatters 1971–1972," *The Australian Journal of Chinese Affairs*, no. 10(1983): 55.

⁸ Bill Hayden, "Australia's China Policy Under Labor," *The Australian Journal of Chinese Affairs*, no. 11(1984): 83–97.

⁹ Henry S. Albinsky, "Australia Faces China," *Asian Survey*, 2, no. 2(1962): 19–20.

Board failed to secure a new export contract to China. The reason was political and consisted in the fact that the government in Canberra did not recognise China. The opposition, on the other hand, saw the improvement of relations with China as a political opportunity, which could have a positive impact especially on farmers. Therefore, the ALP decided to send a delegation to China: Chairman—Whitlam, ALP Federal Secretary Mick Young and Party Member Tom Burns, Foreign Affairs Expert—Stephen Fitzgerald, and Dr. Rex Patterson from the industrial sector. The press was represented by Graham Freudenberg.¹⁰

In Australia, particular concerns about establishing a trade relationship had the Reserve Bank, which financed support from loans granted from the Rural Credits Department of the Bank and The Governor of the Bank. This bank was to support the export of Australian wheat to China. In this situation, farmers decided to export wheat without the support of the federal government. This issue was later mentioned by Dr. H.C. Coombs in 1981 in his book *Trial Balance*.¹¹

In 1971, the Chinese government did not renew the contract for the import of Australian wheat. Doug Anthony, CP leader and Minister of Trade and Industry, as well as the Prime Minister's representative, confessed that there was quite a lot of chaos on this issue. This caused Mick Young, who had spent three months in China before the Cultural Revolution, to want to initiate trade. Therefore, on 14 April 1971, Whitlam sent a telegram to Premier Zhou Enlai, seeking an invitation for the ALP delegation. The aim was to discuss important issues for both countries. The telegram to the Chinese Prime Minister read: "The Australian Labor Party would like to send a delegation to the People's Republic of China to discuss the conditions under which your country would be willing to establish diplomatic and trade relations with Australia. We would be grateful to you if you could express your opinion on whether the Government of China would receive the delegation." Whitlam became very concerned when two weeks passed and there was no response from China. Prime Minister McMahon began publicly joking about Whitlam's attempt to establish a relationship with Premier Zhou Enlai. McMahon compared it to a letter from the head of Australian diplomacy, Herbert Vere Evatt, addressed to the Soviet foreign minister Vyacheslav Molotov in 1954. This was a clear sign of how different the approach to foreign policy was between the government of the time and Whitlam. However, Whitlam's first secretary, Richard Hall, who was in charge of organising this delegation, was helped by sinologist Dr. Ross Terrill, who benefited from his contacts in diplomatic circles in China. The most important in this matter turned out to be the French ambassador in Beijing, Étienne Manac'h, who activated his acquaintances and on 10 May 1971, Whitlam received an invitation from the People's Institute of Foreign Affairs, the body responsible for relations with unrec-

¹⁰ Hocking, *Gough Whitlam: A Moment in History*, 373.

¹¹ Herbert C. Coombs, *Trial Balance* (Macmillan, 1981), 15.

ognised countries. As a result of such a long-term unsolicited response, Whitlam was not convinced of his decision to leave. He consulted Freudenberg on this matter and finally decided to go to the Middle Kingdom.¹²

The Australian delegation landed in the Chinese capital on 3 July 1971, and was greeted by Chou Chui-Eh of the People's Institute of Foreign Affairs. The delegation was offered a trip to the Great Wall the next day. Whitlam, however, refused and stressed that they had come for talks and work. The next day, they met with Foreign Minister Chi Peng Fei, who was presented with the ALP's plans to recognise China as a state. The minister announced that political decisions will play an important role in the possible import of wheat. Chi Peng Fei added: "The wheat trade can be achieved if political relations between our countries are normalised. We see political relations as fundamental." In addition to these discussions, Whitlam was eagerly awaiting the opportunity to meet with the Chinese Prime Minister during this visit. This item was not on the agenda, but in the end the meeting with Zhou Enlai took place.¹³

On 5 July 1971, a meeting was held at the Great Hall of the People in Beijing between Zhou Enlai and Whitlam as the leader of the opposition in Australia. It was a historic event that marked the end of Australia's Cold War policy and put Whitlam on the front lines of the new order of international politics.¹⁴ Whitlam's approach to China has always been different from the prevailing opinion in Australia. As early as 1954, he was the first Australian parliamentarian to advocate recognition of the People's Republic of China and to oppose the policies pursued in Australia since 1949, which led to dangerous polarisation.¹⁵ One of Whitlam's important remarks was that "hostility towards China has been bothering Australia in international affairs for 20 years."¹⁶

During a meeting with the Australian delegation, Premier Zhou Enlai explained that China considers Russia, the United States, and Japan to be a threat. Explaining the Pacific Security Treaty (ANZUS), Whitlam stressed that the comparison of Sino-Russian relations to this peace pact is not adequate, because its purpose is only the security of the member states. Whitlam said Australia continues to be under the destructive influence of US Secretary of State John Foster Dulles.¹⁷ The Australian guest added that Americans are not satisfied with the presidency of Lyndon B. Johnson and the actions of Richard Nixon.¹⁸

¹² Hocking, *Gough Whitlam: A Moment in History*, 374.

¹³ Mark Innis, "Gough Whitlam, Leader of Australia Who Built Ties to China," *The New York Times*, 23 October 2014; Hocking, *Gough Whitlam: A Moment in History*, 377.

¹⁴ Susan Mitchell, *Margaret Whitlam: A Biography* (Random House Australia, 2006), 182.

¹⁵ Mark Innis, "Gough Whitlam, Leader of Australia Who Built Ties to China," *The New York Times*, 23 October 2014; Hocking, *Gough Whitlam: A Moment in History*, 372.

¹⁶ Innis, "Gough Whitlam, Leader of Australia Who Built Ties to China," 371.

¹⁷ John Foster Dulles (25 February 1888–24 May 1959) was an American politician and the Secretary of State. "Time" magazine's Man of the Year 1954. Under the pretext of fighting communism, he fought governments that could threaten the economic interests of the US.

¹⁸ Whitlam, *Sino-Australian Diplomatic Relations 1972–2002*, 324.

Whitlam's conversation with Zhou Enlai was very personal, but it took place in the company of a delegation of forty Chinese and in the presence of many Chinese journalists and six Australian representatives. The presence of so many journalists was risky for Whitlam, as every word he said was published in Australia and a small mistake could have led to a disaster in relations with China and plunged the ALP's hopes for future governments.¹⁹ During the meeting, in addition to the issue of the ANZUS pact, many other issues were discussed, such as SEATO, relations between Australia and the US and Japan, Australia's role in Vietnam, the ALP's approach to China, and China's membership in the United Nations. Whitlam was wary of international comments on the conversation. As a result of the conversation, the future Prime Minister of Australia was surprised by the information possessed by Zhou Enlai, which concerned the current Australian foreign policy and the policy of the ALP.²⁰ Despite Whitlam's concerns, press comments in Australia regarding the visit of the ALP delegation were favourable. The ALP's mission to China has been an unprecedented success for the party. Western diplomats in Beijing, with whom Whitlam spoke, also expressed their appreciation for the reception of the Australian delegation by the Chinese authorities.²¹

Quite different were the reactions of Prime Minister McMahon, who described Whitlam's mission as a toy for China. McMahon said directly that Zhou Enlai had Whitlam on the hook and played with him like a fisherman plays with trout. McMahon said: "What impertinences towards the leader of the United States, they will not forget it so soon for Whitlam in the American administration."²² Fraser stated that Whitlam had reached a secret pact with the Chinese Prime Minister, and that the leader of the DLP, Senator Vince Gair, accused Whitlam of being blackmailed by the Communists.²³ The next day, US President Richard Nixon surprised McMahon and the rest of the world when he announced that he would travel to Beijing in May 1972.²⁴

When Whitlam left China and arrived in Tokyo, he heard on the news that Henry Kissinger had been in Beijing and announced Nixon's intention to come to China. In this way, Whitlam's risky initiative became a significant political event in Australia. Whitlam came to be seen as an international statesman. Earlier, on 25 October 1971, the UN recognised the Chinese authorities as legal and accepted the People's Republic of China. Whitlam thus also benefited from the UN's decision and recognition of his actions in international opinion. The Chinese knew that the gov-

¹⁹ Stephen Fitzgerald, *The Coup That Laid the Fear of China, Gough Whitlam in Beijing, 1971*, vol. 2 (Whitlam Institute within The University of Western Sydney, 2012), 10.

²⁰ Hocking, *Gough Whitlam: A Moment in History*, 378.

²¹ Hocking, *Gough Whitlam: A Moment in History*, 379.

²² Hocking, *Gough Whitlam: A Moment in History*, 379.

²³ Hocking, *Gough Whitlam: A Moment in History*, 380.

²⁴ Henry Kissinger, *O Chinach*, trans. Magdalena Komorowska (Wydawnictwo Czarne, 2014), 296.

ernment in Australia would soon be taken over by the opposition and a lot would change. Finally, in December 1972, Whitlam came to power and, as Prime Minister of Australia, believed that China could not be excluded from the security architecture of Southeast Asia. Thus, diplomatic relations with China were established, and on 1 January 1973, the Australian embassy was opened in Beijing. On 9 January 1973, Stephan Fitzgerald became the first ambassador for Australia.²⁵ Also at that time, both Washington and Tokyo normalised relations with Beijing.

Against this background, economic relations between Canberra and Beijing experienced a significant revival in 1973–1974. Active trade missions have been established at embassies, and bilateral cooperation has been established between the ministries of foreign trade and energy. Already at the end of 1973, the first large contract for the supply of Australian mineral resources to China was signed. In this way, trade has expanded. The Whitlam government drastically changed its foreign political strategy. The white Australia policy was abolished and the establishment of diplomatic contacts with communist China was announced. Thus, the barrier of cooperation with Asian nations has been broken. Whitlam rejected the concept of forward defence and containment of communism in Asia.²⁶

In 2002, the *Australian Journal of International Affairs* published an article by Whitlam on Chinese-Australian diplomatic relations. The former Prime Minister clearly writes that one cannot give in to a policy that leads to a choice between China and the United States. International engagement and responsibilities must be respected at all times, especially conventions, including the ANZUS Pact, which give Australia a strong position in foreign policy. This is the policy that China understands and accepts.²⁷

STRENGTHENING COOPERATION WITH JAPAN AND RESTRAINED RELATIONS WITH THE UNITED STATES

In international contacts, the Prime Minister was helped by the ability to communicate in many languages. In his opinion, it was important to rely on autonomy in international relations and to be able to fight for Australia's international position in the Asia-Pacific region. Whitlam argued that the Australian government should not be too interested in what is happening in Europe, but what is important in Asia. During his rule, cooperation with Japan, which was Australia's largest trading part-

²⁵ Peter Edwards and David Goldsworthy, eds., *Facing North: A Century of Australian Engagement with Asia*, vol. 2 (Melbourne University Publishing, 2003), 377.

²⁶ Andrew Kelly, *ANZUS and the Early Cold War* (Open Book Publishers, 2018), 125.

²⁷ Fitzgerald, *The Coup That Laid the Fear of China*, 3–17.

ner at the time, was strengthened.²⁸ From 1955 to 2009, Japan has been continuously governed by the Liberal Democratic Party, which has supported closer cooperation with the countries of the Pacific region.²⁹ The Japanese were afraid of being isolated from European markets. Therefore, Japan sought closer cooperation and partnership with Australia. The first meeting of five developed countries: Japan, Australia, New Zealand, Canada, and the US took place in 1965. During the talks, a representative of the Japanese scientific community, Professor Kiyoshi Kojima, came up with a proposal to establish the so-called Pacific Free Trade Area (PAFTA), which was to turn into an international organisation. Interested in this concept, the then Minister of Foreign Trade, Takeo Miki, sent Professor Kojima on a special mission to countries that might be interested in this kind of cooperation. In 1972, the Whitlam government also supported the concept of Takeo Miki, presenting it in February 1973 to Indonesian President Haji Mohammad Suharto. However, the climate of the talks was not favourable, and it was influenced by events such as the escalation of the conflict in Vietnam and the US-China relations, which were established only in 1972. Over time, the Australian and Japanese governments had much higher hopes for the Association of South East Asian Nations (ASEAN).³⁰

In the 1970s, economic cooperation in bilateral relations was given a definite priority over political issues. At the beginning of that decade, Australia began a phase of economic acceleration, as well as a significant expansion of the product range offered by Australia. At that time, Japanese imports from Australia amounted to 25% of the total value of imports and constituted almost four times the increase compared to the 1950s.³¹ Metals and various mineral resources exported from Australia to Japan accounted for about 50% of the value of all exports of these products.³² Until 1976, annual ministerial consultations were held, mainly on foreign affairs.³³ In the 1970s, Australian-Japanese relations became more stable. Reports of the Senate Committee on Foreign Affairs and the Armed Forces established on 6 October 1971 were published on this matter. It based conclusions on the advice of John Crawford, Peter Drysdale, and Ross G. Garnaut. The report was a unique document, because in the history of the Australian Parliament, Australia's relationship with a specific partner was not often described. This report is a multilateral analysis of issues in foreign affairs, defence, culture, and trade.³⁴

²⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 15 March 1975: 3.

²⁹ Bożena Bankowicz et al., *Słownik historii XX wieku* (Krakowski Instytut Wydawniczy, 1992), 140.

³⁰ Whitlam, *The Whitlam Government 1972–1975*, 48.

³¹ William McMahon, "Australia and Japan," in *Japan and Australia in the Seventies*, ed. J.A.A. Stockwin (Angus and Robertson, 1972), 6.

³² NAA, A 1838, file no. 759/1 Part 19, Note verbale, 6.

³³ NAA, A 1838, file no. 759/Part 19, Department of External Affairs, Outward Cablegram, 22 August 1969, 1.

³⁴ Department of Japanese and Chinese studies University of Queensland, "The 1971–1972 Senate Hearings on Japan; Sir John Crawford's Evidence on the Australia-Japan Relationship," *Pacific Economic Paper*, no. 212(1972): 1–2.

The role of the Whitlam government in supporting trade activities with Japan has been positive and stimulating. The Whitlam cabinet observed the changes that were taking place in the economy and politics of Japan, which is why it anticipated and implemented various forms of activity, corresponding to the future strategy of partnership cooperation with Japan. Undoubtedly, the Australian government also promoted domestic producers, supporting their activities aimed at maintaining a strong competitive position in the processes of conquering the Japanese market.³⁵

To sum up, it can be pointed out that contacts and political relations with Japan were built on international agreements, which were the starting point for further negotiations. These negotiations formed the basis of trade contacts, which were an important part of mutual bilateral relations. The agreement with Japan has created a basis for closer ties on many other levels, e.g., the creation of Japanese investments in Australia in the future.

A very important partner in Australia's foreign policy was, of course, the already mentioned United States. The Washington authorities hoped that Gough Whitlam would become the new leader of the ALP and secure their interests in Australia. In particular, it was about the location of the American intelligence facility in Australia on the North West Cape. The American side had more confidence in Whitlam than in the ALP itself. It was believed that Whitlam himself would be better able to control matters related to mutual relations.³⁶ American diplomacy has already looked at Whitlam's career in the 1960s. Washington politicians had some trouble pronouncing his name, and he was introduced as Mr. Ego Whitlam. The American side welcomed Whitlam's desire to pursue a more pragmatic policy.³⁷ ALP policies at the time were marked by a strong commitment to ANZUS, close regional cooperation with the United States, support for independent colonial movements in Asia and Africa, and realistic compromises with Russia and China. On the other hand, when it comes to the attitude to the Vietnam War, Whitlam manoeuvred between support and criticism of this conflict, especially due to public opinion in Australia.³⁸ Over time, Australian society was increasingly critical of the Vietnam War. It should be recalled that in April 1965, Prime Minister Menzies agreed to send Australian troops to the vicinity of Saigon.³⁹

The Vietnam War and conscription were not visible in the 1972 election campaign, as the McMahon government largely resolved these problems by withdrawing all Australian forces except the Australian Army Training Team Vietnam (AATTV).⁴⁰

³⁵ Mieczysław Sprengel, *Gospodarczo-polityczne współczesne relacje Australii z Japonią: Wzorzec dla stosunków międzynarodowych w regionie Azji i Pacyfiku* (Avalon, 2012), 134.

³⁶ James Curran, *Unholy Fury: Whitlam and Nixon at War* (Melbourne University Press, 2015), 74.

³⁷ Curran, *Unholy Fury*, 75.

³⁸ Curran, *Unholy Fury*, 76.

³⁹ Jonathan Moore, *A History of the Australian Military* (New Holland Publishers, 2018), 212.

⁴⁰ The Australian Army Training Team Vietnam (AATTV) was a specialist unit of military advisors to the Australian Army that operated during the Vietnam War. Created in 1962, the unit was commissioned as part of Australia's contribution to the war.

After the task force was withdrawn in 1971, McMahon left behind a small force that awaited the outcome of the Paris peace negotiations.⁴¹ Despite the public's dissatisfaction with participation in the Vietnam War, only a small number of voters indicated Vietnam and conscription as the main motive for voting for the first ALP government in 23 years.⁴² Nevertheless, it was felt that the conservative coalition parties lacked knowledge of international affairs and that the time had come to entrust the government to the ALP. On 10 December 1972, a minister in the Whitlam government announced that the last soldiers from Vietnam were to be withdrawn within three weeks.⁴³ The exception was the unit guarding the Australian embassy in Saigon, which remained. Whitlam and Barnard announced that there would be no more drafting and that all conscripts who wanted to leave the military could do so immediately. Also, those who joined the Citizens Military Force to avoid joining the army were able to leave its ranks without consequences. During the last conscription, 2,200 people were released from duty, and seven people who were in prison were released. Opponents of the war and soldiers' families were euphoric. However, this decision caused further divisions in Australian society.

These administrative actions suspended the National Service Act on the issue of conscription of soldiers for military service, but did not eliminate the existing law. In late 1975, an attempt was made to abolish the National Service Act, which was one of the reasons for the collapse of the government in November 1975.⁴⁴ The South Vietnamese, especially President Thieu, were surprised by this move. The Americans were also not happy that the Australians were leaving the service at such a crucial moment in the negotiations in Vietnam. In Australia, there were supporters and opponents of this decision, many opinions expressed the view that it was less than an honourable move. The end of the Vietnam War was announced on 11 January 1973, and on 26 February 1973, Australia recognised the Democratic Republic of Vietnam.⁴⁵ It should be remembered that Whitlam was not only Prime Minister for several months, but also exercised personal control over foreign policy. Nevertheless, the main architect of Australia's involvement in Vietnam was Paul Hasluck as foreign minister.⁴⁶

There was another scandal regarding the war in Vietnam. On 11 January 1974, Whitlam commissioned an investigation after secret information about telegrams between the Australian government and the US Embassy in Canberra was published in newspapers. This information first appeared in December 1972 in the newspaper *Nation Review*. These telegrams exchanged detailed information between Mar-

⁴¹ Edwards and Goldsworthy, eds., *Facing North*, 246.

⁴² Blanche d'Alpuget, *Robert J. Hawke* (Schwartz Publishing Group Pty Ltd., 1983), 244.

⁴³ "Australia—Việt Nam Solidarity in the Early Years," *Việt Nam News*, 25 March 2023: 1.

⁴⁴ d'Alpuget, *Robert J. Hawke*, 245–47.

⁴⁵ Edwards and Goldsworthy, eds., *Facing North*, 377.

⁴⁶ Edwards and Goldsworthy, eds., *Facing North*, 245–47.

shall Green, assistant secretary of East Asian and Pacific Affairs and US ambassador to Australia, and Australian chargé d'affaires Roy Fernandez in Washington. Telegrams dated 22 December 1972 were revealed, which contained, among other things, Whitlam's private letters to Nixon, in which the Prime Minister opposes the resumption of bombing in North Vietnam. Australian service of American warships refused to service them in Australian ports. As a result, discontent in the White House has increased significantly.⁴⁷

Whitlam's defence policy took on the characteristics of logic and independence. The Prime Minister continued to seek to maintain Australia's traditional alliances with the United Kingdom and the United States and to preserve American defence installations in his country.⁴⁸ From 1965 to 1975, Australia's relations with the United States were disrupted by the American intervention war in Vietnam. Governments from Menzies to McMahon saw Australian involvement as US backing up in case of a threat from China, and especially Indonesia.

At that time, Whitlam based his relations with the United States on two pillars. One was about legalism and constitutionalism, and the other had its roots in the traditional approach to the US.⁴⁹ Whitlam did not limit his relations with Washington only to military matters. President Kennedy's approach particularly suited Whitlam in his view of the Cold War. Whitlam knew history well and knew how to prevent conflict. He supported America for its approach to the conflict in Cuba and actions de-escalating tensions.⁵⁰

On 20 January 1969, Richard Nixon became President of the United States and held this office until 9 August 1974. After his election to the presidency, Nixon wrote a brief thank you message to Whitlam for his congratulatory telegram. Initially, the new President planned to thank only the Prime Minister of New Zealand, because he was seen as a person for better cooperation. However, they did not want to irritate what was described as the Australian, and the thank you note was sent, which read: "Dear Mr. Prime Minister, I am pleased to have received your kind congratulatory message on my inauguration as President of the United States. Sincerely, Richard Nixon." Whitlam did not intend to change his course and behaviour, nor to be offended by the absence of the US President's special representative at the annual Coral Sea Ball in Australia. Worse for Whitlam was the temporary freezing of relations with Nixon and Kissinger. The latter even stressed at a meeting of the Special Actions Group on the National Security Council that the President wants the State Department to know about the lack of improvement in relations with Australia. It was insisted that Whitlam would not be invited to Washington any time soon.

⁴⁷ "Australians to Probe Leak of Cables," *The Washington Post*, 12 January 1974: A4.

⁴⁸ Edwards and Goldsworthy, eds., *Facing North*, 245–49.

⁴⁹ Peter Ryan, "The Whitlam Years: A Retrospect," *National Observer—Australia and World Affairs*, no. 48(2001): 21.

⁵⁰ Ryan, *The Whitlam Years*, 77–80.

To which the Prime Minister of Australia declared that he could go to Washington regardless of whether he received an invitation to meet President Nixon or not. In addition, he said that he did not want a “coronation” in Washington.⁵¹

Even though the State Department knew about the attitude of the President to the Prime Minister of Australia, it turned out that no one cared. Whitlam’s trip, since Prime Minister John Curtin, was to be the first ever visit by an Australian Prime Minister from the ALP to Washington. In the Australian federal administration, it was believed that this would be one of the most critical of all the recent visits of the Australian head of government. Reading various American materials prepared by security agencies, one can get the impression that the visit of the Australian Prime Minister was of particular interest to the media. Gough Whitlam, while not facing the kind of crisis that hit the Nixon administration because of the Watergate scandal, noted that if foreign policy is not well conducted, it can cause domestic problems. Whitlam was aware of the importance of the alliance with the United States.

The postponement of Whitlam’s visit was not well perceived, even the *New York Times* called Nixon’s behaviour towards the Australian Prime Minister an unwise display of public narrow-mindedness towards a friend and ally. Whitlam finally found himself in Washington on 30 July 1973. In addition to him, in June and July 1973, Brezhnev, the Shah of Iran, Japanese Prime Minister Tanaka, and the President of Gabon visited the White House. The importance of these visits was to prove the importance of the Australian Prime Minister’s stay in the capital of the United States. Critics of the White House said that these meetings were staged to mark the importance and need for Nixon as president. From the Australian side, voices were heard that the issue of the visit was a national matter. However, the *Courier-Mail* described the trip as one of the most important that Whitlam has made as Prime Minister. The position of the United States, and especially Nixon, was diplomatically explained by the US ambassador to Australia, Marshall Green, who spoke about Washington’s changing priorities. In this way, Green made a Nixonian interpretation. Despite the changes, Nixon still believed that Australia was always a reliable ally.⁵²

Whitlam’s negative attitude toward Washington was the result of the United States’ involvement in the renewed resumption of air strikes on North Vietnam. This case became the ultimate test of Australia’s loyalty to the US. For the British and American administrations, Whitlam’s behaviour was seen as a lack of responsibility for the situation in Southeast Asia, especially in the failure to comply with the Five Power Defence Arrangements. Indonesian President Suharto said that he

⁵¹ “Man Who Changed Us,” *Herald Sun* (Melbourne, Victoria, Australia), News Limited, 10 July 1996: 1.

⁵² “Australia—Việt Nam Solidarity in the Early Years,” 1.

would rather host representatives of Russia and China. In this way, Whitlam's first visit on 19 February 1973 to Indonesia did not fully satisfy him.⁵³

Australia's policy towards Eastern Timor was one of the most difficult after World War II. In the dispute over Eastern Timor, Australia could rely on neither Great Britain nor the United States. Australia in the context of Eastern Timor was in conflict with Indonesia. Therefore, for Canberra, this meant building a new type of relationship in the Pacific region. To this end, Whitlam gave a lecture on 30 November 1973, on the new politics of realism and security.⁵⁴ In commenting on these new goals, Senator Richard Woolcott said Australia needed a new approach to race, colonialism, and a greater interest in Eastern Asia.⁵⁵ On the same day in November 1973, Whitlam created a unified Department of Defence from five smaller departments: Defence, Air, Navy, Army, and Defence Functions Supply.⁵⁶

Returning to the issue of Eastern Timor, it should be recalled that in September 1974, Whitlam met informally with President Suharto and outlined his political view and the government's plan for this region. Whitlam stated that the creation of an independent East Timor has no chance and poses a potential threat to stability in the region. Such behaviour of the Prime Minister can be explained by the reasons for maintaining good relations with the President of Indonesia.⁵⁷ Whitlam's problems with Eastern Timor stemmed from his misjudgement and lack of understanding of the nation and his underestimation of the resistance that guerrilla forces could put up against an invading army. The Prime Minister also misjudged the views on this issue of the Australian society.

Whitlam's other decisions can be interpreted as a failure to properly care for stability in the region. For example, after taking office, Whitlam made clear his views that Australian ground forces would be withdrawn from Singapore in early 1975 and air units from Malaysia in 1976. Washington treated this as a lack of concern for ensuring security in the region due to the process of continuous withdrawal of British military forces. Singapore's Prime Minister Lee Kuan Yew told William Rogers that Whitlam's actions had left the impression throughout Southeast Asia that the West was no longer guaranteeing the region's security. Whitlam confirmed that despite the new Australian government's announcement to withdraw troops from Singapore, they will remain there. At that time, Indonesia for the first time publicly supported the maintenance of Australian troops in Singapore.⁵⁸ In the end, military

⁵³ Bajkowski in *Tygodnik Polski*, 24 March 1973: 3.

⁵⁴ Gough Whitlam, *Australia's Foreign Policy: New Directions, New Definitions* (lecture by the Prime Minister in the 23rd Roy Milne Memorial Lecture), 30 November 1973, 4.

⁵⁵ Richard Woolcott, "Australia and Asia in the Seventies," *Australian Foreign Affairs Record*, 45, no. 5(1974): 317.

⁵⁶ Brian Carroll, *Whitlam* (Rosenberg Publishing, 2011), 117.

⁵⁷ Malcolm Fraser, "Speech to the Indonesian Parliament," *Australian Foreign Affairs Record*, October 1976.

⁵⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 24 March 1973: 3.

units were not withdrawn from Southeast Asia and, together with Great Britain and New Zealand, continued to participate in the defence of Singapore and Malaysia. In this way, Australia left a support force of 900 people in Singapore, and military aircraft were left in Malaysia in addition to military personnel.

In the face of these and other decisions of the Whitlam, President Nixon could not understand the changes that had taken place in Australia's foreign policy. The new Australian government took a different stance than the United States had in the 1950s and 1960s. At that time, Canberra was aware of the need to stop Chinese communism and maintain the presence of the United States in Southeast Asia. Despite a certain openness to talks with China, the US still based its stability on alliances with European countries. Nixon wondered if Whitlam had become an "isolationist." Although the US president understood the changes in the balance of power in the world, he maintained the course of respecting the treaties signed by the United States. While Australia has changed course in foreign policy, the United States Department of State has sent a letter to the administration in Canberra not to be hasty in seeking official recognition of North Korea. Nixon's fears stemmed from the weakening of Australia's credibility as an ally. Whitlam's attitude toward Nixon was disrespectful because of the Watergate scandal.

In March 1973, Whitlam announced that, as had been stated before the 1972 election, the ALP would seek to revise the agreement on control and access to the US military base. The facilities of the base, as well as the provided information, became the point of interest of the government in Canberra again. As a result of his concern about this situation, Deputy Prime Minister Lance Barnard was sent to Washington to obtain appropriate assurances of joint control over the use of the base in Australia and the ability to supervise all transmitted information. US Ambassador Marshall Green made it clear that such a procedure was not an option. There were no practical possibilities for the Australian government to check all messages that needed to be decoded and routed to Canberra for political or bureaucratic acceptance. Journalist Paul Kelly reported that Barnard's visit to the United States looked like a mission that was doomed to failure from the outset. Indeed, it was so, because Barnard was not accepted in the United States by the appropriate services. The Deputy Prime Minister commented: "Australia will not behave like a junior partner or a country of customers." Despite his willingness to cooperate, Green said, Whitlam had to settle for a joint communiqué saying the "importance of effective and reliable deterrence to promote stable relations between the major powers, to maintain the international security of the United States and its allies, including Australia."⁵⁹

Despite the disputes, however, Whitlam knew that cooperation with the US was beneficial for Australia. At the same time as the polemics about the American base were being discussed, the Russians made a proposal to the Australian side to cre-

⁵⁹ Bajkowski in *Tygodnik Polski*, 24 March 1973.

ate a joint Australian-Soviet station, which was to be used mainly to photograph space objects. Whitlam did not take up the subject of the Soviet offer and assured the Americans that he was honouring agreements covering an already existing base. However, the possibility of not extending the existing agreements was mentioned, which was met with concern on the American side. The Australian Prime Minister had previously made a direct announcement: "You [Americans] must understand that we will want our relationship with you to be consistent with our status as an independent nation."⁶⁰ Whitlam's statements irritated Washington officials. Senator Bill Brown of Victoria, on behalf of the ALP, spoke very critically about the American ambassador to Australia. Brown claimed that "with few exceptions, wherever he was sent or otherwise engaged, there was bloodshed or some kind of *coup d'état*." All this was to be the result of the activities of the United States. In this way, the ambassador was portrayed as a "Trojan horse" for American financial interests. It has also been suggested that he is a CIA agent who wants to overthrow the Whitlam government. However, Brown's accusations were met with a wave of indignation and incomprehension. Despite this, Brown claimed that Green interfered in the 1974 federal election campaign by urging businessmen to vote for the Liberals.⁶¹

Despite the final meeting in the White House between Whitlam and Nixon and the improvement of the atmosphere, Kissinger was still not convinced of the credibility of the Australian Prime Minister. The President of the United States himself believed that the meeting with New Zealand's Prime Minister Norman Kirk should go better than with Whitlam and that he should be given greater honours. The US State Department described Whitlam as an arrogant man who likes glamour and is careless in public speech. Nixon succumbed to this narrative and stated sarcastically that even American fighter pilots during World War II preferred to take leave in Auckland rather than in Sydney. Despite his rhetorical efforts, Kissinger had to accept that his once loyal and devoted ally had changed. Whitlam was neither the first nor the last to make his remarks on American policy. On the other hand, he conducted substantive talks with the US president and high-ranking personalities from American politics. The Australian Prime Minister positively assessed the visit not only to Washington, but also to Mexico and Canada. He particularly appreciated the US remark regarding Australia as a middle power. Yet for some hardliners in Washington, the ALP in Australia was still a major problem.⁶² Whitlam spoke more of an Australian-American "relationship" than an American "alliance." Despite the divagations on the nomenclature of relations between the countries, it should be recognised that Whitlam's visit contributed to warming relations with the United States. But just three months after Whitlam's visit to Washington, the verbal skir-

⁶⁰ Bajkowski in *Tygodnik Polski*, 24 March 1973.

⁶¹ Bajkowski in *Tygodnik Polski*, 24 March 1973.

⁶² Bajkowski in *Tygodnik Polski*, 24 March 1973.

mishes began again. Prime Minister Whitlam, after visiting President Nixon at the White House, declared that Australia would not be anyone's satellite.⁶³

Over the next two and a half years, when Richard Nixon finally resigned from the presidency, Australians again tested American tolerance through unwarranted remarks. It was mainly about the Vietnam War and American intelligence facilities.⁶⁴ US intelligence centres were located at Pine Gap, Nurrungar, and the Northwest Cape. For Americans, the most worrying was the election of Jim Cairns as Deputy Prime Minister after the May 1974 federal election. As early as 1972, the US Embassy in Canberra lamented his simplistic and inaccurate view of most of the world's issues. Although it was said that he was not a communist, his views were similar to theirs.

In late September 1974, Marshall Green concluded that Cairns⁶⁵ would most likely take over as Prime Minister if Whitlam was forced to step down. In this perspective, it was anticipated that American bases would be removed from Australian soil. The agreement concluded on the Pine Gap base was to be renewed in December 1975, but if Jim Cairns came to power, the future of US military facilities in Australia would be in question. The United States became increasingly concerned about the comments made by Whitlam and Cairns, who alternately criticised Nixon and Ambassador Marshall Green. Despite Whitlam's visit to Washington, the war of words between Canberra and Washington began again. Furthermore, Whitlam put Americans and Russians on an equal footing in his statements. The administration in Washington saw this as Australia's increasing isolationism. American diplomacy viewed Whitlam's rule as characterised by nationalism. In Washington's view, Whitlam was neither an easy nor a predictable ally.

When it comes to safety, Whitlam has also faced criticism in Australia. Well, at the national congress in Perth, the federal president, Sir Arthur Lee, sharply criticised Australia's foreign policy and defence.⁶⁶ He relied on the opinion of the former Chief of Naval Staff, Vice Admiral Sir Richard Peek, who expressed the opinion that the federal government was significantly weakening Australia's security by cutting spending on new naval equipment.⁶⁷ In addition, Defence Minister Barnard stated that military recruitment had fallen dramatically,⁶⁸ and the Department of Defence in December 1973 prepared a plan to build a military college in Canberra to train young officers in the army, navy, and air force.⁶⁹

⁶³ Eugeniusz Bajkowski in *Tygodnik Polski*, 1 August 1973: 3.

⁶⁴ Paul Kelly, *The Unmaking of Gough* (Angus & Robertson, 1976), 120.

⁶⁵ Jim Cairns was one of Australia's most ardent critics of Nixon and the Vietnam War. He was elected deputy Prime Minister in 1974.

⁶⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 23 February 1974: 2.

⁶⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 23 March 1974: 3.

⁶⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 6 October 1973: 3.

⁶⁹ Eugeniusz Bajkowski in *Tygodnik Polski*, 22–29 December 1973: 3.

In 1973, a gradual reduction in the number of military forces led the army and air force to a low security situation.⁷⁰ Moreover, it can be mentioned that in the *Sydney Morning Herald*, Denis Warner, in articles on the voluntary disarmament of Australia, expressed the opinion that it is reckless to proclaim the view that there is no danger of war while pursuing an independent Australian foreign policy.⁷¹

Despite these concerns, Defence Minister Barnard stated that Australia is one of the safest countries in the world. Former Minister of Social Welfare W.C. Wentworth has made accusations that the ALP's electoral drippings are financed by international organisations controlled by the communists. In turn, the Liberal Party (LPA) of the ALP accused it of being financed by international companies. To this, the opposition leader said that the donations to the party came from native Australians.⁷² To solidify Australia's identity, the traditional national anthem was changed from *God Save the Queen* to *Advance Australia Fair*.⁷³ The imperial system of orders was replaced by the Order of Australia. The government, on the other hand, sought to move away from Anglo-monoculturalism in favour of racial pluralism. Moreover, in 1974, there was a royal visit. Queen Elizabeth II arrived on Norfolk Island with her husband Prince Philip, daughter Anne, and Cpt. M. Phillips.⁷⁴

Whitlam emphasised his openness to the world and his plan to part with racism by traveling abroad. After a visit to the US in January 1975, he travelled around Europe.⁷⁵ He visited Yugoslavia and West Germany. The then 57-year-old Prime Minister also went to Moscow during his business trip. The Soviet-Australian communiqué announced there a rather significant change in the processes taking place between these countries. As a result of changes in domestic and foreign policy, Australia was no longer talked about as a "forgotten" continent.⁷⁶ As already outlined, Whitlam sought a complete change in Australia's foreign policy, moving from the United States towards communism and the Third World. This change also affected policy towards Israel, Soviet Jews and lobby groups in Australia, and the Arab lobby. The Prime Minister emphasised foreign relations issues in talks with representatives of the USSR and the Lebanese-born Australian businessman Reuben F. Scarf. The course towards the Soviet and Arab world was motivated by many different factors:

⁷⁰ Eugeniusz Bajkowski in *Tygodnik Polski*, 1 June 1974: 3.

⁷¹ Bajkowski in *Tygodnik Polski*, 6 October 1973: 3.

⁷² Bajkowski in *Tygodnik Polski*, 23 February 1974: 3.

⁷³ *Advance Australia Fair* is the national anthem of Australia written by Scottish-born composer Peter Dodds McCormick. The song was first performed in 1878, sung in Australia as a patriotic song. In 1974, *God Save the Queen* was replaced by the official national anthem for the first time. After a national poll, *God Save the Queen* was reinstated in January 1976, but the *Advance Australia Fair* returned again in 1984.

⁷⁴ Eugeniusz Bajkowski in *Tygodnik Polski*, 2 March 1974: 3.

⁷⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 2 November 1974: 3.

⁷⁶ Bajkowski in *Tygodnik Polski*, 15 March 1975: 3.

ideological considerations in foreign policy, electoral issues with Australia's growing Arab population, and the influence of left-wing ALP members such as Bill Hartley.⁷⁷

During the 1972 election, Whitlam did not raise Middle East issues, but after his election as Prime Minister, he stated that he planned to continue supporting Israel, but sought to modify his previous liberal pro-Israel policy into a neutral one. This may have been due to his visits to Lebanon in 1968 and 1971. Whitlam emphasised that he maintains a delicate balance between Israel and the Arab world. It should also be noted that he had a good knowledge of Israel, which he visited in 1964 and 1966. As Prime Minister, he established the Trade Commission in Tel Aviv. As for the internal situation, Whitlam tended to distance himself from the local Jewish community in favour of Soviet Jews.⁷⁸

Here we come to interesting conclusions. Namely, based on the analysis of the materials and available comments by Gregory Pemberton, it can be seen that Whitlam's decision to recognise China and strengthen ties with the Soviet Union resulted from his support for the socialist welfare state rather than from his particular support of communism. At the time, many people in Australia sympathised with the Russian people because of the defeat of Nazi Germany and the fact that the Soviet Union had lost a great deal of soldiers in the fight for the liberation of Eastern Europe. Based on leaked government documents, Pemberton shows that Whitlam was thinking about a more independent stance on international affairs. The Prime Minister was inclined to have less military potential and eliminate racism in Australia. In this way, Australia, seen as part of the Western world, was to gain a growing reputation for its distinctive tolerance, cooperation, and recognition in Asia-Pacific countries.

The documents show that Whitlam wanted to outline a more independent Australian foreign policy, stressing immediately after his election that the change of government had created a new opportunity to reassess Australian foreign policy as a whole. It is worth mentioning that from the time of the Japanese attack on Pearl Harbor in December 1941 until the 1970s, Australia stopped seeing Britain as its main defender and began to rely on the United States to establish military bases in Australia. That, in turn, did not please Moscow, which criticised Canberra for belonging to SEATO.⁷⁹

This policy towards the United States has changed. Whitlam shook Australian diplomacy. These radical changes also affected domestic politics. In 1974, Senator Don Willesee took over foreign policy matters from Whitlam and continued them in accordance with the Prime Minister's thoughts. Returning to Australia's relationship with the US, it should be emphasised that from December 1972 to November

⁷⁷ Jenny Hocking, *Gough Whitlam: His Time; The Biography*, vol. 2 (The Miegunyah Press, Melbourne University Publishing, 2012), 122.

⁷⁸ Whitlam, *The Whitlam Government 1972–1975*, 124.

⁷⁹ Rutland, *Whitlam's Shifts in Foreign Policy 1972–1975*, 1.

1975, the US-Australian alliance faced the greatest crisis in history. The relationship between President Nixon and Prime Minister Whitlam was not the best. After the tragic US involvement in the Vietnam War, Whitlam wanted to transform Australia's image in the eyes of the world and redefine the alliance with Washington. For Nixon, the Watergate scandal contributed to a harsh assessment by the allies. For the President, the continued difficulties in ending the Vietnam War and the mounting pressure of the Watergate scandal elicited an instinctive response to any criticism, but especially from once-close and trusted partners. Nixon even threatened to break the alliance and consider the possibility of withdrawing top-secret US intelligence installations in Australia and sharing intelligence. Whitlam, in turn, stressed that the threat of a serious conflict between the great powers had receded. He considered the openness to China and the *détente* of relations with the USSR to be Nixon's merit. At the same time, he emphasised his contribution to improving relations. During his presentation of the meeting with Nixon, the Australian Prime Minister admitted that ANZUS cannot be considered the only important factor in relations with the United States. He also rejected the accusation that his country was moving to a different ideological orbit. Despite the changes made by Whitlam, his policies were neither anti-British nor anti-American. However, it should be emphasised that the paths of these countries gradually diverged, and Australia became more independent. In the case of the United Kingdom, Geoffrey Blainey compared Australia's relationship with the United Kingdom to a long rope that insures and chokes at the same time. The same could be said for relations with the United States.⁸⁰

In the past time of the Whitlam administration, the White House noticed differences in the approach to key foreign policy issues of Australia and the US, especially SEATO. An American dilemma emerged: on the one hand, the desire to recognise a more nationalist Australia, and on the other hand, the reluctance and worry when this new position worked directly against its own regional policy. The United States was also forced to accept a situation where Australian policy was different in relation to Asian countries. What turned out to be more difficult was the fact that Australia did not want to support the United States towards countries in Asia in all its activities. The Americans also demanded clarification on Whitlam's idea of a new regional group that would include countries in the arc from Iran to Korea, including the People's Republic of China. The White House wanted to know how such a group would relate to the security arrangements in place at the time. Whitlam experimented in this way, because he believed that Australia would not face an armed conflict for the next 15 years.

It should be emphasised that Whitlam's tactics were the opposite of Nixon's policy, which was influenced by Kissinger. Whitlam advocated adherence to interna-

⁸⁰ Jan Lencznarowicz, *Australia* (TRIO, 2005), 330, 353, 356–57.

tional law in order to avoid conflicts and resolve disputes. Therefore, during the reign of this Prime Minister, an intensive ratification of international treaties took place.⁸¹

Regarding the assumed hypotheses, the following should be answered based on the evidence and facts cited in the chapter: the United States remained important partner for Australia, although relations with President Nixon were not the best, Whitlam was more supportive of President John Kennedy's policy and approach, which suited him because of his attitude to the Cold War. Under Whitlam, Australia's policy of independence was emphasised, which is all the more understandable in the face of weakening trade with Great Britain, which joined the EEC on 1 January 1973. On the other hand, trade contacts with Japan have been strengthened under the rule of the Liberal Democratic Party in Tokyo. In the context of Whitlam's support for the Cold War policy by the US, the accusations against Whitlam regarding establishing contacts with communist countries should be read. China has become an important trading partner for Australia, and the establishment of these relations was thanks to Whitlam. The recognition of China as a state and the conclusion of economic cooperation with the USSR and other smaller socialist countries should be read and more closely associated with support for the idea of the welfare state. The number of documents signed and ratified as well as agreed international agreements is very large and indicated in this chapter. All three hypotheses were verified positively, and the first one with some stipulations.

RATIFICATION OF DOCUMENTS AS AN IMPORTANT ELEMENT IN WHITLAM'S POLICY

Under Whitlam, more than 133 international treaties came into force. In addition, 26 bond exchange agreements, 32 bilateral agreements, 16 multilateral agreements, 17 protocols, 8 international statutes, and 34 treaties/conventions were signed. Whitlam himself emphasised that his government has done more than any team ever before.⁸² In this way, Australia's rank increased and respect for international law was shown. Gough Whitlam wanted to change Australia's international position, so he made many changes to legislation and founded the Australian Law Reform Commission. The Prime Minister's reasons in this matter were personal. Whitlam was disillusioned with the world he saw after World War II: nuclear weapons, the Iron Curtain, crime, and a new political order. His debut in politics came in 1952, when he was elected to Parliament for the Werriwa constituency of south-west Sydney. In 1967, he became the opposition's leader.

⁸¹ Michael Kirby, "Whitlam Like Internationalist: A Centenary Reflection," *Melbourne University Law Review*, 39, 2016: 850–94.

⁸² Gough Whitlam, *Australia and International Law*, Speech by the Prime Minister at a Seminar on Public International Law, 26 July 1975, Canberra.

During his time as Prime Minister, he showed great commitment to ratifying many different treaties. Many issues have been linked by the Australian Parliament to constitutional provisions. In December 1972, Whitlam said: "Our thinking is moving towards Australia's independence in international affairs, but also towards less military armament and closure to racism. Australia will enjoy the position of a tolerant, cooperative, and respected nation not only in Asia and the Pacific, but around the world."⁸³

Under Whitlam, three treaties relating to criminal matters were ratified. On 10 March 1974, a treaty was signed between Australia and Sweden on the extradition—Treaty between Australia and Sweden concerning Extradition. Under this law, both parties have committed themselves to extradite from their territory persons who have been accused or convicted. Another document on extradition, this time between Australia and the Republic of Austria—Treaty between Australia and the Republic of Austria concerning Extradition—ratified on 5 February 1975. On 8 August 1975, Australia ratified the Protocol Amending the Single Convention on narcotic Drugs. The countries that signed the document undertook to carry out prevention in the case of psychotropic drugs and drug addiction. Attention was also paid to education about these problems and aftercare.⁸⁴ Australia also joined the 13 members of the protocol International Narcotics Control Board in 1975 to control the flow of drugs.⁸⁵

Three major environmental treaties and five nuclear weapons treaties were also signed under the Whitlam government. Convention on Wetlands of International Importance Especially as Waterfowl Habitat (Ramsar Convention) was signed on 8 May 1974 and is one of the important international agreements that the Whitlam government has joined. It is the only environmental convention for the ecosystem.⁸⁶ This document concerns the protection and sustainability of the use of wetlands. The countries participating in this agreement come from all geographical regions of the planet.

After his election as Prime Minister, Whitlam expressed that the majority of Australians supported his policy of increasing Australia's independence, particularly from the United States, which led to the decision for Australia to sign Treaty on the Non-proliferation of Nuclear Weapons (NPT)⁸⁷ on 23 January 1973. This treaty contains three important provisions: on the non-proliferation of nuclear weapons, disarmament, and the use of nuclear energy for peaceful purposes. The countries

⁸³ Freda Hawkins, *Critical Years in Immigration: Canada and Australia Compared* (McGill-Queen's University Press, 1989), 94.

⁸⁴ Kirby, "Whitlam Like Internationalist," 856.

⁸⁵ Protocol Amending the Single Convention on Narcotic Drugs, opened for signature 25 March 1972, 976 UNTS 3 (entered into force 1975), arts. 14, 15.

⁸⁶ Preamble and Article 1 of Convention on Wetlands of International Importance especially as Waterfowl Habitat, Entry into force for Australia and generally 21 December 1975.

⁸⁷ "Swing' a pointer on war—Whitlam," *Sydney Morning Herald*, 27 October 1969: 4.

that signed it committed to stop the transfer of nuclear weapons and carry out test explosions of nuclear weapons. The signatories of the treaty were to make efforts to limit the number of nuclear weapons in the world.

Another significant document, ratified by the Whitlam government, concerning nuclear weapons is the Treaty on the Prohibition of the Emplacement of Nuclear Weapons and Other Weapons of Mass Destruction on the Sea-Bed and the Ocean Floor and in the Subsoil Thereof (Seabed Arms Control Treaty).⁸⁸ This treaty concerned the prohibition of placing nuclear weapons or other weapons of mass destruction on the seabed and underground seas and oceans. Based on this treaty, all states have the right and opportunity to monitor and observe the areas covered by this agreement in the other signatories.

Another important issue was human rights. On the issue of international human rights, the Whitlam government has ratified 15 treaties. One of them was The International Convention on the Elimination of All Forms of Racial Discrimination (CERD), which entered into force in Australia on 30 October 1975. It is one of the most important human rights treaties ratified by Australia.⁸⁹ This document was signed for four reasons. First, the CERD is the earliest “United Nations human rights convention that was substantially introduced by Australia” into domestic law in the form of the racial non-discrimination act of 1975. Second, the ratification of CERD in Australian law meant that hostility towards people based on their race would not be tolerated in Australia. Third, CERD has gained almost universal acceptance from the international community. Finally, by ratifying CERD, the Whitlam government sent a strong signal to the world that Australian law would no longer accept any elements from the previous White Australia policy.

Another important document ratified by the Whitlam government was a protocol entitled Protocol Relating to the Status of Refugees (Refugee Protocol).⁹⁰ It concerned refugees and belonged to the UN convention of 1951. The effect of ratifying this document is the protection of persons regardless of racial origin. Attention was paid to the countries of Asia, Africa, or other continents, which previously did not have regulated relations with Australia in terms of respecting the law, i.e., the time before 1 January 1951.

On 10 December 1974, the Whitlam government joined the Convention on the Political Rights of Women (CPROW), the Convention on Women’s Political Rights. Previous governments have not taken any action to sign or ratify this convention.⁹¹

⁸⁸ Article 2 of the Treaty on the Prohibition of the Emplacement of Nuclear Weapons and other Weapons of Mass Destruction on the Sea-Bed and the Ocean Floor and in the Subsoil Thereof, Entry into force for Australia 23 January 1973.

⁸⁹ Gough Whitlam, *Abiding Interests* (University of Queensland Press, 1997), 184.

⁹⁰ Protocol relating to the Status of Refugees, entry into force for Australia 13 December 1973.

⁹¹ Gough Whitlam, *Political Rights of Women*, Press Statement No. 409, 9 December 1974, Whitlam Institute E-Collection.

Referring to this convention, Whitlam spoke out in favour of respecting civil liberties and basic human rights for all people regardless of gender in Australia.

Yet another treaty ratified by Australia was the document entitled Convention Relating to the Status of Stateless Persons (Status Convention), which concerned stateless persons and came into force in Australia on 13 March 1974. This convention was intended to provide protection for people without citizenship so that they would have the same rights and privileges that the state gives to its citizens. The Convention obliged all states to observe the same law.

On 28 February 1973, Australia has ratified several conventions prepared by the International Labour Organization (ILO). One of them concerned freedom and belonging to an organisation, it is important due to issues related to employment.⁹²

Other conventions ratified by Australia during the Whitlam administration included Convention No. 111 under the name Convention concerning Discrimination in Respect of Employment and Occupation. It concerned discrimination in employment and occupation. Convention No. 100, on the other hand, was devoted to equal pay for male and female workers for work of equal value, employee organisation, and the right to make agreed demands.⁹³

Subsequent treaties dealt with private intellectual property. Three documents were signed. Among others, on 12 November 1975, The Strasbourg Agreement concerning the International Patent Classification (IPC). It was the most important treaty on intellectual property. Australia, as a significant country in the issue of patents, wanted to contribute to the regulation of this issue. The second document was devoted to the protection of phonogram producers against unauthorised copying. Convention for the Protection of Producers of Phonograms against Unauthorised Duplication of their Phonograms (Geneva Phonograms Convention) came into force in Australia on 22 June 1974.⁹⁴ Australia has also ratified Exchange of Notes Constituting an Agreement between the Government of Australia and the Government of the People's Republic of China concerning the Registration of Trade Marks (China Trademark Treaty). This document came into force in China and Australia on 12 October 1974, and allowed corporations and companies in each of these countries to register their brand under the laws and regulations of the other country.

As for the key treaties signed by Whitlam concerning international organisations, there were seven of them. They regulate and help resolve international disputes. On 13 June 1974, Australia joined the Vienna Convention on the Law of Treaties. This

⁹² International Covenant on Civil and Political Rights, opened for signature 19 December 1966, 999 UNTS 171 (entered into force 23 March 1976).

⁹³ Convention (No. 100) concerning Equal Remuneration for Men and Women Workers for Work of Equal Value, opened for signature 29 June 1951, 165 UNTS 303 (entered into force 23 May 1953). The instrument of ratification was deposited for Australia on 10 December 1974.

⁹⁴ Article 1 of the Convention for the Protection of Producers of Phonograms against Unauthorised Duplication of their Phonograms, entered into force in Australia 22 June 1974.

is a treaty that codifies and clarifies customary international law concerning treaties between states. In case of disputes between states concerning the application of the treaties, the International Court of Justice can use Vienna Convention and consider issues to help the court resolve problems. Vienna Convention on Consular Relations affects Australian law, especially as regards the application of international law. On 12 February 1973, Australia has ratified Vienna Convention on Consular Relations VCCR. It was a multilateral treaty on the regulation of legal consular practices.⁹⁵

On 14 March 1973, the Optional Protocol to the Vienna Convention on Consular relations concerning the Compulsory Settlement of Disputes was ratified. This protocol concerns the mandatory resolution of disputes, i.e., the countries that have signed this document should refer the case to the mandatory jurisdiction of the International Court of Justice in case of a dispute. The Whitlam government was also responsible for accepting Statute of the Hague Conference on Private International Law (PILS).⁹⁶ This statute came into force in Australia on 1 November 1973. The countries that have signed it take part in the progressive unification of the rules of private international law.

Another important issue is the rules on international air services. During Whitlam's rule, Australia ratified 14 treaties on aspects of international air services. One of the most important was Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (Civil Aviation Convention). This convention was in force in Australia from 11 August 1973 and concerned civil aviation safety.

Other treaties ratified by the Whitlam government were Protocol Relating to an Amendment to Article 56 of the Convention on International Civil Aviation and Protocol to Amend the Agreement on North Atlantic Ocean Stations of 25 February 1954, which entered into force in Australia on 13 May 1970.⁹⁷ Another document was an agreement on the continuation of cooperation with the European Union on the construction of space vehicles: Agreement concerning the Continuing Relationship between Australia and the European Organisation for the Development and Construction of Space Vehicle Launchers. An additional agreement was Exchange of Notes Constituting an Agreement between the United States of America and Australia Relating to Certificates of Airworthiness for Imported Aeronautical Products and Components.⁹⁸

Another important section is the regulations on labour standards. In total, Australia ratified 15 treaties on working conditions during Whitlam's rule. The Prime Minister made sure that Australia had authority on the international forum in talks

⁹⁵ Article 2 (1) (a) of the Vienna Convention on Consular Relations, entered in force for Australia 14 March 1973.

⁹⁶ Statute of the Hague Conference on Private International Law, opened for signature 31 October 1951, 220 Units 121 (entered into force 15 July 1955).

⁹⁷ Preamble of the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, entered into force for Australia 11 August 1973.

⁹⁸ Exchange of Notes Constituting an Agreement between the United States of America and Australia.

about work and social issues. Between 1972 and 1975, nine conventions on labour standards were ratified, while only one convention was signed under Fraser. The signing of these nine conventions was due to the following reasons: the acceptance of the convention helped Australia's image in important areas of human relations, the support of a three-party system representing employers, workers, and the government to create its own laws on practice and industry-related rights in harmony. Australia had adequate social and labour policies in place to acceptable international standards. At the same time, signing these standards stimulated Australia to improve working conditions in the country. During the ratification of these conventions, Australia continued to feel responsible for Papua New Guinea. It was predicted that when Australia was no longer tied to it, PNG would have the highest international standard of labour.⁹⁹

Whitlam saw agreeing to ratify the ILO convention for Australia as a good direction in promoting and protecting human rights. Whitlam said that "by signing the ILO Convention, Australia has secured equal pay, the right to organise, the elimination of discrimination in employment, and all fundamental human rights. The 42 ratifications at the federal level were a very good number compared to the state statistics."¹⁰⁰

A key convention ratified by Whitlam was Convention (No. 2) concerning Unemployment (ILO Unemployment Convention).¹⁰¹ This convention obliges member states to establish a system of public employment offices. These offices were to provide employment statistics to the ILO at least every three months.

Another convention was ratified on 29 April 1972—Convention (No. 131) concerning Minimum Wage Fixing, with Special Reference to Developing Countries concerned the minimum wage.¹⁰² Another convention—Convention (No. 86) concerning the Maximum Length of Contracts of Employment of Indigenous Workers—concerned the maximum length of employment contracts for Aborigines. This convention was ratified on 15 June 1974. Other important decisions taken by Australia concerned science and technology. Prime Minister Whitlam's involvement looked further into the future than the laws of the time. Whitlam has supported the ratification of at least six international science and technology treaties, e.g., signed with the Republic of India—Agreement between the Government of Australia and the Government of the Republic of India on Co-operation in the Fields of Science and Technology.¹⁰³ An agreement was also signed between Australia and the USSR—

⁹⁹ Kirby, "Whitlam Like Internationalist," 867.

¹⁰⁰ Commonwealth, *Parliamentary Debates*, House of Representatives, 12 April 1973, 1437, Mr. Clyde Cameron, Minister for Labour; Kirby, *Whitlam Like Internationalist*, *The Whitlam Lecture*, 868.

¹⁰¹ Article 2 (1) of the ILO Convention (No. 2) concerning Unemployment, Instrument of ratification registered for Australia 15 June 1972.

¹⁰² Article 1 (1) of the ILO Convention (No. 131) concerning Minimum Wage Fixing. With Special Reference to Developing Countries, Instrument of ratification deposited for Australia 15 June 1973.

¹⁰³ Agreement between the Government of Australia and the Government of the Republic of India on Cooperation in the Fields of Science and Technology, entry into force 26 February 1975.

Agreement between the Government of Australia and the Government of the Union of Soviet Socialist Republics on Scientific-Technical Co-operation.¹⁰⁴ In addition, an Agreement on the Exchange of Notes was concluded constituting an agreement between the United States of America and Australia on the space research programme (Exchange of Notes Constituting an Agreement between the United States of America and Australia Relating to a Space Research Program) as an extension of the existing agreement of 16 October 1968. An agreement was also signed with the United States and Germany on the launch of space vehicles for scientific purposes (Exchange of Notes Constituting an Agreement between the Government of the Federal Republic of Germany concerning the Launching of a Skylark Vehicle and Payload at Woomera for Scientific Purposes).¹⁰⁵

Another very important area of cooperation between countries is taxes. Australia has signed eight treaties. One of the significant ones was the convention that came into force on 18 July 1973 and concerned the development of international tariffs in international negotiations, which would facilitate the exchange of goods between the trading parties. On 16 January 1975, an agreement between Germany and Australia was ratified to avoid double taxation and paying fiscal tax. A similar document has been ratified with New Zealand—Agreement between the Government of the Commonwealth of Australia and the Prevention of Fiscal Evasion with Respect to Taxes on Income.¹⁰⁶

Australia has also signed nine treaties related to the arts and other aspects of artistic activity. One of the most significant treaties ratified by Australia was the Convention for the Protection of the World Cultural and Natural Heritage. This convention concerned the protection of the world's cultural assets and the natural environment. Also in the area of culture, the Whitlam government ratified the statute of an international centre for the study of the preservation and restoration of art monuments.

¹⁰⁴ Article 1 of the Agreement between the Government of Australia and the Government of the Union of Soviet Socialist Republics on Scientific-Technical Co-operation, entry into force 15 January 1975.

¹⁰⁵ Exchange of Notes constituting an Agreement between the Government of Australia and the Government of the United States of America extending the Agreement relating to Scientific and Technical Co-operation of the 16 October 1968, entry into force 30 July 1973; Exchange of Notes constituting an Agreement between the Government of Australia and the Government of the United States of America concerning a Cooperative Scientific Program designated Hi Star South, entry into force 23 August 1974; Exchange of Notes constituting an Agreement between the Government of the Federal Republic of Germany concerning the Launching of a Skylark Vehicle and Payload at Woomera for Scientific Purposes, entry into force 11 February 1975.

¹⁰⁶ Preamble of the Agreement between the Commonwealth of Australia and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital and to certain other Taxes, Instruments of ratification were exchanged Bonn on 16 January 1975; Agreement between the Government of the Commonwealth of Australia and the Government of New Zealand for the Avoidance of Double Taxation and the Prevention of Fiscal evasion with respect to Taxes on Income, entry into force 31 March 1973.

Another treatise that resulted in Whitlam strongly promoting art and culture was titled Convention Relating to International Exhibitions (CIE). Based on this treaty, signed on 22 November 1928 and which came into force on 17 January 1931, there were introduced: Cultural Agreement between Australia and Iran signed on 25 September 1974 (entered into force on 2 June 1975¹⁰⁷), Cultural Agreement between the Government of Australia and the Government of Malaysia, which was signed and entered into force on 16 October 1975, Cultural Agreement between the Government of Thailand of 16 December 1974, and Agreement of Cultural Co-operation between Australia and Italy signed on 8 January 1975, which entered into force on 28 May 1975.¹⁰⁸

Another type of treaties signed were trade documents. Whitlam was firmly convinced that the economy needed a legal foundation to ensure the growth of Australian prosperity. 35 international treaties were ratified with other accompanying documents. One of the most important was the Arrangement Regarding International Trade in Textiles, which came into force on 1 April 1974. Another document was the International Sugar Agreement 1973, signed on 13 October 1973, which entered into force on 1 January 1974.¹⁰⁹

Another ratified document was the agreement on the extraction of bauxite—Agreement Establishing the International Bauxite Association (IBA). These treaties contributed to the further development of trade and economic relations between Australia and other countries. The signing of international treaties meant that Australia could actively engage in many international bodies and institutions. Whitlam believed that Australia's cultural heritage and geographical position meant that the country should contribute to international law. According to him, isolationism and a certain dependence should have been abandoned. With these guidelines, the Whitlam government initiated a vigorous programme that laid the groundwork for engagement in international affairs.¹¹⁰

Australia has also ratified other bilateral treaties, such as: Agreement on the Development of Trade and Economic Relations between the Government of Australia and the Government of the Republic of Korea, Agreement on Trade and Industrial and Technical Co-operation between the Government of the Socialist Republic of

¹⁰⁷ Cultural Agreement between the Government of Australia and the Government of Malaysia, entry into force 16 October 1975.

¹⁰⁸ Kirby, "Whitlam Like Internationalist," 873; Cultural Agreement between the Government of Australia and the Government of Malaysia, entry into force 16 October 1975; Cultural Agreement between the Government of Australia and the Government of Thailand, entry into force 16 December 1974; Agreement of Cultural Co-operation between Australia and the Italy, Notes to this effect were exchanged on 28 May 1975, on which date the Agreement entered into force.

¹⁰⁹ Kirby, "Whitlam Like Internationalist," 874; Article 1 (g) of the International Sugar Agreement, 1973.

¹¹⁰ Kirby, "Whitlam Like Internationalist," 874–75; Preamble of the Agreement establishing the International Bauxite Association [IBA], Instrument of ratification deposited for Australia 9 October 1974.

Romania and the Government of Australia, Trade Agreement between the Government of Australia and the Government of the People's Republic of China and Extension of the International Coffee Agreement 1968.¹¹¹

Australia was also involved in international law. Whitlam said Australia sees international law as integral to the formulation of Australian policy and the projection of that policy internationally. The intention of the government was not only to adapt this law, but to implement it in the most formal way possible.¹¹²

One of the fundamental issues of Whitlam's policy even before the election was the policy of opening up and establishing diplomatic relations with China. Jenny Hocking writes that this was a significant step on Whitlam's part. It was a strategically brilliant plan to strengthen the image of the Australian Prime Minister. After Whitlam became Prime Minister in December 1972, diplomatic relations with the People's Republic of China were restored at the ambassadorial level. In January 1973, Australia has reopened its embassy in Beijing. Thus began the relationship that from 1972 onwards became the focal point of Australia's foreign relations and trade arrangements. Whitlam's approach was based on realism, and the principle of his rule was to see Australia's own interests first and foremost.¹¹³

When it comes to international human rights, Australia has ratified a record number of treaties. Let us list International Covenant on Economic, Social and Cultural Rights (ICESC) and International covenant on Civil and Political Rights (ICCPR). The first agreement was adopted by the UN General Assembly on 16 December 1966, and the second on 19 December 1966. These actions were taken by the Prime Minister after only six days from taking office.

INTERNATIONAL CONTACTS WITH OTHER PARTNERS AND INSTITUTIONS AND THE GOVERNMENT CRISIS

The Whitlam government, respecting the international basis for human rights, acted on the issue of Papua New Guinea and tried to make it quickly an independent state. Whitlam had already worked on its behalf in 1960, when he was in the opposition.

¹¹¹ Kirby, "Whitlam Like Internationalist," 875; Agreement on the Development of Trade and Economic relations between the Government of Australia and the Government of the Republic of Korea, entry into force 17 June 1975; Agreement on Trade and Industrial and Technical Co-operation between the Government of Australia and the Government of the Socialist Republic of Romania, the Agreement entered into force 27 June 1975; Trade Agreement between the Government of Australia and the Government of the People's Republic of China, entry into force 24 July 1973.

¹¹² Whitlam, *Abiding Interests*.

¹¹³ Jenny Hocking, "Post-War Reconstruction and the New World Order: The Origins of Gough Whitlam's Democratic Citizen," *Australian Journal of Politics and History*, 53, no. 2(2007): 232.

In January 1970, PNG was on the political agenda with Whitlam's visit to the country.¹¹⁴ The visit was reported in the media and caused a change in approach to the ALP, as Whitlam was also seen as the future Prime Minister of Australia. Whitlam's position has definitely strengthened. The future Prime Minister's trip to Papua New Guinea resulted in PNG leaders' desire to regain independence. PNG became an independent state on 16 September 1975.¹¹⁵ Whitlam believed that the countries of Indochina should be independent. As early as 1953, speaking during a debate of ANZUS pact members, he raised the issue of the presence of Australian soldiers in Malaysia and called for the independence of Indochina.¹¹⁶

Whitlam advocated a greater role for the UN in the Pacific region and recommended the renewal of the ANZUS pact between Australia and New Zealand and the US. Jenny Hocking stated that Whitlam was in favour of the development of international institutions and had a great understanding of post-colonial processes and the urgent needs of redefining self-defined states. Whitlam made his views clear in the parliament in Canberra. This Whitlam's political course was completely contrary to Menzies's direction. It should be emphasised that this change has served Australia's international position well.¹¹⁷ The large number of ratifications under the Whitlam government was the result and consequence of the work of previous government teams. The ratification of the OECD has strengthened support for the Aboriginal and Torres Strait Islanders (Queensland Discriminatory Laws) Act 1975 and Racial Discrimination Act 1975. This marked an evolution in Australian law regarding not only Australian relations with indigenous people, but also with migrants and others who were confronted with Australian white politics and racial discrimination.¹¹⁸

Another issue on which the Whitlam government was involved in 1973 was international law in the context of cooperation with the International Court of Justice (ICJ) on nuclear weapons tests in the Pacific. This example once again confirms how cooperation within an international institution can be useful for a given country. ICJ Attorney General Lionel Murphy has led Australian lawyers to success in International Court of Justice on opposing French nuclear tests in the Pacific. In July 1973, Whitlam spoke in Perth at the lawyers' convention and said that the importance of his government and the exertion of pressure on all matters relating to trade, treaties, and conventions would become greater and more effective.¹¹⁹

¹¹⁴ William Street Office list of international travel by Hon Gough Whitlam Prime Minister to meetings from 1972–1976, 1.

¹¹⁵ Kirby, "Whitlam Like Internationalist," 879; Whitlam, *Abiding Interests*, 6.

¹¹⁶ Commonwealth, *Parliamentary Debates*, House of Representatives, 15 December 1953, 211 (Gough Whitlam).

¹¹⁷ Hocking, *Gough Whitlam: A Moment in History*, 170–71.

¹¹⁸ Carroll, *Whitlam*, 890.

¹¹⁹ Kirby, "Whitlam Like Internationalist," 881; Transcript, "The Seventeenth Legal Convention of The Law Council of Australia: Perth" 4–10 July 1973—Opening ceremony (1973), 47, *Australian Law Journal*, 413, 416.

Whitlam was probably the first Australian Prime Minister to willingly travel abroad to expand business opportunities for the country and show greater Australian involvement in the world. John Menadue wrote that Whitlam liked to travel, and during these expeditions he acquired a new spirit.¹²⁰ In addition to personal taste, the main purpose of foreign trips was economic, environmental, human rights, intellectual property rights, and direct contact with other rulers to explain Australia's political and economic situation.¹²¹ Whitlam was aware of the geographical isolation of his country. From 14 December 1974 to 21 January 1975, Prime Minister Whitlam, accompanied by experts and his family, travelled to six countries in Southeast Asia: Burma, the Philippines, Laos, Malaysia, Singapore, and Thailand.¹²² As Prime Minister until 1975, Whitlam visited Sri Lanka, the headquarters of the European Union in Belgium, Great Britain, Ireland, Greece, the Netherlands, France, Italy, Yugoslavia, the Soviet Union, the Federal Republic of Germany, Pakistan, and Bangladesh.¹²³

As mentioned, the Prime Minister was in Italy, which he visited in 1975. Due to the cultural significance of Italian art, a cooperation agreement was signed with Prime Minister Aldo Moro. Moreover, in January 1975, Whitlam was finalising an agreement with the USSR on cultural cooperation. Negotiations on agreements with Greece, France, and Yugoslavia were also launched. The first agreements on cooperation in culture were concluded even before Whitlam, e.g., with Indonesia in 1968, and then with the Republic of Korea and India in 1971. The Whitlam government has also concluded cultural agreements with Iran, Japan, Thailand, Singapore, and Malaysia.¹²⁴

Whitlam wanted to make others aware of the important changes that had taken place during his term of office. To this end, he exchanged views with various governments on exports, inflation, unemployment, and looked for markets to sell goods in Europe. Whitlam intended to rebuild Australia's position in capital cities, such as Brussels, London, the Hague, Paris, Rome, Bonn, and Moscow. He visited the USSR 33 years after the last visit of the Prime Minister of Australia.¹²⁵ During his visit to Moscow, Whitlam spoke most about human rights. He particularly focused on the possibility of regularising the situation of people living in Russia, who would have a chance to visit relatives or friends in Australia. The topic of emigration of

¹²⁰ Michael Easson, "Promise and Influence of Whitlam's Foreign Policy," in *The Whitlam Era*, eds. Scott Prasser and David Clune (Connorcourt, 2022), 312.

¹²¹ Commonwealth, Parliamentary Debates, House of Representatives, 11 February 1975, 61 (Gough Whitlam).

¹²² William Street Office list of international travel by Hon Gough Whitlam Prime Minister to meetings from 1972–1976, 1; Eugeniusz Bajkowski in *Tygodnik Polski*, 23 February 1974.

¹²³ Commonwealth, Parliamentary Debates, House of Representatives, 11 February 1975, 61 (Gough Whitlam); William Street Office list of international travel by Hon Gough Whitlam Prime Minister to meetings from 1972–1976, 1.

¹²⁴ Kirby, "Whitlam Like Internationalist," 885.

¹²⁵ Michael Kirby, *Whitlam as Internationalist*, University of Western Sydney, Whitlam Lecture, 25 February 2010, 61.

Jews from Russia was also discussed. Prime Minister Kosygin listened to Whitlam, although he said that these were USSR's internal affairs. In Paris, Whitlam agreed on the arrival of a French mission to Australia to explore the possibility of increasing trade. The Prime Minister's visit to France also contributed to the easing of the conflict over nuclear tests in the Pacific. In turn, for Bangladesh, it provided financial assistance.¹²⁶ Australia's aid of about AUD 60 million for the starving population of Africa and Asia¹²⁷ was described by the *Washington Post*.¹²⁸

As part of international cooperation, Whitlam also wanted to sell as much uranium as possible, but with respect for the rules of the UN Treaty on the Non-Proliferation of Nuclear Weapons. During his travels, he often expressed his opinion about not deploying military bases in the Indian Ocean, because in his opinion, it led to an escalation of tensions.¹²⁹

Whitlam also said that he is happy to see foreign investors in Australia. On this occasion, there was raised the issue of avoiding double taxation with Belgium, the Netherlands, and Italy. He also held extensive talks with West Germany.

In the UK, Whitlam spoke with Prime Minister Harold Wilson about Australian sovereignty. The Whitlam government has prepared new legislation to neutralise the undue influence of the United Kingdom on Australia. As part of his membership in the UN, the Prime Minister saw great opportunities for Australia's involvement in the work of this organisation and the possibility of multilateral talks on fundamental issues with other countries. Among other things, a significant initiative of Australia was the Prime Minister's personal idea of supporting the UN fund in educational aid for South Africa.¹³⁰ This example showed Whitlam's practical interest in the world's problems. Australia was also represented at an international conference of experts in Oslo to support victims of colonialism and apartheid in South Africa. Australia was also heavily involved in decolonisation.¹³¹

Despite Whitlam's undoubtedly real success during foreign travel, there were also voices and opinions against such intense travel. Australian writer J.B. Paul has criticised the Prime Minister's trips abroad, and opposition leader Billy Snedden has said that most people in Australia would prefer the Prime Minister to be in Canberra more often and build his reputation here. This view cannot be accepted, especially since it was before Whitlam's eyes that the world was changing and accelerating in

¹²⁶ Kirby, *Whitlam as Internationalist*, 65.

¹²⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 8 March 1975: 3.

¹²⁸ Bajkowski in *Tygodnik Polski*, 15 March 1975: 3.

¹²⁹ Kirby, *Whitlam as Internationalist*, 64.

¹³⁰ Commonwealth, Parliamentary Debates, House of Representatives, 24 May 1973, 2649 (Gough Whitlam).

¹³¹ Commonwealth, Parliamentary Debates, House of Representatives, 24 May 1973, 2649 (Gough Whitlam).

development and international contacts, which at that time, were largely based on personal meetings.¹³²

Canberra also participated in the Swiss Federal Council conference, which met from 1974 to 1977 to negotiate the final text of the first and second protocols in addition to the 1949 Geneva Convention. The Australian delegation, accompanied by the Whitlam's instructions, took an active part in drafting these protocols. These were: Protocol I—The protection of victims of international armed conflicts and Protocol II—The protection of victims of non-international armed conflicts.¹³³

Due to extensive international contacts at the political level, various ministries and bodies dealing with state security, such as the Australian Security Intelligence Organisation (ASIO), were involved. This service was founded in 1949 by the Chifley ALP government. Some have suggested that ASIO is not fulfilling its core responsibilities but is being used politically. These duties were defined in the act of 1965 as protecting the Commonwealth from espionage, sabotage, and actions against the government. ASIO was particularly active in monitoring those who protested against the Vietnam War. ALP politicians, writers, artists, and actors who were closer to the left in their views were also monitored.¹³⁴ When the ALP won the election, Attorney General Lionel Murphy persuaded Whitlam not to abolish ASIO, which should move from Prime Ministerial oversight to the control of the Attorney General.

As a result of doubts about the actions of ASIO, on the night of 15 March 1973 in Canberra, Attorney General Lionel Murphy personally conducted an inspection in the ASIO offices. The actions were aimed at ensuring the safety of Yugoslav Prime Minister Dzemal Bijedica, who was in Australia on 20–23 March 1973. Federal police surrounded ASIO headquarters and called the media.

On the other hand, ASIO has been successful in ensuring state security. The service warned all Australian airlines that from 5–10 Syrian members of the terrorist organisation “Black September” had entered Australia. Caution and due care were advised when granting visas, especially for Arabs, Syrians, and Lebanese. As a result of the actions of the security services, Abdul Azzam, who was one of the leaders of Arab terrorists, was expelled from Australia.¹³⁵ It should be mentioned that a Palestinian-Australian Solidarity group was founded in Australia to encourage Australians to protest against the “Israeli occupation of Palestine.”¹³⁶

In September 1974, the *Tygodnik Polski* reported that Australia was going through a period of probation, which was compared to the time of the Prime Min-

¹³² Easson, “Promise and Influence of Whitlam’s Foreign Policy,” 311.

¹³³ Gough Whitlam, “Australia and the UN Commission on Human Rights,” *Australian Journal of International Affairs*, 45, no. 1(1991).

¹³⁴ Carroll, *Whitlam*, 99.

¹³⁵ Eugeniusz Bajkowski in *Tygodnik Polski*, 13 October 1973: 3.

¹³⁶ Eugeniusz Bajkowski in *Tygodnik Polski*, 15 September 1973: 3.

ister of the Provisional Government and Commander-in-Chief of the Russian Army in 1917, Alexander Kerensky, overthrown by the Bolsheviks. "The Age's" chief political correspondent, John Jost, stated in the August 29, 1974 issue that the "federal government has played the biggest political game in its short existence, and if it loses it, and many believe that the chances of survival are small, then the Whitlam government will fall." Nearly two-thirds of people living in ALP-supporter neighbourhoods were dissatisfied with the way the federal government runs the state.

In 1974, according to surveys, Prime Minister Whitlam's popularity fell in the first two weeks of September to the lowest level since he took office in December 1972. The 1974 Gallup Poll indicated a significant decline in the popularity of the ALP among the Australian public.¹³⁷ The *Tygodnik Polski* emphasised that it was surprised by the decline in Whitlam's popularity. The ratings of the opposition leader Snedden also fell.¹³⁸ By July 1975, Whitlam's popularity had declined again, and Fraser's had risen to 64%, with Whitlam's decline of 34%.¹³⁹

Due to the protracted government crisis, on 11 November 1975, the Governor-General of Australia, John Kerr, dismissed Prime Minister Whitlam and dissolved both houses of parliament, and appointed the leader of the Liberal Party, Malcolm Fraser, as the head of the interim government. It was certainly a controversial move by the Governor-General. The Gallup Poll survey showed that despite the ALP-sympathetic *The Age*, a Melbourne daily, on 13 November 1975, readers expressed the opinion that the Liberals would win the upcoming election. Despite such surveys, part of the society rebelled and was not happy with the dismissal of Prime Minister Whitlam. Rallies and mass meetings were organised as a sign of resistance. The union centres prepared a protest strike. Communist headquarters had a large part in this. Despite this, it should be noted that the popularity of Whitlam and the ALP also declined in the last months of 1975. The German daily *Frankfurter Allgemeine Zeitung* wrote on 12 November 1975 that the "Whitlam government has not kept most of its pre-election promises." The reason was that they were too many and too multiple, and thus unrealistic to fulfil.¹⁴⁰

After 11 November 1975, the head of the interim government, Malcolm Fraser, announced that general elections would be held on 13 December 1975. Citizens eventually became convinced that Whitlam had lost power, and the new rulers, staunchly anti-communist, stressed that their rule in 1949–1972 had brought general prosperity to Australia. However, many Australians had a different opinion, and their exponent was, for example, Bishop David Garnsey, who addressed a letter to Whitlam in 1975. In the letter, the bishop mentions that he does not see anything good in the ongoing change of power in the position of Prime Minister, simultane-

¹³⁷ Eugeniusz Bajkowski in *Tygodnik Polski*, 1 December 1974: 3.

¹³⁸ Eugeniusz Bajkowski in *Tygodnik Polski*, 5 October 1974: 3.

¹³⁹ Eugeniusz Bajkowski in *Tygodnik Polski*, 16–25 January 1975: 3.

¹⁴⁰ Eugeniusz Bajkowski in *Tygodnik Polski*, 29 November 1975: 2.

ously emphasising that Whitlam had many great achievements, e.g., relations with China, helping the Aborigines, gender equality, the Medibank Act, achievements related to regional development, and the dissemination of education—especially university education. According to Bishop David Garnsey, Malcolm Fraser could not discredit these successes.¹⁴¹

In his address, the Governor-General stated that the people of Australia would decide the country's fate in the general election on 13 December 1975. He also mentioned that refraining from passing the budget was legitimate, although it did not find an example in the British Commonwealth. The Governor-General's decision to dismiss the federal Prime Minister was intended to end the political crisis. It was also stated that this complies with the Constitution.¹⁴² Whitlam himself referred to the decision to dismiss him, making a comparison between the power of the Queen of Great Britain and the Governor-General in Australia. Whitlam stated that the Queen, although legitimate, would never have done as the Governor-General did, removing him from office. Whitlam found it ironic that supporters of the monarchy were simultaneously failing to respect the current Constitution and accelerating the movement toward a new republican Constitution.¹⁴³

Referring to the elections, it can be emphasised that due to the tense situation, the mood in society has not calmed down.¹⁴⁴ The Australian press also published brief summaries of Whitlam's rule. It should be recognised that they were a bit malicious and biased. For instance, one can find statements that during the Whitlam administration, there was a record number of strikes, unemployment was high, and inflation increased. Articles with significant titles appeared in the press, e.g., "The time of change has come—vote for liberals." Many articles analysed the past government crisis. The whole problem also boiled down to the provisions and interpretation of the Australian Constitution Act 1900. Of particular importance is Article 53 of the Constitution, which states: "The Senate shall have equal power with the House of Representatives over all proposed bills except that it has no power to introduce tax and financial laws." This means that the Senate can, like the House of Representatives, reject any bill, but it does not have the power to initiate financial or tax bills. In October 1975, the Senate postponed a budget bill previously approved by the House of Representatives. As a result, there was a stalemate as the Whitlam government was unable to govern the state and without the approval of the budget bill by both houses of parliament, it could not receive money from the treasury.

In Australia, there was general criticism that both chambers worked too much and too fast. Despite this, however, 93 bills were rejected by the Senate. Undoubt-

¹⁴¹ Letter from Rev. Bishop David Garnsey to the Hon Gough Whitlam after the Dismissal in November 1975, 1.

¹⁴² Eugeniusz Bajkowski in *Tygodnik Polski*, 6 December 1975: 2.

¹⁴³ Column for *The Herald Sun* by Gough Whitlam, 25 February 1977.

¹⁴⁴ Bajkowski in *Tygodnik Polski*, 6 December 1975: 3.

edly, the speed of passing these bills caused anxiety among the electorate. This could certainly have had an impact on the outcome of the 1975 and 1977 elections for the ALP. Not only was this rush criticised, but also some of the Whitlam's international decisions. One example is the appointment of ALP Senator Vince Gair to the post of ambassador to Ireland in March 1974.

Whitlam was also criticised for his lack of knowledge of economics. One of Whitlam's accomplishments was the application of federalism. Ken Henry, the long-time secretary of the Treasury, explained in 2009 that Whitlam's expansion of federal government law never returned to the way it was before. It can be said that a balance has been achieved in Australia on this issue.¹⁴⁵

There were also aspects of Whitlam's foreign policy that were criticised, such as the government's refusal to grant asylum in Australia to refugees from southern Vietnam after the fall of Saigon. Whitlam's decision was incomprehensible, as he agreed to sign the Refugee Convention and Refugee Protocol. It was only Fraser who considered this case positively in favour of refugees.

Another weak point in Whitlam's foreign policy was his opposition to Eastern Timor's independence. During the occupation by Indonesia, 100,000 people died there. The Whitlam government thought that Eastern Timor was too small to be an independent state. However, in 1999, Indonesia changed its policy on Eastern Timor and in May 2002, it became a new state.¹⁴⁶ Whitlam wrote about the situation in this country in 1982 in *The Bulletin*, describing the issue of humanitarian aid provided by volunteers and Church organisations in Australia to the residents of Eastern Timor. This should be interpreted as a kind of explanation for the Whitlam government's policy on the independence of Eastern Timor.¹⁴⁷

When Whitlam was dismissed from the post of Prime Minister on 11 November 1975, he continued to play an important role and had political significance, for example in international affairs. Hawke's government nominated him as Australia's permanent representative to UNESCO in Paris in 1983. Whitlam held this position until 1986. After leaving UNESCO, Whitlam continued to be involved in international affairs. He regularly said that Australia should have a lot of multilateral contacts and be involved in the work of the UN. An important catalyst for change was the implementation of social policy initiatives for the development of the microeconomic reform of the Whitlam government. Whitlam's plan was designed to expand social spending and benefits of various types of services. Many observers of Prime Minister Whitlam believed that government intervention had been economically

¹⁴⁵ Ken Henry, *Fiscal Policy: More than Just a National Budget*, Speech delivered at Governing the Economy, The Whitlam Institute, 30 November 2009.

¹⁴⁶ Wendy Way, ed., *Australia and the Indonesian Incorporation of Portuguese Timor, 1974–1976* (Melbourne University Press, 2020), 95.

¹⁴⁷ Gough Whitlam, "Gough Whitlam: The Truth About Timor," *The Bulletin*, 30 March 1982: 79–81.

inefficient in the past. Four reforms were mainly initiated: increasing government spending on a range of initiatives in the areas of social welfare, health, urban development, and education. Moreover, other important changes can be mentioned, such as: free state medical care, abolition of university fees for education, gaining the right to land by Aborigines, passing the law on racial discrimination, establishing diplomatic relations with China, greater access to political positions for women, the end of Australian involvement in the Vietnam War, the end of conscription, the abolition of the death penalty, providing legal assistance to citizens, establishing the Australian national anthem, creating the Order of Australia, absolute protection of certain areas of the environment, lowering the voting rights to the age of 18, and the emergence of young people in politics. One of the very important micro-economic reforms in Australia was the corporate rationalisation and privatisation of enterprises, which resulted in a marked change in the perception of Australia in the world and the region. Peter Edwards writes that Whitlam's goals were reformist rather than radical. Whitlam tried to present Australia as an independent ally, not an uncritical supporter of London or Washington. The Prime Minister's coldness toward Moscow, Beijing, and Hanoi was gradual as foreign policy shifted from stubborn resistance to Communist expansion to what Peter Edwards called the "intelligent anticipation of change." At the same time, the Prime Minister intended to maintain traditional alliances with the United Kingdom and the United States.¹⁴⁸ We should agree with this opinion.

In connection with Whitlam's dismissal, the correspondence between Queen Elizabeth II and the Governor-General of Australia began to arouse interest. These documents, called the *Palace letters*, referred specifically to 1975 and related to the time Whitlam was removed from office. These letters should have been made available to the public since 2008. They were first sought in 2011 by Jenny Hocking, who has always had Whitlam's support in her scientific work. Back in 2005, Whitlam shared his information with her.¹⁴⁹ Hocking again applied to the National Archives in Canberra for access to correspondence between Elizabeth II and Governor-General John Kerr in 2015. She was denied access to these materials twice. A very good team of lawyers applied for their access *pro bono*. In 2018, the lawyers' arguments were challenged by a federal court, and the appeal was also rejected by the Full Federal Court in 2019. Hocking appealed this decision to the High Court on 4 February 2020. Finally, the judgment in favour of the disclosure of the letters was issued on 29 May 2020. However, the Archives claimed that the law on archival documents applies to Commonwealth records and these documents are marked as personal and cannot be declassified. This thesis was previously supported by the judge of High Court Justice Griffiths, who stated in March 2018 that *Palace letters* fall into the

¹⁴⁸ Edwards and Goldsworthy, eds., *Facing North*, 249.

¹⁴⁹ Correspondence with Associate Professor Jenny Hocking for her preliminary information for her Biography G. Whitlam, 19 December 2005, 1.

category of “personal” and are not subject to disclosure. In the following years, this ruling was appealed.¹⁵⁰ If it were not for Professor Hocking’s stubbornness, access to these letters would have been difficult to this day. It is important to emphasise that correspondence between the Governor-General and the Queen is no more personal than that between the Governor-General and the Prime Minister. The biggest opposition to the disclosure of this correspondence came from Buckingham Palace.

As a result of the analysis of the shared letters, the picture of the Governor-General is grim, because he cared more about the Queen’s favour than a real conversation with Prime Minister Whitlam. Kerr preferred to dismiss Whitlam and sacrifice him instead of himself, because he feared that the Prime Minister might ask the Queen to dismiss the Governor. For many years, monarchists said that the Governor-General was the real head of state, but it turns out that the Governor-General in this case feared for his position. It is possible that the Queen would have asked Whitlam to take a stand as a result of this situation. It was highly likely that there would be a change in the Governor-General’s seat, which Kerr himself feared. Such a conclusion can be drawn based on the talks between the Governor-General and Prince Charles in September 1975 in Papua New Guinea.¹⁵¹

There was renewed interest in the issue of Whitlam’s dismissal and, at the same time, in the appointment of Fraser as Prime Minister. It turns out that on 11 November 1975, the parliament voted on a vote of confidence in Fraser, who lost it by ten votes. In this way, the parliament appealed for Whitlam’s return to the post of Prime Minister. Fraser, on the other hand, refused to meet with the Speaker of the House. Fraser’s nomination should therefore be read as a lowering of democratic standards in Australia. In fact, the rule of obeying the law was broken twice. The behaviour of Judge Anthony Mason, who wrote a letter to Kerr to dismiss Whitlam, should also be considered inappropriate.¹⁵² It is important to declassify the *Palace letters* in order to clarify doubts and read the content of the letters. Although some letters have been made public, the most important ones are still top secret. The *Palace letters* case still puts the *National Archives* in Canberra in an embarrassing position, because the Australian public has the right to know their content. Similar doubts about Whitlam’s dismissal are expressed by Michelle Innis in an article published in 2014 in *The New York Times*.¹⁵³

After Whitlam’s death, Prime Minister Abbott wrote eloquent words: “In every way, Gough Whitlam was a gigantic figure in this Parliament and in our public life. Whether you were for or against him, his vision drove our politics, a vision that still

¹⁵⁰ Jenny Hocking, “Why the Queen’s Secret “Palace Letters” About Gough Whitlam Should Be Released,” *The Guardian*, 26 November 2018.

¹⁵¹ Jenny Hocking, *The Palace Letters: The Queen, the Governor-General, and the Plot to Dismiss Gough Whitlam* (Scribe Publications, 2021).

¹⁵² Hocking, *The Palace Letters*.

¹⁵³ Innis, *Gough Whitlam, Leader of Australia Who Built Ties to China*.

reverberates in our public lives four decades later.”¹⁵⁴ Whitlam was a very talented and unconventional politician. Even after he was removed from power in 1975, he remained a respected figure in Australia. Whitlam was politically active until the 1990s.¹⁵⁵ For later ALP Prime Ministers Hawke and Keating, the lesson of Whitlam’s resignation was a cautionary tale to be vigilant, disciplined, and economically credible stipulations.

¹⁵⁴ Innis, *Gough Whitlam, Leader of Australia Who Built Ties to China*.

¹⁵⁵ *Encyclopedia of World Biography Online*, Biography, (Gale), 1210.

Economic and Social Indicators

ABSTRACT: The chapter presents economic and social indicators throughout the 1970s, reaching back to the early 1980s. This chapter presents GDP, the price index of goods and services, and unemployment. Foreign trade indicators in 1970–1983 and trade with selected countries are also presented.

KEYWORDS: Australia; Whitlam; indicators; GDP; trade

In order to analyse the economic situation of Australia over the 1970s and early 1980s, it is worth analysing the data on its real GDP, as well as the growth dynamics of this indicator. This information is presented in Table 42. All the necessary data was collected based on the reports of the Australian Bureau of Statistics (ABS).

Table 42. Australia's real GDP in 1972–1984

Period	Real GDP (in AUD million)	Change in real GDP (%)
1972/1973	100.365	4.5
1973/1974	104.543	4.2
1974/1975	106.621	2.0
1975/1976	109.574	2.8
1976/1977	112.535	2.7
1977/1978	113.508	0.9
1978/1979	119.327	5.1
1979/1980	121.349	1.7
1980/1981	124.791	2.8
1981/1982	127.447	2.1

Sprenkel, Mieczysław. "Economic and Social Indicators." In Mieczysław Sprenkel, *Economic and Political Reforms in Australia Under Gough Whitlam, 1972–1975*, 231–49. Adam Mickiewicz University Press, 2025. © Mieczysław Sprenkel 2025. DOI: 10.14746/amup.9788323244547.11.

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Period	Real GDP (in AUD million)	Change in real GDP (%)
1982/1983	126.209	-1.0
1983/1984	132.740	5.2
Average percentage annual growth		3.17

Source: ABS, 5204.0—*National Income and Expenditure*, 1985–1986; ABS, 5206.0—*Quarterly Estimates of National Income and Expenditure*, June, Quarter 1989.

As shown in Table 42, over the entire decade of the 1970s, Australia has experienced continued growth in real gross domestic product. This trend continued until 1982. However, it should be noted that the highest values of the growth dynamics fall at the very beginning of the decade, as well as in 1978–1979, and the approach to these results took place only in 1983–1984. Until the mid-1970s, there was a clear downward trend in the growth rate of this index. As a consequence, there was a marked reduction in the percentage change in real GDP from 4.5% at the beginning of the period under review to only 2% in 1974–1975, i.e., in the period following the global fuel crisis of 1973. The lowest positive growth rate was recorded during the government of Prime Minister Malcolm Fraser (1975–1983)—by less than 1% in the 1977/1978 financial year. His tenure also marks the only time in the entire period under review when the Australian economy experienced a decline in gross domestic product. In 1982–1983, the percentage of the annual change in GDP was negative (-1%), which resulted from the high unemployment rate discussed below, or the high dynamics of CPI growth maintained in previous years.

In 1973, the Industries Assistance Commission (IAC) Act was passed, creating a special body for business assistance. The IAC's function was to conduct research and analysis of individual Australian industries to identify those industries that needed state protection and those that were competitive enough to operate in a more open market environment. For sectors in need of support, assistance was provided through temporary increases in tariffs or the imposition of restrictions to protect against excessive imports.¹

As a result of the oil crisis of 1973, the global economy plunged into recession. The economic slack has also affected Australia's economic situation. The vision of creating a welfare state of the then authorities and the actions taken to this end increasingly collided with the real needs of the Australian economy. In this way, the government's decisions contributed to the magnification of current challenges, such as inflation and unemployment. The Whitlam government's financial outlays

¹ Robert Cameron, *Official Year Book of Australia No. 61 (1975 and 1976)*, ABS, Canberra 1976, 322.

for the mentioned programmes increased by more than 46% in 1974/1975 and by another 22.3% over the next two years. Thus, budget deficits exceeded 4% of GDP.² The consequences of the ALP leader's actions have increasingly begun to be reflected in other basic macroeconomic measures, as illustrated in Table 43.

Table 43. Changes in the Consumer Price Index and unemployment in Australia 1972/1973–1983/1984

Period	CPI	CPI growth (%)	Number of unemployed (in thousands)	Increase in the number of unemployed (%)	Unemployment rate (%)
1972/1973	41.3	5.9	106	-26	1.8
1973/1974	46.7	13.1	141	33	2.4
1974/1975	54.5	16.7	278	97	4.6
1975/1976	61.5	12.8	293	5	4.7
1976/1977	70.1	14.0	359	22.5	5.7
1977/1978	76.7	9.4	398	11	6.2
1978/1979	83.0	8.2	378	-5	5.9
1979/1980	91.4	10.1	395	4.5	5.9
1980/1981	100	9.4	381	-3.5	5.6
1981/1982	110.4	10.4	461	21	6.7
1982/1983	123.1	11.5	687	49	9.9
1983/1984	131.6	6.9	605	-12	8.6

Source: ABS, *Australian Economic Statistics*, 6401.0—Consumer Price Index, June Quarter 1989, 144–45; ABS, *Australian Economic Statistics*, 6203.0—The Labour Force, Australia, August 1989, 92.

First of all, it is worth paying attention to the values and growth rate of the consumer price index (CPI), which reflects changes in the prices of basic goods and services included in the typical consumer basket. It is worth mentioning that it does not take into account the prices of capital goods, as well as those purchased by entrepreneurs, focusing on a narrow area of the general price level.³ High CPI values may indicate inflation in a given economy. It is worth noting that in 1970–1983 the rate almost tripled, and the percentage rate of change oscillated around 10% per year. The highest growth rate was recorded in 1974–1975, i.e., the final period of Gough Whitlam's rule. It should be noted, however, that his successor—Malcolm Fraser (1975–1983)—did not manage to drastically reduce the dynamics of this indicator.

² Barrie Dyster and David Meredith, *Australia in the Global Economy: Continuity and Change* (Cambridge University Press, 1999), 268–72.

³ Michał Gamrot, "Analiza porównawcza konkurencyjności mierników inflacji w strategii bezpośredniego celu inflacyjnego na przykładzie Japonii i USA," *Gospodarka w Praktyce i Teorii*, no. 2(35) (2014): 23.

As can be seen in the second part of Table 44, Australia experienced a large increase in the unemployment rate in the 1970s and early 1980s. At the beginning of the 1970s, there were only 106,000 unemployed in Australia, which meant an unemployment rate of 1.8. The 6% GDP growth recorded at that time was a sign of the good condition of the Australian economy. Actions taken at the beginning of Whitlam's term in office (1972–1973) contributed to a decrease in the number of unemployed people from 144,000 to 106,000 (a decrease of 26%). Unfortunately, as a result of the economic downturn, in 1972–1978 the number of unemployed increased almost fourfold. The successes of the ALP leader's decisions of 1972–1973 were thus overshadowed by a drastic increase in the number of non-workers by 97% at the end of his term in office (1974–1975).

In 1976, the unemployment rate reached its highest level in the entire decade (5.7%). Whitlam's successors managed to stop the rate of growth in the number of unemployed only at the end of the decade. Despite the slowdown in the growth rate, there were still about 400,000 people unemployed in the country. Even if the Fraser administration had not made radical changes in the labour market, at least it would not have made the situation worse at the time.

However, the forecasts turned out to be wrong. Over the next three years (1980–1983), the already large group of the unemployed (about 381,000) increased by 134%, approaching the threshold of 700,000 people. It means that during the entire period under study (1972–1983), it increased six or seven times. The difficult situation on the Australian labour market was also illustrated by the inflation rate. During the penultimate year of Malcolm Fraser's term in office, this ratio reached a record annual value of almost 10%. The slowdown in economic growth shown in the earlier part of the work, as well as the increase in inflation rates and the unemployment rate, resulted in stagflation in Australia.⁴

Australia's deteriorating economic situation necessitated new measures. However, the first serious signs of a change in the direction of Gough Whitlam's policy were not visible until December 1974. The new regulations covered about 64,000 enterprises, which meant a suspension of revenues to the national budget worth a total of AUD 500 million. It was also decided to double the amount of the tax relief related to the depreciation of machinery and equipment. In January 1975, the government refrained from introducing a capital gains tax (CGT) and abandoned the idea of new benefits on company cars in favour of the state.⁵

Illustrating the economic situation of Australia in the 1970s also requires an analysis of the value of exports and imports over the decade studied so far. For this purpose, it is worth looking at the data presented in Table 44, collected based on the Direction of Trade reports, prepared by the International Monetary Fund (IMF).

⁴ Bret Heino, *Regulation Theory and Australian Capitalism* (Rowman & Littlefield, 2017), 58.

⁵ Ashley Lavelle, *The Death of Social Democracy: Political Consequences in 21st Century* (Routledge, 2008), 60.

Table 44. Australia's foreign trade indices in 1970–1983 (in AUD billion)

Period	Export	Import	Trade balance
1970	4.79	4.54	0.25
1971	5.24	4.68	0.56
1972	6.51	4.6	1.92
1973	9.58	6.68	2.9
1974	11.09	11.17	-0.08
1975	11.9	9.99	1.91
1976	13.15	11.16	1.99
1977	13.36	12.26	1.1
1978	14.42	14.12	0.3
1979	18.66	16.61	2.12
1980	22.03	20.34	1.69
1981	21.79	23.76	-1.97
1982	22.08	24.07	-1.99
1983	20.65	19.42	1.23

Source: own work based on—IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77, accessed 22 March 2023, <https://doi.org/10.5089/9781484315613.042>; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72, accessed 22 March 2023, <https://doi.org/10.5089/9781451952841.042>; IMF, *Direction of Trade Statistics Yearbook (1981 Edition)*, accessed 22 March 2023, <https://doi.org/10.5089/9781451952872.042>; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86, accessed 22 March 2023, <https://doi.org/10.5089/9781451953008.042>.

At the outset, it is worth mentioning that throughout the 1970s, the overall value of Australia's exports grew steadily. As the data shows, Australia's trade balance reached its highest value (AUD 2.9 billion) in the year of the outbreak of the oil crisis (1973). This result has not been beaten in the whole decade.

In 1973, the balance of payments measured by net cash flows changed during the year from a surplus (AUD 3.2 billion) to a deficit of about AUD 0.5 billion. However, the full picture of the impact of actual changes in trade on the current account appears to be distorted. This is due to the rapid and divergent changes in export and import prices as a result of the sudden increase in world commodity prices, as well as the delayed reaction in adjusting the actual devaluation of the Australian dollar in relation to the economic situation at the time. According to the default deflator of national accounts systems, over the course of 1973, the prices of Australian dollar exports of goods and services increased by an average of 20.9%, while those related to imports fell by only 1.3%.⁶

The negative balance of payments and growing inflationary pressure obliged the Whitlam administration to make bold decisions that were to have a positive impact not only on the domestic economy, but also on its environment. In May 1973,

⁶ OECD *Economic Surveys: Australia 1974* (OECD Publishing, 1974), 11.

the entire customs tariff was reduced by 25%.⁷ This was justified by the expected increase in the efficiency of Australian industry.⁸ In 1972–1973, it was decided to revalue the Australian dollar. This was a delayed response to the accumulation of foreign exchange reserves, the amount of which had been increasing since 1972 as a result of an increase in capital inflows and an improvement in the trade balance. The rapidly growing imports and the end of the commodity boom only increased the pressure on the authorities of the time to carry out a revaluation. In September 1974, the authorities disassociated the Australian dollar from the US dollar and replaced the index. In November 1976, there was a devaluation of 17.5%. At the same time, the exchange rate monitoring system was changed.⁹

The next part of the paper analyses Australian trade with selected countries in 1970–1983 in more depth. However, it should be mentioned that its structure and distribution were clearly dependent not only on the direction of Australia's foreign policy, but also on the significant changes taking place in the international arena at that time. Australian trade data are presented in Table 45.

Considering historical conditions, there is no doubt that Great Britain was Australia's most important trading partner. It is evidenced by the value of goods exported to the United Kingdom, which in the early 1960s, accounted for 24% of all Australian exports. However, over the course of this decade, there have been important changes in the relationship between the two countries. The United Kingdom has applied twice to join the European Economic Community (EEC).¹⁰ The first application for accession took place in 1961, while the second was submitted six years later.¹¹ Finally, in 1973, Great Britain obtained membership of the Community.¹² Economic integration with the EEC countries affected the deterioration of trade with Australia.¹³ As a result, the share of exports of goods to the United Kingdom in total Australian exports fell to around 8.2% in 1973.¹⁴

⁷ Shaun Goldfinch, *Remaking New Zealand and Australian Economic Policy: Ideas, Institutions and Policy Communities* (Victoria University Press, 2000), 173.

⁸ Lavelle, *The Death of Social Democracy*, 59.

⁹ John S. Marsden and Jane Hollander, "Floating Exchange Rates, Inflation and Selective Protectionism: Their Effects on the Competitiveness of Australian Industry," in *Policy and Performance in International Trade: Papers of the Sixth Annual Conference of the IES Study Group*, eds. John Black and Alan Winters (Macmillan Press, 1983), 100.

¹⁰ Katrina Stats, "Antipodean Antipathy: Australia's Relations with the European Union," in *The European Union and Global Management: Institutions, Policies and Challenges*, eds. Norman Witzleb et al. (Edward Elgar Publishing, 2015), 283.

¹¹ Michael Geary, *Enlarging the European Union: The Commission Seeking Influence, 1961–1973* (Palgrave Macmillan, 2013), 7.

¹² Marek Loužek and Luboš Smrčka, *The European Integration Crisis: An Economic Analysis* (Cambridge Scholars Publishing, 2020), 56.

¹³ Celel Bayari, *Australian Economy and Neo-liberalism: Manufacturing, Trade and Bilateral Links with Japan in the Post-Keynesian Age* (LIT Verlag, 2012), 104.

¹⁴ IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77, accessed 22 March 2023, <https://doi.org/10.5089/9781484315613.042>.

Table 45. Australia's trade with selected countries in 1972–1983 (in AUD million)

Exports												
Country	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
United Kingdom	644	784	657	541	608	565	570	824	1,044	747	965	1,147
United States	843	1,165	1,036	1,210	1,220	1,235	1,632	2,220	2,570	2,438	2,248	2,115
PRC	46	139	322	326	264	461	484	776	796	639	838	393
Japan	1,845	3,097	3,191	3,471	4,465	4,428	4,382	5,197	5,871	6,136	5,703	5,697
South Korea	50	87	114	167	188	230	408	501	486	769	709	788
Hong Kong	114	165	151	163	211	225	296	354	330	431	425	379
Imports												
Country	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
United Kingdom	903	1,128	1,510	1,533	1,307	1,353	1,597	1,759	1,895	1,740	1,752	1,317
United States	976	1,542	2,319	2,040	2,296	2,538	3,146	3,774	4,434	5,477	5,264	4,265
PRC	54	86	121	86	100	124	140	166	244	340	319	230
Japan	749	1,220	2,059	1,759	2,345	2,383	2,711	2,580	3,477	4,688	4,865	4,264
South Korea	9	26	74	61	101	121	146	157	197	273	335	278
Hong Kong	87	156	276	229	294	295	347	388	452	518	534	433
Trade balance												
Country	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
United Kingdom	-259	-344	-853	-992	-699	-788	-1,027	-935	-851	-993	-787	-170
United States	-133	-377	-1,283	-830	-1,076	-1,303	-1,514	-1,554	-1,864	-3,039	-3,016	-2,150
PRC	-8	53	201	240	164	337	344	610	552	299	519	163
Japan	1,096	1,877	1,132	1,712	2,120	2,045	1,671	2,617	2,394	1,448	838	1,433
South Korea	41	61	40	106	87	109	262	344	289	496	374	510
Hong Kong	27	9	-125	-66	-83	-70	-51	-34	-122	-87	-109	-54

Source: own work based on — IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76, accessed 22 March 2023, <https://doi.org/10.5089/9781451952940.042>; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86.

Australians decided to look for new trading partners, which later led to the deepening of economic relations with the United States and Japan. It is evidenced by the growing values of exports to the USA (in 1970–1973 and 1975–1980) and to the Land of the Rising Sun (in 1970–1976 and 1978–1981), which is shown in Table 46. Throughout the entire period under review, the largest number of goods were exported to Japan each year (on average about 29% of all exports). In the case of imports, the United States came first (on average about 22% of all imports).

Intensive trade with these countries further weakened economic ties with the United Kingdom, as evidenced by the downward trend in the value of exported goods and services in 1974–1978. In the following years, the share of exports of goods to the United Kingdom in total exports fell to a level oscillating around less than 4%. The worst result was in 1981 (3.43%). In the same year, for the first time, the value of exports to the United Kingdom (AUD 747 million) was lower than that to South Korea (AUD 769 million). However, the Australians have not managed to reduce the size of the still high level of trade deficit with the United Kingdom, exacerbated by growing imports.¹⁵

Table 45 also shows the values of Australia's trade balance with the United States and the People's Republic of China. The shape of Australian-American relations after World War II resulted mainly from jointly defined interests in the field of security and stability in the Asia-Pacific region.¹⁶ The embodiment of mutual declarations was first the establishment of the South East Asia Treaty Organisation (SEATO) in 1954, which, as a military-political alliance led by the United States, was created with the intention of combating and preventing the spread of communist ideology in the south-eastern part of the Asian continent.¹⁷ The agreement was the so-called Western bloc's response to France's defeat in Indochina in the same year.¹⁸ Another important event in the region was the conclusion of the Australia, New Zealand, United States Security Treaty (ANZUS) in 1959. It guaranteed mutual military protection against potential aggression from the outside. As a close ally of the United States, Australia thus played an important role during the Cold War rivalry, but the relationship was also economic.

However, close cooperation between the two countries did not allow to avoid some animosities between Washington and Canberra. Between 1972 and 1983, the shape of political and economic relations between Australians and Americans was

¹⁵ IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72, accessed 22 March 2023, <https://doi.org/10.5089/9781451952841.042>; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76, accessed 22 March 2023, <https://doi.org/10.5089/9781451952940.042>; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86, accessed 22 March 2023, <https://doi.org/10.5089/9781451953008.042>.

¹⁶ Kirmie Hara, *Japanese-Soviet/Russian Relations Since 1945: A Difficult Peace* (Routledge, 1998), 49.

¹⁷ Aparna Pande, *Explaining Pakistan's Foreign Policy: Escaping India* (Routledge, 2011), 95.

¹⁸ Jens-Uwe Wunderlich, *Regionalism, Globalisation and International Order: Europe and South-east Asia* (Ashgate Publishing Limited, 2007), 78.

determined by two administrations with different positions. During Whitlam's office, Australian-American relations suffered, and they were revived when Malcolm Fraser took office.¹⁹ As shown in Table 46, the lowest annual trade deficit with the United States over the eleven years under review was during the term of office of the ALP leader (AUD -133 million in 1972 and AUD -377 million in 1973). Interestingly, this is the immediate period after the official establishment of diplomatic relations between Australia and the People's Republic of China on 21 December 1972.²⁰ The attitude of the Gough Whitlam administration towards the US has often been perceived by the US side as disrespectful. According to the Americans, Australia's foreign policy did not fully reflect the provisions of the previous alliance.²¹ The ALP leader tried to establish diplomatic relations not only with the Middle Kingdom, but also with North Vietnam, North Korea, and the German Democratic Republic, which completely deviated from the foreign policy of his predecessors.²²

ALP politicians, while still in opposition, were critical of the American presence in Vietnam.²³ After the change of power, Malcolm Fraser managed to rebuild relations with Washington, which resulted in an increase in the value of imports of goods from the US to almost AUD 5.5 billion during the first six years of his term, thus significantly deepening the trade imbalance between the two countries. This is evidenced by the deficit of over AUD 3 billion in 1981–1982, as shown in Table 46.

Next, it is worth referring to the data from Table 46 to present cooperation between Australia and the PRC and indicate the reasons for the dynamic growth of individual values. The earlier part of the work mentioned the official establishment of diplomatic relations between the two countries in 1972. The difficulties in establishing mutual relations so far should be seen in the Cold War alliances, as well as the contentious issue of China's "legal heritage." At the end of the 1940s, the communists took power over the continental part of the Middle Kingdom. The losing side of the Chinese civil war—the supporters of the Kuomintang – fled in the wake of their leader, Chiang Kai-shek, to Taiwan, where the Republic of China was announced.²⁴ Since then, the world has been divided over China's representation on the international stage. Australia, which is dependent on Western countries, main-

¹⁹ Tom Conley, *The Vulnerable Country: Australia and the Global Economy* (UNSW Press, 2009), 143.

²⁰ Bruce Jacobs, "One China, Diplomatic Isolation and a Separate Taiwan," in *China's Rise, Taiwan's Dilemmas and International Peace*, ed. Edward Friedman (Routledge, 2006), 95.

²¹ John Fitzgerald, "Why Values Matter in Australia's Relations with China," in *International Relations and Asia's Southern Tier: ASEAN, Australia, and India*, eds. Gilbert Rozman and Joseph C. Liow (Springer, 2018), 252.

²² Yi Wang, *Australia-China Relations Post 1949: Sixty Years of Trade and Politics* (Routledge, 2012), 47–48.

²³ Conley, *The Vulnerable Country*, 143.

²⁴ Kirmie Hara, *Cold War Frontiers in the Asia-Pacific: Divided Territories in the San Francisco System* (Routledge, 2007), 54.

tained strong economic ties with Taiwan, but never officially recognised the government there as legitimate.²⁵

The post-war administration showed a willingness to build formal relations with the People's Republic of China, for example through the Prime Minister and chairman of the then ALP, Ben Chifley. Economic relations were to be a sign of pragmatism, and the establishment of diplomatic relations itself was not the same as support for the state ideology. The deep anti-communism prevailing among Australians at the time made it impossible to make such a decision. Strong resistance from the Australian public is evidenced by the fact that in 1949, the coalition of the Liberal Party of Australia (LPA) and the Rural Party (CP), competing with the ALP in the election campaign, used the issue of willingness to cooperate with the PRC as a manifestation of leaning towards the ideology of Marxism-Leninism, which resulted in the defeat of the ALP and a change in the position of Prime Minister.²⁶

The new head of government, Robert Menzies, maintained his position on the Chinese issue until the end of his tenth term. This was due to many different reasons. From his perspective, the experience of the United Kingdom, which, in order to protect its interests in the East (e.g., in Hong Kong), decided to recognise the representation of the PRC, was certainly of significant importance.²⁷ Unfortunately, the treatment of British diplomacy in the Middle Kingdom significantly deviated from international standards, which cast doubt on the correctness of the Australian administration's predictions about potential benefits as a result of bilateral relations. Another argument against relations with China was Australia's Cold War alliance with the Americans, perceived as a guarantor of security. The obvious global ideological divide and the place of Australians in the balance of power at the time prevented the Menzies government from making a decision that could be seen as a threat to deteriorate relations with Washington.

In the following years, the lack of relations with the PRC was used by the then Prime Minister as an element of rhetoric creating the Chinese communists as a new enemy of the Australian nation, as evidenced by the Korean War. After Menzies's retirement, his successors took care to maintain the *status quo*, ignoring the key changes taking place on the international stage along the way.²⁸ Potential cooperation with China could have a destructive impact on relations with major trading

²⁵ Maising H. Yang, *Taiwan's Expanding Role in the International Arena: Entering the United Nations* (Routledge, 2015), 63–64.

²⁶ Jarosław Błaszczak, "Stosunki australijsko-chińskie na przestrzeni XX wieku i współcześnie," in *Chiny w stosunkach międzynarodowych*, eds. Małgorzata Pietrasiak and Dominik Mierzejewski (Zakład Azji Wschodniej Uniwersytetu Łódzkiego, 2012), 160.

²⁷ Lau Siu-kai, "Pragmatic Calculations of National Interest: China's Hong Kong Policy, 1949–1997," in *Chinese Foreign Policy: Pragmatism and Strategic Behaviour*, ed. Suisheng Zhao (Routledge, 2016), 96.

²⁸ Jarosław Błaszczak, *Geneza i ewolucja polityki zagranicznej Australii* (doctoral dissertation, Uniwersytet Warszawski, 2021), 175.

partners, such as Indonesia.²⁹ A different opinion was held by the opposition leader Gough Whitlam, who was active in promoting Sino-Australian cooperation at the time. He believed that the representation in Beijing should be recognised instead of the one in Taipei, which was strongly opposed by successive coalition leaders after Menzies. Whitlam's direct rival in the election and then-Prime Minister William McMahon still saw the fight against communism as the most rational security strategy.

Over time, the coalition's tough stance began to contrast with the opposition, which was consistently implementing its new plan, and thus the desire to change the current government slowly grew among Australians. In 1971, Whitlam paid an official visit to Beijing. Although he did not hold the position of Prime Minister, he met with Chou Enlai. The opposition leader assured the Chinese Prime Minister of a radical change in foreign policy if he wins, while treating the issue of recognising the government of the People's Republic of China as a priority.³⁰ Whitlam's promise tied the coalition's hands, in a way. On the one hand, they could not agree with the opposition on the Chinese issue, but on the other hand, signs of a change in the general narrative of Western countries towards China were becoming increasingly clear.³¹ Another issue was a clear signal from the Chinese authorities who they would see at the head of Australia in case of establishing possible relations between the two countries.³² In December 1972, Gough Whitlam won the election, officially becoming the 21st Prime Minister of Australia.³³

According to IMF reports used in Table 46, the value of Australian exports to China increased from AUD 46 million in 1972 to AUD 838 million in 1982, i.e., more than eighteen times. However, imports experienced a much slower pace. At the beginning of the decade, its value was estimated at AUD 36 million. Over the next four years, there was a clear upward trend in import data, and then the Australians reduced imports again, equalling the result from 24 months earlier (AUD 86 million in 1973). Under Malcolm Fraser, imports increased again, reaching a record AUD 340 million in 1981—the sixth year of the LPA-CP coalition leader's tenure. It is worth mentioning that in 1979, thanks to the continuation of the assumptions of Australia's foreign policy towards the PRC, a trade surplus of AUD 610 million was generated.

Table 46 also shows the trade data with Japan. In 1972–1983, the value of exported goods and services from Australia to Japan grew steadily. In the first year

²⁹ Edmund S.K. Fung, "Australia's China Policy in Tatters 1971–1972," *The Australian Journal of Chinese Affairs*, 10, 1983: 55.

³⁰ Allan Patience, *Australian Foreign Policy in Asia: Middle Power Or Awkward Partner?* (Springer, 2018), 193. "

³¹ Błaszczak, "Stosunki australijsko-chińskie na przestrzeni XX wieku i współcześnie," 164.

³² Błaszczak, *Geneza i ewolucja polityki zagranicznej Australii*, 209.

³³ Elizabeth Christopher, *International Management: Explorations Across Cultures* (Kogan Page, 2012), 108.

of the new decade, Australian exports were estimated at about AUD 1.25 billion. After thirteen years, its value amounted to about AUD 5.7 billion. This means an almost 4.5-fold increase during the entire period under review and an average annual result of 25%.

The dynamics of the change in imports was slightly different, because over eleven years their value decreased fourfold compared to the previous year. Nevertheless, between the worst year for this indicator in terms of its result—1970 and the best—1982, a 743% increase was recorded. Despite significant differences in the dynamics of the value of exports and imports of goods, Australia continued to generate a large trade surplus in relations with Japan. Four times (1976, 1977, 1979, and 1980) it exceeded AUD 2 billion. It should be mentioned, however, that during Whitlam's term of office (1972–1975), its value increased by over 56%, while during Fraser's government (1975–1983), it fell by over 32%.

Thanks to its post-war successes, Japan changed its previous image, presenting itself as a modern, pacifist power. The new face of this country confirmed Whitlam's belief in the rightness of strengthening mutual relations. In 1973, the Australian government erased the last vestiges of White Australia's policies. On 1 November 1974, the ALP leader representing Australia signed the so-called cultural agreement with Japan.³⁴ Thus, the foundations were laid for the later opening of the Australian-Japanese Foundation, which aimed to promote knowledge about Australia in the Land of the Rising Sun.³⁵

Another testimony to the increasingly improving relations between Tokyo and Canberra was the signing of the Nippon-Australia Relations Agreement (NARA) in 1976. The agreement set out the future directions for a partnership based on respect for common political, economic, social, and cultural interests.³⁶ Gough Whitlam, despite his efforts so far to reach this agreement, was dismissed prematurely from office, and the new agreement has already been signed by the leader of the LPA and CP coalition—Malcolm Fraser.³⁷ For Australia, the importance of relations with Japan grew rapidly, and the vision of developing mutual cooperation became a widely accepted direction of domestic economic progress, regardless of political views. As such, Whitlam's successors have sought to move steadily toward closer ties.³⁸

Until the end of the 1970s, after Japan, the main directions of Australian exports were China, Hong Kong, and South Korea. Until the end of the 1980s, Taiwan and

³⁴ Alan Rix, *The Australia-Japan Political Alignment: 1952 to the Present* (Routledge, 1999), 103.

³⁵ Rikki Kersten, "Japan and Australia," in *Japanese Foreign Policy Today*, eds. Inagachi Takashi and Parnendra Jain (Palgrave, 2000), 290.

³⁶ Paweł Bartosiński, "Współpraca polityczno-wojskowa Japonii i Australii w latach 1990–2009," *Forum Polilogiczne*, no. 11(2010): 397.

³⁷ Rikki Kersten, "The Koizumi-Abe Revolution in Japanese Security Policy: Normative Transformation and Democratic Maturity," in *Bilateral Perspectives on Regional Security: Australia and the Asia-Pacific Region*, eds. William T. Tow and Rikki Kersten (Palgrave Macmillan, 2012), 22.

³⁸ Kersten, "Japan and Australia," 290.

Southeast Asia have become the main markets for Australia. Imports from Asia also increased, but less dynamically than exports of goods.³⁹ Prime Minister Whitlam, aware of the processes taking place in the world, decided to lead Australia towards a more independent foreign policy. His attention was drawn to the dynamically developing Asian economies for a long time, including countries that were later hailed as the so-called Asian tigers based on their own economic achievements. Of course, the turnaround in Australia's foreign policy was possible thanks to a clear change in the relations between the United States and Asian countries. The course that Whitlam took was very different from that of his predecessors.⁴⁰

High dependence on Western countries was treated by Whitlam as a possible threat to Australian interests, which resulted in a stronger focus on his own region.⁴¹ The ALP leader emphasised that traditional allied diplomacy should be complemented by continuous dialogue and regional, joint security arrangements. Therefore, the new administration also decided to establish relations with the neighbouring ASEAN countries, whose organisation was a key Asian initiative in the region.⁴² The Association of Southeast Asian Nations (ASEAN) was formed in 1967, originally to combat the threat of international communism. These activities were to serve to maintain mutual peaceful relations, political stability, security guarantees, as well as an appropriate place for the development of member states.⁴³ The organisation was founded by five countries: Malaysia, Indonesia, Thailand, Singapore, and the Philippines. Despite their anti-communist declarations, however, none of them intended to submit to US foreign policy.⁴⁴

Soon, ASEAN focused on economic issues. Whitlam recognised their goal of building a stable and favourable regional environment that would allow members to focus on national development, and placed great emphasis on establishing economic relations. The integration of the Australian economy with the regional economy was to serve Australia's long-term interests.⁴⁵ The Prime Minister argued that relations with South-East Asia would be closely linked to development efforts through the joint construction of beneficial economic relations.

However, rebuilding relations with Asia required important changes at the national level. The first focus was on redefining the Australian national identity, which was to take into account the multiculturalism of its citizens. In 1973, the Australian Citizenship Act was passed, which reduced the waiting time for citizenship for all immigrants, regardless of their country of origin. At the same time, the policy of

³⁹ Conley, *The Vulnerable Country*, 140–43.

⁴⁰ Jiro Okamoto, *Australia's Foreign Economic Policy and ASEAN* (ISEAS Publishing, 2010), 109.

⁴¹ Wang, *Australia-China relations Post 1949*, 47–48.

⁴² Paul Battersby, *To the Islands: White Australia and the Malay Archipelago Since 1788* (Lexington Books, 2010), 181.

⁴³ Okamoto, *Australia's Foreign Economic Policy and ASEAN*, 106–07.

⁴⁴ Battersby, *To the Islands*, 180–81.

⁴⁵ Okamoto, *Australia's Foreign Economic Policy and ASEAN*, 109.

Table 46. Australia's trade with ASEAN countries in 1972-1983 (in AUD million)

Exports												
Country	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Philippines	58	78	143	131	119	153	151	183	192	189	177	156
Indonesia	78	147	200	216	231	188	236	280	370	469	399	363
Malaysia	95	154	245	239	233	231	343	394	507	518	431	476
Thailand	42	61	84	58	66	74	104	135	159	156	155	194
Singapore	144	204	238	283	228	221	274	377	538	533	722	651
Imports												
Philippines	8	18	32	30	41	60	73	92	94	109	91	75
Indonesia	14	22	27	27	41	70	121	211	397	470	741	229
Malaysia	38	75	107	74	129	133	149	200	219	212	203	168
Thailand	8	12	20	23	30	33	37	48	69	81	78	93
Singapore	50	60	175	170	216	287	274	360	605	647	720	414
Trade balance												
Philippines	50	60	111	101	78	93	78	91	98	80	86	81
Indonesia	64	125	173	189	190	118	115	69	-27	-1	-342	134
Malaysia	57	79	138	165	104	98	194	194	288	306	228	308
Thailand	34	49	64	35	36	41	67	87	90	75	77	101
Singapore	94	144	63	113	12	-66	0	17	-67	-114	2	237

Total exports of ASEAN countries											
Period	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982 1983
ASEAN (Total)	417	644	910	927	877	867	1,108	1,369	1,766	1,865	1,884 1,840
Total imports of ASEAN countries											
Period	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982 1983
ASEAN (Total)	118	187	361	324	457	583	654	911	1,384	1,519	1,833 979
Total trade balance with ASEAN countries											
Period	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982 1983
ASEAN (Total)	299	457	549	603	420	284	454	458	382	346	51 861

Source: own work based on—IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86.

White Australia, which had been in place since 1901, was abandoned, just like the mentioned policy of multiculturalism. In 1975, Australia's first federal anti-discrimination law, the Racial Discrimination Act, was enacted. Thus, the United Nations Convention on the Elimination of All Forms of Racial Discrimination was ratified. With the lifting of racial restrictions, the number of immigrants in Australia has been steadily increasing since the early 1980s. In 1984, the population of immigrants from Asia surpassed the group of European ancestry for the first time.⁴⁶

Australians began to emphasise their cultural closeness to Asia more and more often, but also came up with proposals to strengthen mutual economic ties. This was to be achieved, for example, by a gradual reduction of the existing tariffs and other measures aimed at trade liberalisation.⁴⁷ Bearing in mind the benefits of mutual relations, primarily economic, the ALP leader decided to withdraw Australian troops from Vietnam. In this way, it showed its independence from third countries, as well as its peaceful intentions to build mutual conditions for economic development in the region and honest and beneficial relations.⁴⁸ It is worth adding, however, that the commonly held belief that the Whitlam administration ended the involvement of Australian troops in Vietnam on its own is wrong. In fact, this operation lasted from 22 April 1970. Undoubtedly, Sino-Australian relations were shaped in a similar way. As in the case of the PRC, the acceleration of some ongoing cases gave the false impression of a radical break with the past.⁴⁹

With a full assessment of the ALP leader's tenure and the achievements of his successor, the nature and shape of Australia's mutual relations with ASEAN countries should be analysed. Data on trade between Australia and the association are shown in Table 46. Tables 45 and 46 were based on the *Direction of Trade Statistics Yearbook*, published annually by the International Monetary Fund. Depending on the year, the figures were given after rounding to decimal parts or one. The author decided to standardise the data set. Each numerical value is given approximately after rounding to one.

It is worth noting that in 1972–1983, the value of Australian exports, imports, and trade balance, according to Table 46, generally increased with each ASEAN country. This proves Australia's effective foreign policy, which, through active participation in the region's initiatives and expansion into new foreign markets, became an increasingly important trading partner of ASEAN's founding members. During the period under review, Australia saw the largest percentage increase in export

⁴⁶ Esther Lovely, "Accessing the Soft Power of Japanese Language in Australia: Young Korean Migrants Studying Japanese as a Foreign Language," in *Japanese Language and Soft Power in Asia*, ed. Kayoko Hashimoto (Springer Nature, 2017), 181.

⁴⁷ Baogang He, *Contested Ideas of Regionalism in Asia* (Routledge, 2017), 66.

⁴⁸ Okamoto, *Australia's Foreign Economic Policy and ASEAN*, 109–10.

⁴⁹ David M. Jones and Michael L.R. Smith, *ASEAN and East Asian International Relations: Regional Delusion* (Edward Elgar Publishing, 2006), 181.

value (717%) with Indonesia from AUD 44 million in 1970 to AUD 469 million in 1981. However, the next two years of weakened trade between these countries meant that Singapore took the place of the leading importer (AUD 722 million in 1982—about 35.3% of total exports from Australia to ASEAN countries). This country also played an extremely important role in imports (about 42% of imports from ASEAN countries, despite a clear decline in the value of exports in 1983). At the end of the base year, however, the Australians generated the largest trade surplus with Malaysia (AUD 308 million—approx. 31.5% of the surplus with ASEAN countries).⁵⁰

It should be mentioned that since the creation of ASEAN, Australia has developed trade relations with its member countries, which, however, constituted a relatively small part of its overall trade. The average total surplus generated by the Australian economy with ASEAN members (AUD 401.36 million) was only a quarter of the result of economic relations with Japan (AUD 1,556 million). The optimistic results of cooperation with ASEAN only to a small extent covered the annual trade deficits in economic relations with the United Kingdom (average deficit of about AUD -687.5 million) and the United States (about AUD -1,363 million), resulting from high import values.

Despite the relatively low results, regional cooperation seemed beneficial for the Australian economy. ASEAN members were an important market for the products of Australian factories, but also for minerals and raw materials obtained in the area. The attitude of the Association countries towards Australia was analogous. ASEAN countries did not see it as either a large export market or a promising importer.

In the early 1970s, Malaysia, the Philippines, and Thailand have followed Singapore's example by consistently developing export-oriented manufacturing sectors, offering intensive and long-lasting goods on foreign markets, such as textiles, clothing, and footwear. As mentioned, with the beginning of the decade, Australia's economy could be seen as thriving. The sudden downturn resulted in significant modifications to the Australian tariff, the direct beneficiaries of which were exporters from North-East and South-East Asia.⁵¹ In January 1973, Whitlam said Australia would support the Zone of Peace, Freedom and Neutrality (ZOPFAN) initiative within ASEAN and encourage other countries to do the same. Later that year, Australia joined the Ministerial Conference on Economic Development in Southeast Asia (MEDSEA), and in early 1974, became an associate member of the Southeast Asian Ministers of Education Organization (SEAMEO).⁵² The actions of the ALP

⁵⁰ IMF, *Direction of Trade Statistics Yearbook (1975 Edition)*, 76–77; IMF, *Direction of Trade Statistics Yearbook (1980 Edition)*, 71–72, accessed 22 March 2023, <https://doi.org/10.5089/9781451952841.042>; IMF, *Direction of Trade Statistics Yearbook (1983 Edition)*, 75–76; IMF, *Direction of Trade Statistics Yearbook (1985 Edition)*, 85–86.

⁵¹ Frank Frost, *Engaging the Neighbours: Australia and ASEAN since 1974* (Australian National University Press, 2016), 40–41.

⁵² Okamoto, *Australia's Foreign Economic Policy and ASEAN*, 109–10.

leader again did not bring the expected results. In January 1973, Whitlam decided to go a step further and came up with the initiative of the Asia-Pacific Forum (APF), which would include Australia, China, Japan, and five ASEAN countries (Indonesia, Malaysia, the Philippines, Singapore, and Thailand). A year later, the Prime Minister actively promoted APF during his tour of Malaysia, Thailand, Laos, Myanmar, Singapore, and the Philippines.

However, the reaction of other countries did not meet the expectations of the Prime Minister. The proposal was seen as inappropriate and inadequate to the state of relations between ASEAN members. This was due to the Australian Prime Minister's lack of understanding of Southeast Asia's priorities for strengthening the Association, especially in the case of Malaysia and Indonesia. Whitlam's mistake was not to bring up the idea in a forum as part of a joint discussion, before it was officially presented by the Prime Minister. Thus, this incident was treated as an attempt to exert pressure on other members of the organisation, which was contrary to the shape of mutual relations and the basic interests of the Association's representatives.⁵³

In 1974, the Australian economy continued to weaken. Imports have risen sharply, putting pressure on domestic production. The government of the time decided to take a different course this time, introducing import restrictions on sensitive goods. Most restrictions have had a detrimental effect on exporters from North-East Asia, such as China, Hong Kong, South Korea, and Taiwan. The countries of the Association also suffered.⁵⁴

However, the new Australian administration led by Malcolm Fraser later increased efforts to intensify trade with Southeast Asia and strengthen Australia's position as a key supplier of resources to the region. The LPA-CP coalition government supported neighbouring countries in their efforts to gain access to global markets, while facilitating their entry into the Australian market. In order to improve the performance of common trade, Australia developed an economic dialogue with ASEAN in the late 1970s. In the following years, Fraser had to struggle with the problems of the Australian manufacturing sector, which was the result of opening up to Asia.⁵⁵

Finally, we should compare the figures for Australian exports and imports under Gough Whitlam (1972–1975) and his successor, Malcolm Fraser (1975–1983). The trade surplus grew at a similar rate during the ALP leader's or coalition government's term in office. However, the values for individual countries have changed. Under the Whitlam government, Australia has not experienced a decline in its trade surplus with any ASEAN country. Apart from Thailand, each country recorded a double- or triple-digit increase in this indicator compared to the base year. On the other hand, during Fraser's term in office, the trade surplus with Indonesia fell by 29.5%. Under his predecessor, the country experienced the largest percentage increase in

⁵³ He, *Contested Ideas of Regionalism in Asia*, 66–68.

⁵⁴ Frost, *Engaging the Neighbours*, 42.

⁵⁵ Conley, *The Vulnerable Country*, 140.

the amount of a favourable trade balance. It is worth noting that the largest trade surpluses in 1970–1983 fell on the last years of the two Prime Ministers' office—1975 (AUD 603 million) and 1983 (AUD 861 million).

Thirty years after World War II, Australian trade policy demonstrated a commitment to international trade, particularly at a time of expanding regression in the world's trade markets. Whitlam's task was to adapt pre-war politics to changing perspectives inside the country. This goal was largely achieved by Prime Minister Whitlam.

Conclusion

Gough Whitlam was heading for the 1972 federal election with the slogan “It’s time” that is now widely known in Australia. This slogan caused great euphoria in the election campaign. The leader himself was fascinated by this slogan and called it the programme of his party. The opposition at that time had a lot of time to prepare for the elections and governing. However, did it really translate into success in all areas? Bob Hawke, President of the Australian Council of Trade Unions (ACTU), addressed Whitlam directly in these words: “Gough ... you’re going to do some great things in government will live or die on how you handle the economy.”¹ This conclusion answers the question of whether these words proved prophetic.

This monograph discusses the issues of Whitlam’s reforms during his rule. In addition to economic reforms, issues related to foreign policy, which is related to Australia’s economic activity, were discussed. Therefore, the first summary concerns this area. Gough Whitlam wanted to change Australia’s position in the world. Foreign affairs was Whitlam’s great passion and the main focus of the early weeks of the two-man government (Whitlam and his deputy Lance Barnard) was to make a number of important decisions. In the early days of his rule, Whitlam himself took over the foreign affairs portfolio. He rightly broke with the policy of White Australia (white Australia policy) and all forms of racial politics. In this way, Australia has become a forward-looking and tolerant country towards other people. Historians and economists assess this as an important foundation of the new Australian equality policy. The Whitlam’s view of racial equality influenced trade policy and domestic policy regarding reconciliation with the Aborigines. This course of action should

¹ Quote from a conversation between Bob Hawke and Professor Tim Harcourt on 8 April 2008 in Sydney.

be assessed as the right and necessary not only for the image of Australia, but also for its economy.

Whitlam, on the other hand, has faced more serious criticism for his policy towards East Timor and Indonesia's invasion. His support for independence for Papua New Guinea should be assessed positively. From Australia's point of view, it is understandable that relations with the United Kingdom, which has joined the EEC, threatening Australia's trade interests. However, it is incomprehensible to build incorrect relations with the United States at that time. Whitlam cared too much about Australia's independence, especially from White House politics. Whitlam's predecessors, such as Robert Menzies and Harold Holt (with the exception of John Gorton), had cordial relations with US presidents. Against this background, Whitlam's bad relationship with Nixon became legendary. On the other hand, the unanimous position of Canberra and Washington towards relations with China deserves a positive assessment. For Whitlam, going to China and establishing relations with this country should be assessed positively, especially from an economic perspective. The decision to recognise China was part of Whitlam's vision and was endorsed by all sides of the Australian political scene. However, there were also critical voices. For example, Doug Anthony, the leader of the Country Party and a political opponent of Whitlam, said in 2016: "Gough surprised us all on China. Gough always wanted to take a risk and make a big statement on everything including foreign policy. And deserved the credit for doing so in the case of China."² Anthony, although he was an opponent of Whitlam, admired him and was a supporter of Australia breaking off relations with the British monarchy. Returning to the Chinese question, it should be emphasised that Whitlam paved the way for President Nixon to China. One more aspect is worth emphasising, namely that China's recognition has brought Australia closer to other Asian countries. Whitlam's course was maintained when Malcolm Fraser became Prime Minister. It cooperated not only with China, but also maintained economic cooperation with Japan. While Whitlam's political successes are undoubted, his activities in the sphere of economic policy do not have such brilliance.

Since the beginning of Whitlam's rule, economic issues have been in the spotlight due to the deterioration of the global economy as a result of the OPEC oil shock and the subsequent stagflation, rising inflation and unemployment, and the associated stagnation. The long post-war economic boom was coming to an end. Unfortunately, this was not good for Whitlam, who chose an ambitious plan to increase the growth and funding of many programmes and to increase the welfare sector. In addition, the government had plans for universal healthcare (Medibank), equal pay for women and men, expanding access to education, development of cities and

² Quote from a conversation between Anthony Doug and Professor Tim Harcourt on 21 April 2016 in Sydney.

regions, improvement of transport and infrastructure. The Whitlam government also had an efficiency plan that included pro-competitive policies such as antitrust rules, ending retail prices, increasing consumer protection, and reducing tariffs. It was a very ambitious programme that would have had a chance if Whitlam had been elected in 1969, but in 1972, the global economy was slowing and Australia was not immune to it. Another important problem was that Whitlam did not have sufficient knowledge of economics. It was mentioned by Bob Hawke, who sarcastically said in 2008 that: "What Gough knows about economics you could write on the back of a postage stamp and still have some room to spare."³

Professor Tim Harcourt emphasises that there are two important aspects in the economic policy of the Whitlam era: price and income policy, and tariffs. A group of economists affiliated with the University of Adelaide developed the "Adelaide Plan" to deal with wages and income, but this plan was ignored. The Whitlam government faced heavy wage demands, especially in the public sector. One of the most controversial decisions of the Whitlam government was the overall tariff cut of 25% in 1973, a decision that surprised everyone, even the allies in ACTU. Bob Hawke was furious at Whitlam's decision and again emphasised his ignorance of economics, but Fred Gruen, an influence over Whitlam as an economic adviser, strongly defended the tariff reduction in his 1975 article.⁴ As John Menadue stated, Whitlam wanted to open Australia to the world with his decision. In fact, it was the inability to control wages and prices rather than tariff changes that harmed the Whitlam government. Inflation and wage conditions have hurt Reginald Connor (fired in connection with the loan scandal), Finance Minister Frank Crean and Labour Minister Clyde Cameron.

Australia under the Whitlam government was one of several Western economies that turned out to be ill-prepared for the oil shock and stagflation. Gene Tunny emphasises that many failures were due to poor management, e.g., the extraordinary expansion of government spending increased the existing inflationary pressures. The government tried to control inflation, but Tunny argued that the government's failure was its inability to set fiscal policies appropriate to economic conditions. Nevertheless, historically speaking, it must be said that Whitlam was very consistent in his intentions. In the spirit of neorealism, he took care of Australia's security, protecting, e.g., domestic mineral resources in the face of external threats, as discussed in the previous chapters. In the long run, he served well the governments of Hawke and Keating, as well as Howard.

However, it is important to judge Whitlam's rule in a slightly different light, namely when reviewing the actions of his government, it is important to note the dif-

³ Quote from a conversation between Bob Hawke and Professor Tim Harcourt on 8 April 2008 in Sydney.

⁴ Fred Gruen, "The 25 Per Cent Tariff Cut: Was It a Mistake?" *The Australian Quarterly*, 47, no. 2(1975): 7–20.

ference between 1972 and the present day. The main differences include the absence of a medium-term fiscal and monetary policy framework. Currently, the macroeconomic management framework is a reference point for assessing the government's macroeconomic policy, the fixed exchange rate in the 1970s limited the economy's response to shocks, high tariffs, and ubiquitous barriers to domestic competition, a larger number of trade union members and a central system for determining wages and inflation results, a less developed financial market in the country, which partly contributed to the infamous "loan scandal". These factors suggest that fiscal policy has been more destabilising than it is today, especially given that the partial monetisation of the budget deficit has contributed to inflation and the shocks under Whitlam have had a more adverse impact than they do today.

In conclusion, it can be concluded that economic policy was the main cause of the weakness of the Whitlam government and ultimately led to its loss of electoral support despite the illegitimacy of his resignation as a result of the constitutional crisis in November 1975. The programme was ambitious, and the government could have stayed in power longer, but global economic problems led to its significant weakening. This was the economic situation for most OECD governments. The government of the next Prime Minister, Fraser, also failed miserably on economic issues and was eventually rejected by voters and replaced by an ALP government led by Bob Hawke.

Bob Hawke said that Whitlam did some important things internationally: he put an end to white Australia policy, ended conscription, withdrew from the Vietnam War, maintained relations with Japan, and stimulated interest in Australia in Africa and Latin America, as well as in the countries of Asia and Oceania. However, despite the mentioned recognition and wrong economic decisions, Whitlam deserves a positive note for recognition and opening up to China. Not only was it a triumph of foreign policy, but the best economic decision Gough Whitlam had ever made. Freudenberg and Boswell, who were the authors of Whitlam's speeches, stated that the Department of Foreign Affairs was best prepared for taking power in December 1972. On the other hand, Nancy Viviani emphasises that in general, the direction of foreign policy after World War II was similar for each government. The main reference was the relationship with the United States as an ally. Although there was some continuity, there were some differences in the perspective of perceiving the world and the strategy of conduct. In addition to the obvious success in establishing contacts and settling them with China, significant issues were the support for the independence of Papua New Guinea, the turmoil in maintaining the alliance with the United States under ANZUS, especially during the first six months, the issue of the management of American bases in Australia and control by the government in Canberra. For Whitlam, relations with Indonesia were very important and he believed that they should be a central element of Australian foreign policy engagement. The exit of Australian troops from Vietnam was also a burning issue. It was a kind

of controversial balancing in relations with the United States. The government in Australia rightly believed that military involvement posed a threat to Australia's position in Asia. To sum up, it should be noted that the issue of relations with the United States has become unnecessarily problematic for Whitlam, especially since the United Kingdom has distanced itself from taking care of Australia. Fighting for independence, which was not threatened, was pointless, and establishing contacts with the USSR and other communist countries or dependent on the Soviet Union aroused justified anxiety among allies and citizens of Australia. On the other hand, establishing contacts with Asian and Oceanian countries had deeper meaning and gave rise to the prospect of cooperation for the future, which should be assessed positively.

Basically, politics is based on the introduction of an idea that is in the minds of politicians and philosophers. Therefore, it is necessary to return to theoretical issues in this kind of considerations. Australia under the Whitlam government aimed to ensure that its policy was in line with the expectations of significant social groups, this concerned a community of a diverse nature. The Whitlam's programme has produced concrete results. We can say here about revolutionary changes, especially in medical and social care and levelling out inequalities. Therefore, the term "welfare state" is associated with Australia. The claim that the feature of Whitlam's rule was state interference in economic life came true. Following Esping-Andersen, it can be said that every country today represents a mixed system. Whitlam drew attention not so much to how much the state gives, but how it provides assistance under this policy. Svallforst introduced a fourth type into this classification, represented by Australia and New Zealand, as antipodal or radical, and one can agree. According to Castles' approach, Australia is a poverty-alleviating state. Welfare state was an important undertaking on the way to achieving stability, equality, and social justice in the conditions of a market economy, with varying degrees of state interventionism. Following Wilensky, it can be confirmed that Australia adhered to the claim that welfare state was to protect Australian citizens in terms of minimum income, food, health, housing, and education, and this in the context of law, not charity.

Australia is very much in line with the development associated with the golden age in the history of the welfare state in 1945–1975, then there were crises and the need to modify some institutional solutions. As for the political economy of the welfare state, according to J.M. Buchanan, it can be said that in the case of Australia, there was no overgrowth of the welfare state. Whitlam even had to limit himself in some programmes due to the economic crisis. If, on the other hand, we consider the benefits of this, Whitlam certainly wanted to win the support of the masses of voters, both those who pay taxes and those who receive such help. Despite some restrictions, the Whitlam government's social policy made the most important impression on Australians in the early 1970s. In this field, it was characterised by extraordinary energy and dynamics, and the scope of the programme, as Brian Howe

emphasises, was extensive. One of the reforms concerned the issue of discrimination against women, the other dealt with the introduction of social security systems, e.g., on compensation paid by the state. To understand what Whitlam did, it is important to note that in the post-war period, inequality received little attention. That is why an important element of this work is the issue of social welfare. A big change has been the redirection of the debate to poverty and inequality and the focus on charity. Whitlam's social reform was not only about poverty protection, but it was based on a broader concept of social justice. In three years, the Whitlam government has achieved a great deal in social welfare, increasing pensions, benefits, and allowances to support the social security system for the most deprived and single parents. Not all reforms were accepted, e.g., particularly Medibank met with strong opposition. On the other hand, despite the dissent, this policy was implemented hastily, as Graham Freudenberg emphasises. The basic question asked at the beginning of the 1970s was whether a working man should fully satisfy the needs of the family and therefore what form of assistance would be needed in the new social welfare system and for whom it was to be addressed. The government has also contributed to scientific studies on these issues in government departments and universities. However, in such a short time, he was unable to set a clear direction for the social guarantee system because he struggled with conflicting advice on whether to prioritise poverty eradication, universal social security, or find a way to combine the two. Andrew Podger and David Stanton rightly noted that successive governments rejected Whitlam's preferred model of social security. Successive Prime Ministers have turned to a more gradual introduction of private social security reforms, while maintaining a social security system largely dependent on income. Nevertheless, elements of the programme's strategy have been implemented by the Fraser government.

Leigh Hatcher rightly wrote that for many people, Whitlam's reforms were introduced too quickly. There was no Prime Minister in Australia who acted so decisively and quickly, but in this way Australia, made a civilisational leap, getting closer to the Western world. In Whitlam's intentions, Australia was even ahead of its time, but he was not destined to finish his work.

As discussed in Chapter I, several important conclusions from this work deserve particular emphasis. The global spread of the welfare state model significantly influenced Australia, leading to its adoption during the Gough Whitlam government. This period marked a major shift, not only in embracing the welfare state but also in achieving notable improvements in the population's standard of living. On a broader level, the welfare state model can be seen as an independent variable. Under Whitlam's leadership, Australia effectively became a testing ground for the modern welfare state, making advancements not only domestically but also in economic, political, and foreign policy areas, which are shown in this work. At a clear and significant time, this occurred during the Gough Whitlam government. Austral-

ia not only accepted the welfare state system, but made a significant improvement in the standard of living of the population. The welfare state system functioning in the world in various countries can be described as a certain independent variable, which had its impact on the socio-political and economic system in Australia, as a dependent variable. Australia thus became a test laboratory for a modern state. This happened under Whitlam, who not only applied the welfare state system, but also made progress in many economic and political areas shown in this work. Special attention should be given to Australia's efforts in standardization and strengthening ties with key international partners. In this way, global trends and patterns in international relations played a crucial role in shaping Australia's development of Australia.

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Appendix

A. Ministers in office under Prime Minister Whitlam

Ministry	Name	Period
5.12.1972—19.12.1972		
Prime Minister	Whitlam, Edward Gough	5.12.1972—19.12.1972
Minister for Foreign Affairs		
Treasurer		
Attorney General		
Minister for Customs and Excise		
Minister for Trade and Industry		
Minister for Shipping and Transport		
Minister for Education and Science		
Minister for Civil Aviation		
Minster for Housing		
Minister for Works		
Minister for External Territories		
Minister for Environment, Aborigines and the Arts		
Deputy Prime Minister	Barnard, Lance Herbert	5.12.1972—19.12.1972
Minister for Defence		
Minister for Supply		
Minister for the Army		
Minister for the Navy		
Minister for Air		
Postmaster General		
Minister for Labour and National Service		
Minister for Social Services		
Minister for Immigration		
Minster for the Interior		
Minister for the Primary Industry		
Minister for the Repatriation		
Minister for Health		
Minister for National Development		

19.12.1972—12.06.1974 and 12.06.1974—11.11.1975

Prime Minister	Whitlam, Edward Gough	19.12.1972—11.11.1975
Minister for Foreign Affairs	Whitlam, Edward Gough Willese, Donald Robert	19.12.1972—6.11.1973 6.11.1973—11.11.1975
Deputy Prime Minister	Barnard, Lance Herbert Cairns, James Ford Crean, Frank	19.12.1972—12.06.1974 12.06.1974—2.07.1974 14.07.1975—11.11.1975
Treasurer	Crean, Frank Cairns, James Ford Hayden, William George	19.12.1972—11.12.1974 11.12.1974—6.06.1975 6.06.1975—11.11.1975
Minister for Minerals and Energy	Connor, Reginald Francis Xavier Wriedt, Kenneth Shaw	19.12.1972—14.10.1975 14.10.1975—11.11.1975
Minister for Social Security	Hayden, William George Wheeldon, John Murray	19.12.1972—6.06.1975 6.06.1975—11.11.1975
Attorney General	Murphy, Lionel Keith Enderby, Keppel Earl	19.12.1972—10.02.1975 10.02.1975—11.11.1975
Minister for Customs and Excise	Murphy, Lionel Keith Enderby, Keppel Earl	19.02.1972—10.02.1975 10.02.1975—27.03.1975
Minister for Police and Customs	Enderby, Keppel Earl Cavanagh, James Ford	27.03.1975—6.06.1975 6.06.1975—11.11.1975
Minister for Overseas Trade	Cairns, James Ford Crean, Frank	19.02.1972—11.12.1974 11.12.1974—11.11.1975
Minister for Services and Property	Daly, Frederick Michael	19.12.1972—7.10.1975
Minister for Administrative Services	Daly, Frederick Michael	7.10.1975—11.11.1975
Minister for the Media	McClelland, Douglas Cass, Moses Henry	19.12.1972—6.06.1975 6.06.1975—11.11.1975
Minister for Defence	Barnard, Lance Herbert Morrison, William Lawrence	19.12.1972—6.06.1975 6.06.1975—11.11.1975
Minister for the Navy	Barnard, Lance Herbert	19.12.1972—30.11.1973
Minister for the Army	Barnard, Lance Herbert	19.12.1972—30.11.1973
Minister for Air	Barnard, Lance Herbert	19.12.1972—30.11.1973
Minister for Primary Industry	Wriedt, Kenneth Shaw	19.12.1972—12.06.1974
Minister for Agriculture	Wriedt, Kenneth Shaw Patterson, Rex Alan	12.06.1974—21.10.1975 21.10.1975—11.11.1975
Minister for Northern Development	Patterson, Rex Alan	19.12.1972—6.06.1975
Minister for Northern Territory	Enderby, Keppel Earl Patterson, Rex Alan	19.12.1972—19.10.1973 19.10.1973—6.06.1975
Minister for Northern Australia	Patterson, Rex Alan Keating, Paul John	6.06.1975—21.10.1975 21.10.1975—11.11.1975
Minister for Labor	Cameron, Clyde Robert	19.12.1972—12.06.1974
Minister for Labor and Immigration	Cameron, Clyde Robert McClelland, James Robert	12.06.1974—6.06.1975 6.06.1975—11.11.1975

Minister for Immigration	Grassby, Albert Jaime	19.12.1972—12.06.1974
Minister for Education	Beazley, Kim Edward	19.12.1972—11.11.1975
Special Minister of State	Willese, Donald Robert	19.12.1972—30.11.1973
	Bowen, Lionel Frost	30.11.1973—6.06.1975
	McClelland, Douglas	6.06.1975—11.11.1975
Minister of Repatriation	Bishop, Reginald	19.12.1972—12.06.1974
Minister of Repatriation and Compensation	Wheeldon, John Murray	12.06.1974—11.11.1975
Minister for Urban and Regional Development	Uren, Thomas	19.12.1972—11.11.1975
Minister for Housing	Johnson, Leslie Royston	19.12.1972—30.11.1973
Minister for Works	Cavanagh, James Luke	19.12.1972—9.10.1973
	Johnson, Leslie Royston	9.10.1973—30.11.1973
Minister for Housing and Construction	Johnson, Leslie Royston	30.11.1973—6.06.1975
	Riordan, Joseph Martin	6.06.1975—11.11.1975
Minister for Transport	Jones, Charles Keith	19.12.1972—11.11.1975
Minister for Civil Aviation	Jones, Charles Keith	19.12.1972—30.11.1973
Minister for Health	Everingham, Douglas	19.12.1972—11.11.1975
	Nixon	
Minister for Secondary Industry	Cairns, James Ford	19.12.1972—9.10.1973
	Enderby, Keppel Earl	9.10.1973—12.06.1974
Minister for Manufacturing Industry	Enderby, Keppel Earl	12.06.1974—10.02.1975
	McClelland, James Robert	10.02.1975—6.06.1975
Minister for the Environment and Conservation	Cass, Moses Henry	19.12.1972—21.04.1975
Minister for Environment	Cass, Moses Henry	21.04.1975—6.06.1975
	Cairns, James Ford	6.06.1975—2.07.1975
	Whitlam, Edward Gough	2.07.1975—14.07.1975
	Berinson, Joseph Max	14.07.1975—11.11.1975

Source: data of most important ministries: Gough Whitlam, *The Whitlam Government 1972–1975* (Penguin Books Australia, 1985), 749–54.

B. Timeline of the most important events in 1972–1975

1972

22 April—ALP government is formed with Reece in Tasmania

23 August—Hamer becomes Prime Minister of Victoria

2 December—ALP wins the House of Representatives elections

5 December—Whitlam Ministries are sworn in—Barnard Duumvirate

18 December—election of candidates for federal ministerial positions

19 December—the Whitlam government's Ministers are sworn in

20 December—The Liberal Party elects Snedden as leader of the opposition

1973

9–13 July—ALP Federal Conference in Surfers Paradise

8 December—lost in the price and income referendums

1974

30 March—LCP government elections in Western Australia

10 April—opposition seeks to postpone Appropriation Bills in the Senate

10 April—Hasluck adopts Whitlam's advice to dissolve both houses of parliament

11 April—the dissolution of the parliament was announced

10 June—Cairns succeeds Barnard as Deputy Leadership

11 July—Kerr becomes Governor-General of Australia

1975

3 January—Lewis becomes Prime Minister of NSW

3–7 February—ALP Federal Conference in Terrigal, NSW

21 March—Fraser succeeds Snedden as leader of the Liberal Party

31 March—Neilson becomes Prime Minister of Tasmania

2 July—Cairns' resignation from the state minister office

14 October—Connor resigns from the post of minister

15 October—Fraser announced that funding from the Appropriation Bills would be blocked in the Senate if the government did not agree to an election

16 October—Senate adjourns budget bill

11 November, 10:00—Whitlam calls Governor-General Kerr to discuss the election

11 November, 13:10—Governor-General Kerr dismisses Whitlam from office

11 November, 13:30—Kerr appoints Fraser as Prime Minister on condition that he dissolve both houses of parliament

13 December—Elections to the federal parliament. LCP Victory

Note About the Author

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is affiliated with the Faculty of Law and Administration at Adam Mickiewicz University in Poznań, Poland. His scientific research focuses on such areas as international relations, international economics, and the economic and political history of Australia. During his numerous trips to scientific institutions abroad, Prof. Sprengel collected extensive research material, which he used to develop unique publications. In recent years, Sprengel has conducted in-depth research in the following countries: Australia, South Korea, Germany and the United States. The fruits of this work include the books *Państwowość, gospodarka i bezpieczeństwo Nowej Zelandii—historia i współczesność* [Statehood, Economy and Security of New Zealand—History and Modernity] (co-authored, 2020), *Legal and Socio-Economics Changes in New Zealand* (2019) and *Legal and Socio-Economics and Political Changes in Russia's Relations with China* (2020). The source materials and studies collected in recent years have also been used in writing numerous articles and a comprehensive book dedicated to one of Australia's most outstanding prime ministers, Gough Whitlam, to whom this monograph and his reforms is dedicated.

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The book's author at Gough Whitlam's home at 32 Albert Street in Sydney. Here Whitlam lived with his wife Margaret and three children from 1957 until early 1973. After the ALP's victory in the December 1972 election, the family moved to Canberra.

This monograph offers a comprehensive and critical examination of economic, political, and social reforms implemented during the transformative government of Gough Whitlam. Drawing on a wide range of primary sources, including governmental documents and statistical data, the Author analyses key policy areas. Situated within the broader context of development economics and welfare state theory, the book provides valuable insights into the dynamics of state-led reform and the challenges of governance during a period of global economic uncertainty. Bridging empirical detail with theoretical reflection, this monograph constitutes a significant contribution to the historiography of modern Australia and comparative public policy research.

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