

PROLOGUE

VICTORIA'S CENTENARY CELEBRATIONS

On the morning of Thursday, 18 October 1934, Melbourne prepared excitedly to welcome His Royal Highness the Duke of Gloucester, the third son of H.M. King George V, who was to preside over the celebrations marking the centenary of permanent European settlement in Victoria. Pedestrians, cyclists, and motorists — some 250,000 of them — crowded the Hobsons Bay foreshore from Sandringham to Port Melbourne.

The skies were overcast and threatening, but the progress of HMS *Sussex* up Port Phillip Bay with its naval and aircraft escort and the motorcade which brought the Royal visitor along Beaconsfield Parade and St Kilda Rd to the city stimulated enthusiastic displays of loyalty and affection. Declaring the celebrations officially open in a ceremony on the steps of Parliament House, the Duke released a silken Union Jack, the one unfurled by his mother, Queen Mary, as Duchess of York, for the opening of the first Commonwealth Parliament at Melbourne's Exhibition Building in 1901.

Neither the weather — October and November 1934 were Melbourne's wettest months for years — nor an inconvenient tram strike kept people away from the round of engagements at churches, racecourses, showgrounds, theatres, the Melbourne Cricket Ground, and the Exhibition, which the Centenary Council had planned for the Duke. At night large crowds flocked to the city to view the illuminations. The highlights of the celebrations undoubtedly were the victory parade of winners of the London to Melbourne air race, the dedication of the Shrine of Remembrance, and the finale of the Catholic community's Eucharistic Congress.

Sir Macpherson Robertson had donated \$200,000 — \$2,000 for each year of Victoria's history since settlement — for the building of a girls' high school, the Grange Road Bridge, a National Herbarium, and a fountain near the Shrine. To focus world attention on Melbourne and Victoria and to stimulate the British aeronautical industry, he suggested a 19,200 kilometre London to Melbourne air race with \$24,000 prize money. The pitting of ace fliers in such open and spectacular competition aroused immense popular excitement: British, Australians, Dutch, Italians, Germans, and Americans rushed to enter, and 60,000 spectators saw twenty aeroplanes leave from Mildenhall, England, on 20 October. Sir Macpherson's hope, that Empire men and machines would win, was fulfilled when C.W.A. Scott and T. Campbell Black flew their DH88 Comet *Grosvenor House* across the finishing line at Flemington racecourse within three days of leaving England. Seven planes had arrived by 31 October when a triumphal hour-long procession took place in Melbourne. Thousands of people flocked from the suburbs to join city workers in a display of adulation as the airmen rode in open cars to a State reception. The South Australian flier, C. J. (Jimmy) Melrose, the youngest and only "solo" pilot in the race, and the only Australian to have arrived, received a hero's welcome.

Those who assembled around the Domain from five o'clock on the morning of Armistice Day were of a different mood; by mid-morning a crowd of 300,000 surrounded the Shrine of Remembrance. After years of controversy over the appropriate form of a memorial to Victoria's soldiers of the First World War, protracted public fund raising, and almost six years' construction work at a cost of \$480,000, Victoria prepared for the dedication of the Shrine. The ceremony, described as "the most notable and profound expression of

community ritual experienced in the history of Australia", included the singing of the Old Hundredth, the reading of an ode specially contributed by Rudyard Kipling, two minutes silence, Last Post, Reveille, the Recessional, Chopin's Funeral March, prayers from the Anglican Archbishop, the National Anthem, and the release of thousands of white pigeons. The Duke of Gloucester dedicated the Shrine to the memory of the men and women who had served in the First World War.

Timed to coincide with the dedication of the Shrine as a protest against the alleged imperialist and militarist emphases of the centenary celebrations, the second National All-Australia Anti-War Congress called for disarmament and peace, and denounced fascism and imperialism. The Congress, sparsely attended and attracting little interest, was rescued from near obscurity by the derring-do of its guest speaker, Czech writer Egon Kisch. Declared a prohibited immigrant and refused permission to land at Fremantle by the Lyons Government, the RMS *Strathaird* carried him on to Melbourne where, just before sailing time on Tuesday 13 November, he jumped to the wharf, broke an ankle, and was carried aboard and confined to his cabin. In Sydney, after protracted legal proceedings, including a disputed dictation test in Scottish Gaelic, Kisch was freed to spend three months touring and lecturing anti-war meetings. The Kisch incident, apart from discrediting the attempt of the Lyons Government to suppress dissentient political opinion, drew attention to the Movement Against War and Fascism, strengthened the peace movement, and confirmed Melbourne as its centre.

Among those who had supported a war memorial of a more utilitarian kind, such as a city square or a new hospital, was the Roman Catholic Archbishop of Melbourne, Dr Daniel Mannix (1864-1963). Invited by the Centenary Celebrations Council to nominate the form of the Catholic contribution, Mannix announced a National Eucharistic Congress, to which His Holiness The Pope would send a Papal Legate, Cardinal MacRory, Archbishop of Armagh and Primate of All Ireland. The Congress theme would be "Catholic action", the name given by Pope Pius XI to a campaign to involve the laity in the apostolic work of the Church. Despite the opposition of some Protestant leaders, the Congress proved to be a great success and a moving display of religious devotion. The Catholic hierarchy of Australia and New Zealand came to Melbourne, and the Papal Legate was greeted at Station Pier and conducted by open car through throngs of schoolchildren to St Patrick's Cathedral. Vast crowds were attracted to special gatherings — and more than half a million people saw the procession of the Blessed Sacrament and knelt for the benediction, pronounced by Cardinal MacRory from the main balcony of Mt St Evin's hospital in Victoria Parade. During his brief stay the Cardinal praised the state of material well-being enjoyed by Australians but warned that the new paganism emanating from Russia called for united Christian resistance and the engagement of the laity of his church in "Catholic action".

The centenary celebrations were otherwise largely a secular and conservative paean for the establishment and progress of European settlement in Victoria. Aboriginal society was barely represented at the celebrations, the pioneers Batman and Fawcner were carefully distanced, and the Eureka Stockade, with its radical overtones of challenge to authority, was barely mentioned. The emphasis was focused upon conservative British-Australian values; the centrepiece was ANZAC; and the heroic original figure was that of Captain James Cook, presented as "the discoverer of Australia".

Russell (later Sir Russell) Grimwade (1879-1955), the industrialist and philanthropist, had grasped an opportunity to buy "Cook's Cottage" at Great Ayton, Yorkshire, and have it dismantled, shipped to Melbourne, and reassembled in the Fitzroy Gardens. Even though subsequent research discredited the relic as the seaman's childhood home, Cook's tenuous association with Victoria was seized upon by the Celebrations Council, for the first British sighting of the Australian coastline had been made in 1770 from Cook's *Endeavour*, subsequently Pt Hicks in Victoria.

EARLY EXPLORATION FROM 1788

Exploration and settlement of Victoria had been a by-product of the settlement at Sydney Cove, Port Jackson in 1788. Victoria was recorded as first traversed by Europeans in 1797 when the *Sydney Cove* was wrecked in the Furneaux Group; of sixteen crew

members cast ashore in a longboat along the Ninety Mile Beach, only three survived the nightmarish journey through Gippsland to Botany Bay. Matthew Flinders' observations of strong eastward flowing currents along the southern coast renewed speculation about the existence of a strait between New South Wales and Van Diemen's Land. In 1797-98 George Bass discovered Wilsons Promontory and Western Port, and in 1798 Bass and Flinders sailed through the strait and circumnavigated Van Diemen's Land. Two years later James Grant sailing east to Port Jackson discovered and named the principal features of the Victorian coast, and in February 1802 Lieutenant John Murray entered the main harbour, which was named Port Phillip Bay in honour of the first Governor of New South Wales. French interest in the area spurred British exploration: Charles Grimes, Surveyor-General, surveyed the Bay in 1803 and followed the eastern (Yarra) river upstream to fresh water and a site he nominated as suitable for settlement.

Meanwhile a decision was made in London to place a settlement at Port Phillip. Lieutenant-Governor David Collins landed a party of some 470 persons from HMS *Calcutta* and HMS *Ocean* near Point Nepean about the present site of Sorrento in 1803. Apart from the complement of administrators and military, there were some 300 convicts, a few with their families, and a group of fifty or so free settlers. Daunted by the scarcity of fresh water and game and by the poverty of the soil, Collins removed his camp across Bass Strait to the Derwent in Van Diemen's Land early in 1804. However, the Union Jack had been flown, church services had been held, and there had been births and interments. Several convicts had fled into the bush. One of them, William Buckley (1780-1856), lived for thirty years with the Aborigines in the area of the Barwon River.

Early Aboriginal contacts

Aboriginal contacts with Europeans were few and fleeting until 1835, but even by the time Collins and his party were struggling to establish themselves at Sorrento, the British presence had had a devastating effect.

In 1788, there may have been as many as 100,000 Aborigines in the territory which became Victoria. This well watered corner of temperate south-eastern Australia perhaps supported higher Aboriginal densities than anywhere else on the mainland, and the richness and variety of the Victorian landscape — coastal, mountain, and plain — evoked a complex Aboriginal response. There were about 38 tribes, each varying in size but occupying recognised areas and speaking common languages; whether Aborigines operated as families, bands of families (20 to 60 persons), or tribes, depended on the bounty of nature, the seasons, and social and religious imperatives. Nomadism was combined with sedentariness, and camp sites served as focal gathering points. In parts of Western Victoria elaborate stone floored, dome shaped, and turf roofed shelters, and complex fish trapping and eel harvesting techniques, suggest semi-permanent occupation and sophisticated resource management. Aborigines rarely went hungry, for the environment generally offered an abundance of variety of plants and animals and the emphasis was on mutual help, sharing, and trading. Resources were not overexploited, but were carefully husbanded.

Aboriginal society and culture were complex, rich and intensely satisfying, characterised as they were by intricate but clear laws and obligations and endearing love of children, respect for learning and skill, and solicitude for the sick, the elderly, and the orphaned. A society which proclaimed in its every aspect the identity of man and nature was incomprehensible to one characterised by the exploitative spirit. And the European onslaught was facilitated by diseases, against most of which Aborigines had no immunity. Grimes noticed Aborigines at the Yarra in 1803 who had suffered the ravages of smallpox, the dreaded disease which had swept east and south from Sydney Cove soon after settlement, and possibly north from whalers and sealers operating in Bass Strait. Mortality rates are estimated to have reached levels of 50 to 60 per cent of the entire population, with pregnant women and young children being particularly vulnerable. Apart from the horror of such a scourge, the effect on the economy of a semi-nomadic society, dependent as it was on the young and able bodied, must have been catastrophic. About 1829, there was another epidemic, against which those born since the first epidemic would have had no protection. By the time of permanent European occupation the Aboriginal population was a fraction — perhaps only 10 to 15 per cent — of its original strength.

Early nineteenth century exploration

There was a twenty year interlude in European exploration and settlement. In 1824, the native born explorer Hamilton Hume and the sailor and settler William Hovell, attempting to open a route from Lake George to Wilsons Promontory, penetrated to Corio Bay. They either did not realise or chose not to publicise their error, but they had discovered the Murray River and many of its tributaries, as well as extensive tracts of valuable grazing lands. A small official encampment, established on the eastern shore of Western Port for fourteen months from November 1826, attempted in vain to match Hume and Hovell's description of verdant plains around Corio Bay with the swamps and mud flats at Western Port. Official policy aimed to establish British claims, but wanted controlled settlement. Several land hungry Van Diemen's Land graziers applied for mainland grants but were refused. It was only a matter of time before they became the first permanent settlers at Port Phillip.

Sealers and whalers, operating initially from Port Jackson and later from Van Diemen's Land, had been familiar with the coasts and islands of Bass Strait for decades. Edward Henty (1810-1878), the son of a Sussex farmer who had shrewdly transferred his family and assets to the Antipodes during the recession which followed the Napoleonic Wars, became acquainted with the Portland Bay area as a result of a whaling voyage. His landing in November 1834 marked the beginning of pastoral settlement, but the Hentys had been preceded by the seaman and whaler William Dutton (1811-1878) whose intermittent occupation began in the summer of 1828-29. The Hentys' claim to be recognised as Victoria's first permanent settlers did not go undisputed, but they set an extraordinary example of successful family migration and collectively made a unique contribution to Victorian development.

Major Thomas Mitchell traversed western Victoria in 1836, calling it "Australia Felix", and his glowing reports of well watered and fertile land greatly strengthened the tentative southward moves of New South Wales graziers. Overlanders from Sydney, following the wheelmarks of the Mitchell party, were rivalled by the overstraiters from Van Diemen's Land. In comparison with the Hentys, the new land takers operated openly and brazenly.

Impatient with the obstruction of Sydney officialdom, John Batman (1801-1839) and his partners had formed the Port Phillip Association in Launceston to make peace with the Aboriginal people and establish a bridgehead for the pastoral advance. He entered the Bay in the *Rebecca* in May 1835, explored the Saltwater (later Maribyrnong) River, and negotiated by tribute his famous land "purchases" of more than 200,000 hectares from the Aboriginal inhabitants. The party rediscovered the Freshwater (later Yarra) River, which Batman followed and recorded as good deepwater — "the place for a village". Shortly, another group from Van Diemen's Land selected a nearby site. The agents of John Pascoe Fawkner (1792-1869), publican-cum-successful businessman who had accompanied his convict father to the Sorrento settlement in 1803, ascended the Yarra River in the *Enterprise* in August 1835, and were warned off by the Port Phillip Association as trespassers. The bitter debate as to which party and leader had been the founder of settlement obscured for many historians the fundamental point that Port Phillip owed its existence to private settlers acting from commercial motives in defiance of authority.

Governor Bourke regarded the occupation of Port Phillip as illegal, but he recognised realities and sent Captain William Lonsdale (1800-1864) as resident magistrate in 1836. Lonsdale found 224 Europeans living in a village of 43 huts, and the district held 40,000 sheep on stations as far as 130 kilometres inland. Bourke visited in 1837, confirmed the town site above the falls and on the north side of the Yarra River, and had the surveyor complete the layout of the settlement which he named Melbourne after the British Prime Minister. The first land sales were held in 1837, and Geelong was surveyed in 1838 and sales held there in 1839. The two towns grew rapidly as head stations to the vast Port Phillip sheep runs. Squatters promptly took up the lands of the Ovens and Goulburn Valleys under \$20 annual grazing licences. By the end of 1838 most of the Western District was occupied, and in the early 1840s pastoral settlement was extending into the Mallee and Gippsland. In less than a decade almost three-quarters of Victoria had been occupied. Some 76,000 free migrants had arrived by 1850, about one-third of these as assisted immigrants whose passages had been paid from the proceeds of land sales, and whose labour the squatters avidly awaited.

Unlike the settlements based on Sydney, where land grants had been employed to create a landed gentry over some four decades, Port Phillip was launched as a frontier society of leaseholders. A few sons of well established pastoralists took part in the southern land rush, but the successful were mainly men of small capital, from professional, mercantile, shopkeeping, or farming backgrounds. Scottish tenant farmers and their sons were prominent, and among them partnerships with imported capital were significant, notably Niel Black and Company at Glenormiston in the Western District, and George Russell of the Clyde Company, west of Geelong. Gentlemen settlers attempted to reproduce polite society on the English model, but they were overwhelmed by those for whom money-making was the be-all and end-all, and their ranks were decimated by the depression of the 1840s. Severe droughts in 1838 and 1840, a stoppage of funds from London, and falling stock prices led to a string of bankruptcies during 1841-1843. Dreams of imminent wealth vanished for many in the smoke of boiling-down works converting the once precious sheep into tallow. Conspicuous among the survivors were the single-minded, hard working sons of Scottish tenant farmers who added political influence to economic power, and in time comprised a sort of country gentry.

Aboriginal reactions to settlement

The arrival of Europeans destroyed in the space of a decade in Victoria traditional Aboriginal society at least 40,000 years old. Squatters above all sought for their stock the lush and extensive grasslands which the Aborigines, using "firestick farming", had helped create. Sheep and cattle consumed or destroyed the very resources upon which they relied directly for their food, and the food and water upon which game depended. Europeans were guided to and advised about the resources they coveted, for their motives and the enormity of the threat they posed were not at first appreciated. Aborigines clearly expected their hospitality to be reciprocated, and when Europeans refused them food or raped their women, they retaliated.

Most Europeans died during attacks on property, including depredations to stock. By contrast Aboriginal deaths were not only, or even mainly, a consequence of such conflict and self defence, but involved indiscriminate shooting and poisoning of the unarmed, harmless, and innocent. Jittery settlers and outraged humanitarians exaggerated the killing on both sides. Almost certainly Aboriginal deaths from inter-tribal clashes and "pay back" warfare — the result, respectively, of forced Aboriginal encroachment on neighbours' lands and the interpretation of European violence as Aboriginal inspired sorcery — outnumbered those at European hands.

English public opinion briefly insisted that the home government require Colonial authorities to conciliate and protect Aborigines. Lonsdale arrived in Port Phillip with 500 red night caps, 200 check suits, and 250 blankets for them. In 1838, on the eve of intense frontier conflict, the Protectorate experiment began: Chief Protector G.A. Robinson, the man who had gathered at Flinders Island in Bass Strait the sad remnants of the Van Diemen's Land Aborigines, attempted with four assistants to mediate between settlers and Aborigines, encouraging the latter to accept Christianity and a settled life. The Protectorate did not address the question of justice, and it encountered implacable squatter hostility. The squatter-dominated Legislative Council of New South Wales accepted settler denunciations of the scheme, which was abandoned in 1850. Many squatters and their servants in Australia wanted the wealth to be won from the land, and squatters, investors, and the home government ultimately would brook no interference with that goal. Dispossession by force was dressed up as the right to occupy by reason of superior productivity. Already disposed to confound the primitive with the barbaric, squatters rationalised their avarice, fear, and guilt by regarding Aborigines as a non- or sub-human species eking out a brutal, short, and precarious existence.

The contradiction between what the settlers considered to be a civilising mission and the realities of frontier life was seen in the Native Police Corps of 1842-1852, a paramilitary force under the command of a Western District squatter which "pacified" Aborigines and apprehended wrongdoers. In fact, with the approval of La Trobe, the Superintendent of Port Phillip, this corps, a devastating combination of Aboriginal bushcraft and European military discipline and weaponry, exploiting inter-tribal enmities, engaged in attacks on the Aborigines.

DEVELOPMENTS TO THE 1870s

Early settlement of Melbourne

Melbourne, a primitive straggling village with a population of 6,000 in 1839, its unmade streets alternately muddy or dusty, a town without a drainage or sewerage system, was cleaner and more substantial by the late 1840s. Princes Bridge was under construction, the Botanic Gardens were being laid out, and Superintendent Charles Joseph La Trobe (1801-1875), who had arrived in October 1839 and became Lieutenant-Governor of Victoria on separation of the Colony from New South Wales in 1851, had created wide boulevards on the outskirts of town. There were newspapers, bookshops, theatres, and musical and literary societies. On the other hand, society was cliquish and given to vituperative clashes between opposing interests, classes, and religious groups. Of the population of 77,345 at the Census taken in March 1851, almost half was Anglican, one-quarter Catholic, and 15 per cent Presbyterian. Sectarianism was rife, leading to numerous street clashes and riots.

Two broad convictions held this fragile community together — the need for separation from New South Wales, and adamant opposition to transportation of convicts. Most settlers opposed government from Sydney, and regarded the District's token membership of six representatives on the Legislative Council as an insult. Attempts to renew transportation to mainland New South Wales, either by sending to Port Phillip several thousand Pentonvillians, young offenders who had served portion of their sentences in an English gaol, or by permitting convicts with conditional pardons to cross from Van Diemen's Land, infuriated the Port Phillip colonists. Several shiploads of convicts were diverted from Melbourne following heated demonstrations. The Anti-Transportation Association was formed in 1849, and an intercolonial conference at Melbourne early in 1851 founded the Australasian League for the Abolition of Transportation and unfurled a silken banner displaying both the Union Jack and golden stars representing the Southern Cross. Separation as the Colony of Victoria came on 1 July 1851. Opposition both to transportation and to the immigration of former convicts continued, but the broad alliance of pastoral and urban forces rapidly disintegrated as these opposing interests wrestled to make the new colony in their own image.

Gold discoveries and their immediate effects

The discoveries of gold in mid-1851, first at Clunes and near Warrandyte and later in the year at Ballarat, Creswick, Daylesford, and Castlemaine came at a crucial moment in Victoria's history: the pastoral industry had recovered, the labour problem had eased, and squatters looked to security of tenure under eight and fourteen year leases; colonial society was stabilising and there were good prospects for balancing the sexes; Victorians were preparing for self-government, with the first Legislative Council to be elected in September. Now all was thrown into doubt by the stampede of labour from station, wharf, and counting house and a vast inrush of overseas migrants, attracted by the news of spectacular and easy riches. Almost 600,000 migrants came to Victoria between 1852 and 1861, including nearly 300,000 from the United Kingdom and 250,000 from other Australian colonies and New Zealand. Most of them tried their hand at digging — panning, puddling, cradling, or sluicing alluvial deposits found at or near the surface, pursuing the gold bearing gravel beds of old streams, or following the quartz reefs by shaft and tunnel.

Victoria produced 40 per cent of the world's gold output between 1851 and 1861, but few diggers acquired riches, and most lived a hand to mouth existence under appalling conditions. Unemployment and an acute shortage of marriageable women forced a huge emigration of adult males at the end of the decade, but a quarter of a million arrivals, largely from the British Isles, remained and injected into Victorian life an optimism and go-ahead spirit which had been perversely stimulated by the vicissitudes of mining life.

A host of gold towns was added to the network of townships which had sprung from punts and bush inns built at important river crossings in the pastoral age. Local government was stimulated; roads and bridges largely became the responsibility of road boards and municipal councils elected by property owning ratepayers from 1853-54. Gold boosted the agricultural sector after an initial loss of labour to the diggings: sheep and cattle were bred for meat, market gardening expanded, the area under wheat increased more than threefold to over 40,000 hectares in 1859, and barley for malting, hay and oats for horse

feed, and tobacco, became significant cash crops. The earliest factories were flour mills, bakeries and breweries, tanneries and candle works, and the skills most in demand included those of blacksmiths, wheelwrights, and saddlers. More sophisticated establishments — acid works, boot and shoe factories, and foundries — soon followed.

Melbourne emerged from its wooden hut and canvas tent stage and began to be built in brick: 1854 saw the laying of the foundation stones of the Public Library and the University, 1856 that of Parliament House at the Eastern Hill, 1858 that of a new Treasury, and 1859 that of the new Elizabeth Street Post Office. To the original inner ring of municipalities from Hotham (North Melbourne) clockwise to Emerald Hill (South Melbourne) there was added an outer ring by the early 1860s stretching from Essendon in the north-west to Brighton in the south-east, each specialising in a particular function; quarrying, brickmaking, market gardening, wharfage and storage, coach and railway wagon repairs, noxious trades, or suburban residential retreats. Melbourne held one-quarter of the Colony's population. Australia's first public railway, linking Melbourne with its port at Sandridge (Port Melbourne), was opened in 1854 by the Hobsons Bay Railway Company: thereafter, privately owned railway companies gave way to government control. The Victorian Government bought the Melbourne-Geelong line in 1859, built lines to Williamstown and Sunbury in the same year, extended the systems to Ballarat (via Geelong) and Bendigo in 1862, and to the Murray border at Echuca in 1864. Public services stimulated private enterprise. This was a central strand in the economic life of Victoria.

The immigrants who came for gold stamped their character on Victoria until the turn of the century. Drawn largely from the British urban middle and upper working classes, they were literate, skilled, and ambitious; believing in individualism and meritocracy, they championed equality of opportunity over equality of achievement. Goldfields life strengthened the immigrants' values. Feelings of superiority to assisted migrants, annoyance with criminal Vandemonian elements, and fear of patient Chinese competitors, made the diggers vehemently opposed to pauper, ex-convict, and coloured immigration. Normally peaceable and law abiding, diggers were pushed into rebellion at Ballarat in 1854 by an insensitive goldfields commissioner and a new Lieutenant-Governor, Sir Charles Hotham (1806-1855) who had been appointed in December 1853. In a skirmish at dawn on 3 December 1854 disciplined military forces overwhelmed the ill-armed rebels; about thirty diggers and five soldiers were killed. The incident was rapidly incorporated into a liberal tradition of resistance to tyranny, and the radical implications of Eureka surfaced only fitfully.

The gold rushes and the Eureka Stockade strengthened the democratic movement: the conservative squatter interest had drafted a Constitution Bill which created a bicameral legislature insulated against the influence of the "masses" by means of residence and property qualifications for members and electors, and five-year parliaments. Eureka brought not only reform of goldfields administration and abolition of the licence fee, but the equivalent in the £1 annual miner's right. The years 1856-1859 saw the introduction of secret ballot, manhood suffrage, the abolition of property qualifications for members of the Assembly, and triennial parliaments. Digger radicalism, however, was tempered by the widespread desire for a stake in society: the ordinary colonist only wished for the possibility to achieve a modest competency. What distinguished this society was its preparedness to use the powers of the State to achieve desirable social ends. As high unemployment consequent on the decline of goldmining made diversification of Victorian agricultural and manufacturing industries imperative, moves to create a prosperous yeomanry by "unlocking the lands" and to stimulate secondary industry by tariff protection dominated politics for a generation.

"Unlocking the lands"

Priced out of the market by the shortage of land and by intense competition at sales, would-be farmers looked to the expiry of pastoral leases, and opportunities to select blocks on an instalment purchase plan. Pastoralists, determined to safeguard their investments and secure their hold, generally defeated *bona fide* selectors under the Land Acts of 1860 and 1862. By 1865, almost 1.2 million hectares, mainly in the Western District and around the goldfields, had been bespoken; most had passed to the squatters. Acts of 1865 and 1869, which introduced free selection before survey with tighter residence and improvement clauses, and more flexible rental and repayment arrangements, were more successful in

promoting small-scale settlement. The experiences of squatters and selectors were vastly different, however.

Local wool sales and rapid payment for clips worked to the advantage of squatters, and sheep breeders instigated local shows from 1859 which led to the development of regional strains and specialised studs to supply them. Sheep numbers more than doubled between 1860 and 1894 to 13,098,725. On the other hand, knowledge of soil, climate, and suitable cultivation techniques came slowly to selectors; indebtedness to storekeepers for credit, and reliance on squatters for part-time work, brought constant strain. Yet railway transport and technical innovation revolutionised the small farmers' lives: from the mid-1860s rail lines were continued to a number of points along the Murray River, and in the 1870s the Wimmera was penetrated. The grain belt shifted north to the drier plains, and the area sown to wheat in Victoria increased from 65,000 hectares in 1860-61 to 595,000 hectares in 1893-94. A colony which had not been able to supply its domestic market with wheaten flour became an exporter of wheat second only to South Australia. By the 1880s, a basic pattern of Victorian land-use had emerged: it was distinguished by an expansion in cereal production, the establishment of flocks of dual purpose sheep, extensive horsebreeding and dairyfarming, and the formation of orchards, vineyards, and tobacco and hop farms.

An extensive lease system had been instituted to encourage pastoral settlement of the Mallee, a movement which was aided by the stump jump plough and scrub roller, and State-funded water trusts had begun experiments in irrigation along the Murray and Goulburn Valleys. Similarly, dairying was transformed by government support for butter, cream, and cheese factories, and by the introduction of the centrifugal cream separator and refrigeration in the 1880s.

Manufacturing industry

The diversification of Victorian manufacturing industry had been as remarkable as the development of the agricultural sector. A degree of natural protection afforded by the Colony's isolation, the practice of government and semi-government bodies awarding contracts to local manufacturers, and the calibre of the artisan element among the gold rush immigrants were largely responsible for Victoria becoming the most highly industrialised of the Australian colonies by 1891, but contemporaries readily attributed industrial pre-eminence to the policy of tariff protection of native industry. Customs duties with the professed aim of stimulating native manufacturing by placing local entrepreneurs at an advantage against overseas, and particularly British, competitors, were also used for raising revenue, and became wider and heavier in their application through the 1870s and 1880s.

By the 1880s, quite sophisticated workshops in provincial towns and metropolitan suburbs were supplying mining equipment, railway carriages and locomotives, agricultural implements, pipes, and fencing materials to the private and public sectors throughout and even beyond Victoria. Victorian employment in manufacturing industry was 25 per cent higher than that in New South Wales in 1891, and rather different in composition: food, drink, and tobacco claimed a relatively low proportion of manufacturing employees, and textiles, clothing, and boots and shoes a significantly larger proportion. Victoria was without black coal, and had no substantial deposits of iron ore, silver, lead, or copper; nevertheless, foundries and metal working establishments were prominent. Goldmining remained for twenty-five years the largest single industry, with wool becoming the chief export again only in the 1890s.

DEVELOPMENTS FROM THE 1870s TO THE 1890s

The prosperity of the 1870s and 1880s reflected the recovery of quartz mining and the expansion of agriculture and manufacturing, but it was sustained by a stream of British capital to the continent. Investment was channelled through Melbourne, and profits were reinvested from Melbourne in other colonies: pastoral properties in the Riverina, western New South Wales and outback Queensland, and in mining in the eastern colonies and Tasmania. Very considerable sums were spent in Victoria by government, municipalities, and instrumentalities on public works. At the April 1891 Census, Victoria had a population of 1,140,653, of whom 490,986 lived in the Melbourne metropolitan area. Nowhere were the fruits of colonial prosperity — full employment, rising real wages, and improved living

and working conditions — more apparent than in “Marvellous Melbourne”. Nowhere in Australia were the tendencies to urbanisation and development of the commercial, industrial, and tertiary sectors better illustrated. Melbourne’s population increased by over 200,000 in the 1880s, the city thereby absorbing almost three-quarters of the increase in Victoria’s population, and housing more than four out of ten Victorians. The transformation of the commercial centre — the City of Melbourne itself — was dramatic; public buildings of considerable beauty such as the Melbourne International Exhibition Building (1880-81), the Princess Theatre (1886), and the Grand Hotel (Windsor) of 1893 complemented earlier structures. The increasingly impersonal world of the city and a superb public transport network encouraged the flight to the suburbs; 65 kilometres of cable tramways were laid between 1885 and 1891; the suburban railway system reached Box Hill in the east and Frankston in the south, and efforts were made to extend it to Laverton and St Albans. Land speculators and building societies encouraged the dream of home ownership and tens of thousands of weatherboard and brick cottages sprang up on the suburban frontier.

Aboriginals after the 1850s

During the forty years of material progress enjoyed by the immigrants which followed the discovery of gold, the remnants of Aboriginal society were dealt with peremptorily, erratically, even at times contemptuously. In 1851, there were 2,693 Aboriginals; by 1863 there were fewer than 2,000 full bloods and some 200 part Aboriginals. Disease and dispiritedness — in the form of high mortality, especially among women of childbearing age and infants, and low fertility — fed on government indifference. The dedicated and warm hearted protector William Thomas (1793-1867), Guardian of Aboriginals and the Colony’s sole full-time official for Aboriginals, urged the 1858-59 Select Committee on the Aboriginals to compensate their loss of territory by establishing a reserve and a system of schools and supply depots. From 1860, the Central Board for Aboriginals sought to arrest the decline of the race, protecting the survivors from the excesses of white “civilisation”, especially alcoholism and venereal disease, by encouraging them to live on stations; four were operated by missions at Lake Hindmarsh (Ebenezer), Lake Tyers, Wellington (Ramahyuck), and Lake Condah; two secular institutions were run by the Board at Healesville (Coranderrk) and Hopkins River (Framlingham). In addition, thirteen small reserves and seventeen ration depots were set up to assist Aboriginals who chose to remain outside these stations.

Aboriginals at Coranderrk experienced a measure of self control and independence, using the station as a home base from which they could make hunting and fishing forays and seek seasonal work in the white community. But elsewhere Aboriginals had little autonomy, the stations being organised on paternalistic and even authoritarian lines, with the object of destroying Aboriginal religion and culture. A mounting belief in compulsory removal and confinement was supported by antagonistic Europeans in whom the Aboriginals inspired feelings of repugnance and/or guilt or feelings of envy if they were successful agriculturalists.

The *Aborigines Protection Act* 1869 gave the Board for the Protection of Aboriginals wide powers over the domicile, child custody, and work contracts of all Aboriginals, including part Aboriginals. When removal could not be effected by persuasion, the force of the law was invoked, and despite Aboriginal resistance about one-half of Victoria’s Aboriginal population of 1,067 was located on stations by 1877. Such rigid segregation and patronising treatment destroyed dignity and initiative, created resentment and bitterness and together with poor diets caused high mortality. At the same time, many Aboriginals came in to stations seeking the food, shelter, and companionship not to be found in a menacing and often cruel European world.

Disquiet at full blood mortality, increases in the part Aboriginal population, and allegations of mismanagement and over-expenditure brought a Royal Commission in 1877, and in 1882 a Board of Inquiry into Coranderrk station. The expression of ideals of encouraging Aboriginal self-reliance neatly complemented the Board’s anxiety at the increasing “insubordination” of young part Aboriginals on stations. The outcome reflected the confusion of European attitudes and motives — fear of an increasing half-caste “problem”, repugnance of miscegenation, sentimental attachment to the pure Aboriginals as the last of the “noble savages”, and desires to remove part Aboriginals from the

influence of full bloods. In 1886, the Aborigines Protection Act re-defined as non-Aboriginals almost all half-castes below the age of 34.

About half the residents of stations were expelled to find homes and jobs elsewhere; they were expected to merge into the European community and disappear as a social entity. Meanwhile the State would "smooth the dying pillow" of the station Aboriginals. The Board thus crippled the stations by removing the young and able bodied. Families and communities were divided. Marriages between full bloods and part-Aboriginals were forbidden, and determined efforts were made to separate children from their parents by placing the children in European institutions and households. The policy of forced assimilation failed, not only because Europeans remained suspicious and hostile but because Aboriginals retained a pride in their ancestry and a determination to reunify their families and communities. They regrouped in shanty settlements on the fringes of the stations, reserves, and towns. Times were especially hard because expulsion from the stations and the withdrawal of State assistance came as Victoria plunged into a depression.

End of prosperity

By 1889-90, it became apparent in Melbourne that "land boomers" and house builders were operating well in advance of demand; the Victorian economy faltered, and then collapsed as British funds dried up, balance of payments problems emerged, private investment declined, and the Victorian Government cut public works programmes. From mid-1891, a number of land finance institutions failed, and suspension of payments by building societies followed. Falls in wool, wheat, and silver prices tied Victoria to the world-wide recession, a severe drought exacerbated the situation, and in April-May 1893 all but one of the Victorian based trading banks closed their doors. Building and construction, and engineering were particularly hard hit; unemployment increased from 10 per cent in mid-1891 to some 30 per cent in 1893. Governments maintained strict economy, and private charity was unable to relieve much of the distress, so there was unprecedented suffering for several years. By 1894, there were more than 20,000 vacant dwellings in Melbourne, deserted by their erstwhile purchasers and vandalised by the unemployed for fuel and saleable fittings. Many men went bush on government funded swamp-draining or scrub-clearing projects, and there was a vast exodus in the late 1890s to the Western Australian goldfields.

Victorian optimism and pride had been dealt a heavy blow by the bank crashes. Severe droughts from the mid-1890s set back the cattle and sheep industries, but the shipment of perishable foodstuffs — butter, fruit, and even meat — was very significant to Victoria's economic recovery. The year 1880 had seen the delivery in England of the first consignment of Australian frozen meat, and 1881 the first shipment of butter; governments provided cool stores and freezing works in the 1890s. From 1887 the Chaffey brothers at Mildura had demonstrated the suitability of the Murray Valley for citrus groves and vineyards. Ninety State funded trusts were watering some 40,000 hectares by 1899, and fruit production became firmly located in the Goulburn and Murray Valleys. Cool storage, canning, and improved transport and shipping boosted the expansion of soft fruit orchards. The Wimmera and Mallee Domestic and Stock Water Supply System was inaugurated during 1901. The wheat industry benefited from the production of new varieties for drier areas, and the reaper and binder, and stripper, were supplemented by the stripper harvester.

Food and clothing were the first manufacturing industries to recover; contracts from the Melbourne and Metropolitan Board of Works, which had begun sewerage the Melbourne metropolitan area, and from mining companies and water supply authorities in Western Australia were central to the revival of the engineering trade; dry farming stimulated superphosphate and agricultural implement production; and by the turn of the century the brick making, quarrying, sawmilling, joinery, and furniture manufacturing industries had largely recovered.

MOVE TOWARDS FEDERATION

Intercolonial business interests had for long disposed some Victorians to think nationally, and the depression of the 1890s increased the keenness of manufacturers to extend their markets beyond Victorian borders. Irked by tariff barriers erected by other colonies in

retaliation against Victorian protectionism, factory owners looked to intercolonial free trade behind a national tariff wall. Hard headed pragmatic calculation conjoined with the nationalist sentiment which had burgeoned in the 1880s now produced the strongest federationist spirit in the Australian colonies. Victorian Governments in the 1880s had campaigned for an assertive British presence in the Pacific to forestall Germany, France, and Russia. Frustrated by the Imperial Government's reluctance to annex New Guinea and all the South Sea islands, Victorians advocated Australian federation as a means of creating a united colonial view on the Pacific and claiming for the colonist an equal voice in the Empire. Victorian Governments above all sought a united colonial response to Chinese immigration in the 1880s, and demonstrated nationalist sentiment by abolishing Separation Day as a public holiday in 1883 and championing 26 January as a national holiday. The patriotic aim was to create "Greater Britain in these southern seas", and the old gold migrants and their children blended fairly easily their Imperial and Australian loyalties.

The driving force behind all this was the Australian Natives' Association (ANA), formed in 1871, and it was the ANA which revitalised the federation movement after the depression. At the Corowa Conference in 1893, Dr John Quick (1852-1932) carried a resolution which provided the *modus operandi* for the drawing up of a federal compact: the next convention should consist of delegates elected by the people and should draft a constitution for direct submission to the people by referendum. Alfred Deakin (1856-1919), who had already dedicated himself to the cause of federation for more than a decade, played a central role in the Conventions of 1897-98. Federation caught the public imagination far more in Victoria than in any other colony, and that enthusiasm was apparent from the overwhelming YES vote at the referendums in 1898 and 1899. Indeed, only in Victoria did the affirmative vote represent a majority of qualified electors. Deakin went to London as Victorian representative for the submission of the Commonwealth Bill to the Imperial Parliament, and after hard negotiations with the British Government, Royal Assent was given in July 1900. The Commonwealth was inaugurated at Sydney on 1 January 1901, and the heir to the throne, the Duke of Cornwall and York, opened the first Federal Parliament in a ceremony at the Exhibition Building, Melbourne, on 9 May 1901.

Effects of Federation on Victoria

It had been agreed, in a last ditch compromise with New South Wales in 1899 that the Federal capital would be in that colony, although at least 160 kilometres from Sydney, and that until a suitable site had been agreed on, the new Parliament would meet in Melbourne. Thus Melbourne became the political centre of Australia for 27 years, and the city's economic revival was assisted by the establishment of the Commonwealth Public Service and the winning of a major share of early Commonwealth contracts. When Sir Edmund Barton, (1849-1920), the first Australian Prime Minister, retired to the High Court in 1903, Deakin became the first of eight Prime Ministers born or educated in Victoria, and the State was to provide a majority of the leaders of the non-Labor parliamentary parties. Indeed Victoria was to prove the great electoral stronghold of the Liberal, Nationalist, and United Australia Parties, as the conservative side of politics called itself in various periods. Prime Ministers, apart from Deakin (1903 to 1904, 1905 to 1908, 1909 to 1910), were Stanley Melbourne Bruce (1883-1967) (1923 to 1929), Robert Gordon Menzies (1894-1978) (1939 to 1941, 1949 to 1966), Harold Edward Holt (1908-1967) (1966 to 1967), John Grey Gorton (1911-) (1968-1971), and John Malcolm Fraser (1930-) (1975 to 1983). A minority of Labor's parliamentary leaders was drawn from Victoria, and these included two Prime Ministers — Joseph Henry Scullin (1876-1953) (1929 to 1931) and John Curtin (1885-1945) (1941 to 1945).

Victorian Liberalism had held the infant Labor Party in check during the 1890s, undercutting Labor's appeal by moving government from the simple provision of large-scale development works — land transport and communications, water, river and harbour improvements, and the like — towards social welfare policies. Factory conditions and the hours worked by women and minors had been regulated in the 1870s and 1880s; exploitation of labour during the depression strengthened the anti-sweating campaign, and created a movement for the definition of a minimum wage, first by instrumentalities and local government, and later by private employers benefiting from the protective tariff. In 1894,

the wages board system was inaugurated, with worker and business representatives meeting on an industry by industry basis to fix minimum wages and conditions, and thus share the benefits of tariff protection with employees. The social contract of capital and labour, a peculiar phenomenon of the Victorian scene for some thirty years, was thus given a new lease of life. In 1901, the Victorian Government introduced a modest non-contributory old age pension scheme. On the other hand, while unemployment fell almost continuously from 1895-96 until 1911, real wages after regaining their pre-depression level by 1901 thereafter were largely static until the outbreak of war in 1914. Restive trade unions, parsimonious government, and the withdrawal of radical Liberals to the federal scene led to sharpened political conflict in Victoria.

Customs and excise had become the exclusive province of the Commonwealth, so that Victoria lost its major source of revenue, retained most of the service areas requiring heavy expenditure, and, despite reimbursement by the Commonwealth, looked increasingly to income tax and probate and stamp duties. There was a resurgence of conservatism under Premier W.H. (later Sir William) Irvine (1858-1943), and his Reform Government was persuaded by the rural based Kyabram Movement to reduce the size of Parliament, cut back the Public Service, and curtail public borrowing. "Iceberg" Irvine froze the wages board system, and in 1903 provoked a strike of engine drivers by ordering railwaymen's unions to disaffiliate from the Trades Hall Council. The Labor Party and the trade union movement, facing a bleak future in the State context, tended to transfer their energies and hopes to the federal scene. The Commonwealth constitution and electoral system were more democratic than their Victorian counterparts (the position of the Legislative Council was strengthened by Irvine, and women were not given the vote in Victoria until 1908), and there seemed a prospect of achieving through a federal government nationally observed and enforced minimum wages and conditions of work.

First decade of Federation

Deakin dominated the federal political scene for most of the first decade. He played a central role in legislation to create an immigration policy, the High Court, a system of Conciliation and Arbitration, an Australian fleet, and provision for universal military training. However, his electoral base, particularly in Victoria, was severely eroded at each general election; the Labor Party was able to identify itself with a growing impatience with Deakin's timid nationalism and constitutional conservatism.

Deakin resisted attempts to extend federal conciliation and arbitration legislation to include State employees, such as Victoria's railwaymen. However, he was prepared to make tariff protection of industry conditional on the payment of "fair and reasonable" wages. The "New Protection" imposed excise duties on goods manufactured by protected industries; these duties would be remitted if the Court of Conciliation and Arbitration found that an applicant paid "fair and reasonable" wages. H.V. McKay (1865-1926), a small farmer's son who had invented and perfected in the 1880s and 1890s a combine harvester, and established in Victoria by the early 1900s the largest agricultural implement works in the southern hemisphere, applied for a declaration that he paid "fair and reasonable" wages. The judgement of Mr Justice Henry Bournes Higgins (1851-1929), which went against McKay, declared 70 cents per day for an unskilled male adult worker to be "appropriate to the needs of the average employee regarded as a human being living in a civilised community". McKay contested the decision in the High Court, where the excise legislation was declared unconstitutional. Deakin's "New Protection" policy lay in ruins, but Australia had its first definition of a basic wage. Deakin opposed any change to the Constitution, and merged the remnant of the Protectionists with the Free Traders in the Fusion of 1909. The widespread conviction that he had abandoned liberal principles and policies led to a landslide victory for Labor in 1910; Andrew Fisher led the Commonwealth's first elected majority Labor government from 1910 to 1913.

FIRST WORLD WAR

Australia was preparing for another election as European events moved the world inexorably towards war in July-August 1914. Speaking at Colac, Opposition Leader Andrew Fisher declared "Australians will stand beside our own to help defend her to our last man

and our last shilling". On 4 August Germany invaded Belgium, and when Britain declared war on Germany, Australia was automatically at war. The first British shot of the war was fired from Fort Nepean across the bows of the German steamship *Pfalz* as it made to pass through the Heads on 5 August. The captain turned his ship to Portsea where he, his ship, and its crew were placed under arrest.

At the Gaiety Theatre, Melbourne, on 15 August, vocalist W.W. ("Skipper") Francis caught the rush of Imperial patriotism when he presented a song which became the most popular among soldiers and civilians during the war. The audience made the rafters ring with the chorus of "Australia will be there."

The National Anthem was sung with fervour at public meetings, and Victorian men flocked in their thousands to the recruiting depots. On 25 September, under lowering skies and watched by a vast crowd, the first Victorian contingent — some 5,000 men — marched with fixed bayonets through Melbourne and past Parliament House where the Governor-General took the salute. In mid-October, with the men singing "Goodbye, Melbourne Town", the troopships steamed down Port Phillip to cross the Bight and rendezvous at King George's Sound. It was not until the end of April 1915 that civilians learned the destination of "their boys"; they thrilled to the glowing press accounts of the "Baptism of Fire" experienced on the Gallipoli Peninsula on 25 April, as part of an Allied offensive against the Dardanelles. The terrible cost of war was made apparent when the first casualty lists became available on the weekend of 1-2 May, and were published in the Monday papers. Australia, the Anzac legend was to proclaim, became a nation at Gallipoli, and the word "digger" became a byword for gallantry and self-sacrifice.

This unanimity and enthusiasm did not last. Victoria contributed 112,399 men to the Australian Imperial Force (AIF), but the carnage at Gallipoli and on the western front meant that naive fervour no longer motivated recruits after 1915. As the war that was expected to end within weeks stretched into years, and Imperial patriots contemplated conscription to boost flagging recruitment, William Morris Hughes, who had succeeded Fisher as Prime Minister in October 1915, came to regard victory as the paramount concern. His abandonment of Labor's domestic programme, especially of price controls at a time of pegged wages and soaring living expenses, soured his relations with the Labor movement, especially the trade unions. When he arrived in Melbourne in August 1916 from a trip to Britain he found the country divided over conscription and, by implication, the war. The powerful Australian Natives' Association had mounted a strong campaign for compulsion throughout the State, and had taken the question into the streets and factories of working class Melbourne. On the other hand, the Melbourne Trades Hall Council organised a special interstate congress of unions representing 97 unions, and nearly one-half the unionists in Australia declared by an overwhelming vote in May its loathing of conscription. The Easter uprising in Dublin had thrown the Catholic community into turmoil and forced a reassessment of loyalties. Hughes announced a plebiscite for 28 October, and the campaigns which followed split families, local communities, and the nation. The overall vote went narrowly against conscription, although marginally in its favour in Victoria, and the effect was to draw battle lines on the home front between those who saw Australian and British interests as inseparable and those willing to define separate Australian interests and give them priority. Anti-conscription feeling precipitated splits in the federal and most of the State Labor parties, including Victoria, and only one of Victoria's seventeen Labor parliamentarians followed Hughes when he walked out of the Caucus on 14 November. Hughes' supporters and the Opposition merged to form the Nationalist Party, governing on a "win-the-war" platform.

Worse was to come in 1917 when Hughes opened his second campaign for conscription, at Bendigo in the safe electorate to which he had transferred from Sydney. Dr Mannix, (1864-1963) Roman Catholic Archbishop of Melbourne, became Australia's most prominent anti-conscriptionist. The Mannix-Hughes duel was dramatic, with Hughes seemingly coming off second best. The Archbishop's argument that Australia was doing her fair share in the war, let alone his less temperate remarks, drove Melbourne's Protestant and business establishment to fury. Victoria swung against conscription, and the nation voted NO again. The conscription issue in Australia — and Victoria at both plebiscites was the most closely divided of the States — left a legacy of class bitterness, sectarian animosity, and political

venom which poisoned society for a generation. Appropriating to themselves the mantle of patriotism and loyalty by their very name, the Nationalists encouraged the process by which Labor moved left and became identified as a sectional and Catholic party.

Effects of First World War: The 1920s

When the First World War ended in 1918 there was little prospect of the return to normality that many Australians desired. Anzac Day, commemorated by returned soldiers during the war and kept as a public holiday on 25 April from 1926, became the occasion for a patriotic demonstration. By the late 1920s some 25,000 ex-servicemen marched each year in Melbourne, and the city had become the national headquarters of the Returned Sailors', Soldiers' and Airmen's Imperial League of Australia (known as the Returned Services League or RSL from 1965). The Victorian born Gallipoli veteran Gilbert (later Sir Gilbert) Dyett (1891-1964) became its longest serving President, 1919 to 1946, and the League had for almost the whole period to 1934 more members in Victoria than in any other State. Although there was general support for the League's campaign for veteran welfare, its political conservatism and policy of soldier preference in employment tended to place it at loggerheads with the trade union movement.

The surface euphoria of life in Victoria in the early 1920s disguised quite serious political tension, class conflict, and sectarian animosity. When the "good times" began to evaporate from 1926-27, deep seated social ills were exposed. Ugly scenes on the waterfront and in the timber industry demonstrated determined resistance to what the Labor movement saw as calculated attacks on working class living standards. Large sections of the labour force had had their loyalty impugned in the conscription rows, had suffered severely during the war, and shared only marginally in the prosperity of the post-war years.

The fragility of the post-war social fabric was revealed in solid and respectable Melbourne in November 1923 when the police went on strike. Victoria's police force had been simmering with discontent for years: there was no pension scheme, and wages, leave entitlements, promotion and disciplinary systems, and working conditions were markedly inferior to those in most other States. Above all, the institution of plain clothes special supervisors — the police called them "spooks" — to keep men on the beat under surveillance and report any inefficiency or improper conduct was deeply resented as doubting constables' professionalism. On the eve of Gala Week — the highlight of Melbourne's racing calendar — a group of constables at Russell Street police station refused duty until the "spooks" had been withdrawn. Events moved rapidly over the next 48 hours: more than three-quarters of the metropolitan constabulary went on strike, and Premier H.S.W. (later Sir Harry) Lawson (1875-1952) sacked the offenders with a declaration that "this is mutiny".

A weekend of mob violence in the City of Melbourne began with sections of the public and strikers abusing and threatening "loyalist" police. Riots broke out on Friday evening, "two-up" schools flourished openly, and at the Town Hall "special constables" sworn in from volunteers had to use batons and fire hoses to repulse an attack by a mob. The criminal element, swollen in Cup week, emerged to intimidate, assault, and rob peaceable citizens. By Cup Day, order had been restored by 5,000 special constables organised under Sir John Monash (1865-1931). The wave of support for the Government's conduct betrayed a shocked realisation of the thin line between order and chaos and a widespread fear of anarchy. The strikers were never reinstated.

The outstanding political figure of the 1920s was Victoria's Stanley Melbourne Bruce, Prime Minister from 1923 to 1929, and later Viscount Bruce of Melbourne. His vision of an Empire strengthened by an internal circulation of migrants, capital, and produce struck a responsive chord in his home State, for Bruce's policies — closer settlement of the land, protection of manufacturing and agriculture, organised marketing of primary produce, State assisted migration, and development projects on a grand scale, planned, promoted, and financed by government — already had a secure place in Victoria.

CLOSER LAND SETTLEMENT

The collapse of the Melbourne boom and the end of the 1880s, the depression of the 1890s, and the loss of population by emigration to other colonies had led to a resurgence

of the ideal of Victoria as the small farmer's idyll. Partly based upon a sentimental and nostalgic attachment to "natural" rural values as against the "artificiality" of city life, and partly upon an attempt to arrest Victoria's loss of population, the ambitious attempts to promote closer settlement were to prove immensely costly and inefficient.

It should be noted here that Aborigines in Victoria did not share in this generosity. Not only were their requests for land ignored, but by 1902 more than half of that in reserves had been returned to the Crown, and most supply depots were closed. The Board for the Protection of Aborigines, observing a steady decline in the number of its wards and confidently predicting that Aborigines would be extinct within twenty years, began to close the stations and group the survivors at Lake Tyers in east Gippsland. This site had originally been chosen because it was thought that such poor land would not attract European interest. The Board completed the transfer in 1926, withdrawing rations and using police powers where necessary to enforce its will. Although the 1910 Aborigines Act, reflecting a recognition that the policies pursued since 1886 had been inhumane, permitted the giving of assistance to part-Aborigines, the Board chose from 1926 to exclude them. Despite this treatment, the Aboriginal community in Victoria continued to recover and strengthen.

Between 1904 and 1938 Closer and Soldier Settlement cost \$140m, involving an unrecovered debt of \$62.8m (\$19.4m from closer settlement, and \$43.4m from discharged soldier settlement), most of which had still not been met at the outbreak of war in 1939. By 1909, almost \$2.8m had been spent on the compulsory acquisition of estates, their subdivision and reallocation among small farmers, and advances of capital. The Murray Government attempted to accelerate the rate of settlement by increasing the maximum value of allotments, the upward limit of assistance, and the period for repayment of advances and the principal. By late 1914, more than 200,000 hectares had been acquired, arrears totalled \$438,000, and only 2,579 lessees were settled. Governments persisted with closer settlement, despite a Royal Commission in 1914 which criticised the unsuitable nature of much of the land purchased, the allotment of areas too small to provide a living, and the inadequate means of would-be farmers. These strictures applied especially to dry farming areas, but even in irrigated areas the success of closer settlement was limited.

The atmosphere of the early post-war years was not conducive to rational rural planning. The immense debt of gratitude Victorians felt for their returned soldiers made them anxious to gratify those who wished to settle on the land. After 1917, the placement of discharged soldiers on agricultural holdings was given precedence under a succession of Discharged Soldiers' Settlement Acts. From the beginning this often well intentioned but short sighted scheme bore the seed of an immense human tragedy. The offer of parcels of land, advances of \$1,000 for improvements, low interest rates, and deferred payment of instalments, rent, and interest for three years proved overwhelmingly attractive to men whose lives had been shattered by the war, and who had dreamt of a stake in the country they had defended. C.J. Dennis (1876-1938), the popular versifier and "laureate of the larrikin", caught the impulse well in *Digger Smith* (1918), in which a former Collingwood larrikin appeared as the archetypal repatriated soldier anxious to make a fresh start.

Of the 75,000 or so soldiers who returned to Victoria, more than 21,000 applied, and under the influence of intense public excitement and enthusiasm for "our boys", 16,633 were approved by qualification committees. Between 1917 and 1932, some 920,000 hectares were acquired for soldier settlers at a cost approaching \$28m.

Most of the mistakes of the earlier years were now repeated under soldier settlement. Of 11,410 returned soldiers assisted up to 1932, only a small minority managed by then to repay their debts in full, some 628 had transferred or surrendered their leases, 4,583 leases had been cancelled, and a large number of the remaining settlers were in dire straits. Saddled from the outset with immense debts for land and advances, placed on blocks uneconomic in size, unable to raise capital to enlarge their farms, and frequently lacking the requisite skills, Victoria's soldier settlers from the mid-1920s faced serious declines in the value of their produce. Governments, reluctant to face facts, made further concessions, capitalising the arrears and extending the period for repayment of purchase money and advances. The State — and the Commonwealth as a partner in the venture — accumulated immense debts in terms of unpaid advances and interest.

Victoria was also an enthusiastic partner with the Commonwealth in a scheme of land settlement for British migrants. Empire Settlement Conferences had enthused about the virtues of a redistribution of the United Kingdom's population throughout the Empire — a transfusion of British blood from the heart to the extremities — in a co-operative venture jointly financed by Great Britain and the Dominions. In Australia's case the Commonwealth would dispense loan money, subsidising every migrant selected for farm settlement, and the States would implement closer settlement schemes. From 1922 Victorian Governments, aiming to attract 2,000 would-be farmers of some capital, boosted the State as "Victoria Unlimited" in the United Kingdom. The result was a failure which reflected poorly on Victorian and Australian reputations: of the 464 migrants placed on the land — mainly middle-class British ex-soldiers of small capital — more than half had vacated their blocks by 1933. These British migrants had received inferior land left over by citizen and soldier settlers and were not given the training and supervision Victoria promised them. Facing ruin they agitated for compensation through their British Overseas Settlers' Associations. The scandal was well aired before the Victorian and Commonwealth Governments agreed to pay compensation. Victoria had lost \$600,000 by writing off settlers' debts; another \$200,000 had to be found for cash compensation.

POLITICAL DEVELOPMENTS IN THE 1920s

The complex political situation in Victoria had not encouraged stable and resolute government; in particular, the emergence of the Country Party holding the balance of power in the Assembly discouraged careful scrutiny of closer and soldier settlement schemes and State funding of services in rural areas. Farmers' and country factions had featured in Parliament since the 1880s, but only during the First World War did rural interests organise electorally on a widespread and concerted basis, to resist moves to increase Melbourne's parliamentary representation and to insist upon grower participation in State funded marketing boards to handle wartime wheat pools. Led by the militant Mallee farmer Percy Stewart (1885-1931), the Victorian Farmers' Union (VFU) of 1916 expanded its support from the marginal wheat lands of the north-west to Gippsland dairy country and Goulburn Valley irrigation areas. The VFU won seats in these regions mainly from the Nationalists, and rapidly circumscribed the electoral prospects of Labor which hoped to establish a rural base but had few firm seats outside Melbourne and the central goldmining towns. By 1920, the VFU had more than 500 branches and 15,000 members; after that year's general election its parliamentary representatives held the balance of power.

Between the end of the war and the 1929 election, Victoria had eight separate ministries, and much of the instability was due to struggles within the Country Party (as the VFU was known from 1927), between those, notably John Allan (1866-1936), prepared to enter composite or coalition ministries with other parties, and others, notably Percy Stewart and Albert (later Sir Albert) Dunstan (1879-1950), who seemed to oppose alliances in favour of support in return for concessions to a Country Party holding the balance of power. Stewart moved into federal politics, and his death in 1931 left the way clear for the astute Albert Dunstan. Born at Cope Cope in the Wimmera, the thirteenth of fourteen children of a farming couple, Dunstan had farmed in Queensland and in the Victorian Mallee, entering Parliament in 1920.

H.S.W. (later Sir Harry) Lawson, the Dunolly born and Castlemaine raised barrister and solicitor, led a Nationalist Ministry with country support between 1918 and 1924. Labor attempted to attract Country Party support by opposing any increase in the number of metropolitan Assembly seats and approving freight rate and rail fare reductions, compulsory wheat pools, and a butter price stabilising scheme, but the Labor Government of George Prendergast (1854-1937) was short lived. Although the Country Party held a mere thirteen of the Assembly's 65 seats, John Allan became Premier in the Country-Nationalist coalition of 1924-1927, and he secured an electoral redistribution which gave a rural-metropolitan voting ratio of 100 to 47. This arrangement lasted until 1944. The Country Party split over the issue of coalitions in 1927, the dissidents formed the Country Progressive Party, and the election that year saw the further fragmentation of the Assembly: the Nationalist seats reached an all time low of 15, Labor a high of 28. However, the first Labor ministry of E.J. Hogan (1883-1964) could satisfy neither democrats' calls for

electoral reform nor country demands for small farmer aid, and a Nationalist ministry shortly took office under Sir William McPherson, a prominent businessman and philanthropist.

GROWTH OF MELBOURNE

The political influence of the Country parties between the wars was anachronistic in so heavily industrialised and urbanised a State as Victoria. In 1921, Melbourne held more than half the State's population (1,531,280), and the capital absorbed some 80 per cent of Victoria's population increase to 1933, giving it the highest concentration (55 per cent) in Australia. Melbourne's population exceeded one million in 1929, experienced a slight decline in the worst years of the Depression, and passed the million mark again in 1934 on the eve of the city's centenary. Her two largest residential suburbs, Caulfield and Camberwell, housed more Victorians than did the State's three major provincial cities — Geelong, Ballarat, and Bendigo.

Melbourne was a major city in world terms, and its growth reflected not merely commercial and logistic domination of the hinterland but the upsurge of the manufacturing sector and the attraction it exerted upon investors, immigrants, and a significant proportion of the State's young rural population. Cheap, fast and efficient public transport — a network of tramlines, and electrified trains by 1923 — encouraged Melbourne's expansion east and south towards the hills and the bay. The exodus from a congested city centre only compounded problems of traffic snarls, inadequate open space, air and water pollution and industrial blight, with which the decentralised system of local government and statutory authorities simply could not cope. The Metropolitan Town Planning Commission produced a comprehensive report in 1929, but the Depression and the Second World War, together with an unpropitious political situation, ensured that there was no concerted planning.

Economic growth in the 1920s

Manufacturing industry was the great generator of urban and domestic prosperity in the 1920s. Between the end of the war and the peak year of 1926-27, more than 2,500 new factories opened in Victoria (an increase approaching 50 per cent) and the factory labour force expanded by almost one-third to an average of 161,639 persons, representing almost one in ten of the Victorian population. The value of manufacturing industry production was nearly three times that of agricultural industry in 1927-28. The stimulation given by the war to textile, chemical, pharmaceutical, rubber, and leather industries was continued by tariff protection, stiff increases encouraging import replacement and stimulating large scale foreign investment (for example, in textiles and chemicals), especially in the form of Australian subsidiaries of British companies. Victoria's low income tax was an incentive to business, and the State developed the Yallourn brown coal deposits to provide reliable and cheap power.

The New South Wales coalfields on which Victoria depended were plagued by industrial unrest and stoppages. The State Coal Mine at Wonthaggi from 1909 supplied some of the railways' needs. From 1917, expert committees had addressed themselves to the technical problems of brown coal mining and the production of electricity. In 1920, Sir John Monash, the distinguished Melbourne born civil engineer who had risen during the war to the command of the Australian Army Corps in France, was appointed general manager of the State Electricity Commission (SEC). The first power flowed to Melbourne in 1924, at the end of which year Yallourn had a capacity for 50,000 kW, and Newport station had already been constructed to supplement the city's requirements. The generation of power in factories changed dramatically: in 1930-31 electricity displaced steam as the principal motive power, and in 1938-39 just over three-quarters of the total rated horsepower was provided by motors driven by purchased electricity. Domestic consumption rose steadily, even in the worst years of the Depression, alerting the SEC to the attractive nature of electric power in the home. The Commission intensified its promotion of electrical home appliances. The average domestic consumption exceeded 500 kWh for the first time in 1936-37; in 1981 the average consumption was 5,500 kWh, an eleven-fold increase.

The establishment of the first motor vehicle assembly plant by a large-scale manufacturer — Ford Motor Company of Australia, at Geelong in 1925 — epitomised industrial

development in the 1920s, illustrating, as it did, the very considerable increase in the production of consumer durables, the trend to mechanisation and mass production, and the impact of foreign investment. Within a year, Ford employed 1,000 workers, and modern production line methods signalled the end of the custom built days of the motor car industry. From 1926 General Motors established assembly plants in all the mainland capitals. Chassis came from England and Canada, and Holden's Motor Body Builders made bodies from imported sheet steel at its South Australian plant, but Australian content — the percentage of Australian labour and material in the factory cost of complete cars manufactured locally — was already high in assembly plant construction and body building. Car assembly fed on industries supplying paints, varnishes and lacquers, fabrics, tyres, spark plugs, and batteries, and the tariff caused the rapid growth of an Australian components industry. In 1937, Australian content approached 50 per cent.

Melbourne was not merely one of Australia's major manufacturing centres; it dominated the financing, direction, and control of metallurgical and other basic industries throughout the continent, a position which was strengthened in the 1920s, barely touched by the Depression, and confirmed by the war. Broken Hill Proprietary Co. Ltd (BHP), established in 1885 with its headquarters in Melbourne, was in the process of moving from silver-lead mining to steelmaking on the outbreak of the First World War which was to make the company's iron and steel central to the Australian construction industry. Essington Lewis (1881-1961), the managing director, was the key figure in BHP's expansion. He divided his time between four States, but lived in Melbourne, where BHP had its headquarters, hundreds of kilometres from its mines and plants.

The other powerful Melbourne financial group centred on William Lawrence ("W.L.") Baillieu (1859-1936) and his associates. "W.L.", who had lost almost everything in the crash of the 1890s, moved into dealing in shares and mining property, and the mining of gold in Victoria, gold and copper in Queensland, and silver and lead at Broken Hill in New South Wales. Early in the 1900s, when BHP was downgrading its role at the Hill, "W.L." and his partners revived companies holding outlying leases, and financed a successful attempt to recover zinc from the vast tailings by the flotation process.

War accelerated the movement of this loose group of entrepreneurs into base metal refining, replacing German interests which had been the chief buyers of Australian lead and zinc concentrates and copper. Baillieu and Colin (later Sir Colin) Fraser (1875-1944), the geologist, mining engineer, and company director, presided over these companies. The zinc producing companies formed the co-operative Zinc Producers' Association, and Baillieu pledged the family fortune to float a \$2m loan in 1920 to support the Electrolytic Zinc Company of Australia. Again the various Broken Hill companies stood behind this gigantic venture. Herbert (later Sir Herbert) Gepp (1877-1954), the chemist who had assisted in establishing the viability of the flotation process, became general manager. The plant at Risdon, Tasmania, produced the first commercial zinc ingots in 1921, using hydro-electric power.

Known as the Collins House group after the Melbourne building it occupied from 1910, these entrepreneurs were established internationally by the 1920s. The foundation of their wealth was the Broken Hill lode. Broken Hill Associated Smelters acquired BHP's share in 1926, and progressively between the wars rival companies at Broken Hill closed or sold out, leaving Collins House in complete control by 1939. The group also entered paper making, as Associated Pulp and Paper Mills (APPM), which commenced production at Burnie, Tasmania in 1938. APPM, chaired by the politician, company director, and business associate of W.L. Baillieu, Walter (later Sir Walter) Massy-Greene (1874-1952), had its own forests, processed its own pulpwood, and pioneered the commercial use of eucalypt pulps in the production of fine writing and printing papers.

THE DEPRESSION

The power of Melbourne based finance and business expertise was thus paramount between the wars. However, by the late 1920s Australia's economic prosperity was faltering. After 1926-27, Victorian factory employment began its first sustained fall since the war, and international prices for agricultural produce were declining at an alarming rate. Vast borrowing to finance migration, closer settlement, manufacturing advance, and improvements in suburban and rural living conditions, had created a massive debt, with the interest

to be covered largely by earnings from exports or serviced by additional loans. Yet wage fixation and the regulation of industrial relations, rather than the condition of the economy, dominated the 1929 House of Representatives election. Bruce's intention of abolishing the Commonwealth Arbitration Court led to a massive gain for Labor, which won a most decisive federal victory. The Australian Labor Party (ALP) won 46 of the 75 seats, and for the only time an Australian Prime Minister lost his seat. James Henry Scullin, born near Ballarat, the son of a railway worker, and in turn a grocer and newspaper editor, became Prime Minister. In Victoria, the Labor and Country Progressive Parties reached agreement on a relief programme for workers and farmers, and combined to defeat the McPherson Government after the November election. The second Hogan Labor Ministry took office, holding 30 seats in an Assembly of 65.

The Scullin and Hogan Labor governments were swiftly overwhelmed by the massive economic and social problems of the Depression. Scullin found that almost one-half of the country's export income was required to meet external interest payments, and prices for wool and wheat were falling dramatically. Some answer to the acute balance of payments situation was sought in another round of tariff increases to discourage imports and a campaign for farmers to "grow more wheat". Anxious to arrest their declining incomes after bad seasons in 1927-28 and 1929-30, Victoria's farmers did just what Premier Hogan urged, sowing an extra 400,000 hectares in 1930-31 (and establishing a record of 1.86 million hectares which still stood at 1980-81). World prices continued their downward trend. Virtual cessation of capital inflow as a result of the London and New York financial crisis hit public works programmes. Throughout Australia from 1927 unemployment increased continuously, from some 7 per cent of trade unionists to a peak of 30 per cent in the second quarter of 1932.

Victorians were gripped by fear in the 1930s — fear of retrenchment and the loss of savings and property, the dependence on the charity of family and benevolent societies, and the descent into poverty. What hurt most was many parents' inability to feed and clothe their children adequately.

For the unemployed there was the demoralisation of the soup kitchen, of the dole initially administered by local ladies' benevolent societies, and dodging the rent collector or explaining to a bank or building society the inability to pay home instalments. At Christmas 1930, in one of his many outstanding charitable gestures, Sidney Myer (1878-1934), the successful merchant who had migrated to Melbourne in 1897, gave Christmas dinner to 12,000 persons, 2,000 more than had been invited. The Commonwealth Government in the winter of 1930 created a uniformed army of the destitute when it issued quantities of surplus military clothing, dyed a dull black. The city shelters for single men were closed, and the Broadmeadows Camp of the First World War opened in their place. This last initiative betrayed government and popular fear of the unemployed; spokesmen for the unemployed, especially communists, inspired distrust, alarm, and hatred.

Orthodox economic thinking in the 1930s, consistent with British financial interests which feared Australian default in respect to her debts and drastic devaluation, looked to balanced budgets, and to retrenchments and wage cuts to achieve them. Sir Otto Niemeyer visited as the representative of the Bank of England, and he trenchantly criticised what he considered Australians' inflated standard of living as a product of heavy borrowing and high protection. The Chairman of the Commonwealth Bank Board, Sir Robert Gibson (1863-1934), was to add his influence to the demand for balanced budgets, a policy endorsed by the "Melbourne Agreement" reached at the Premiers' Conference of August 1930, which authorised expenditure only on public works fully covering interest and sinking fund payments.

Prime Minister Scullin's attendance at the Imperial Conference took him out of the country from 25 August 1930 until 6 January 1931, and his absence affected the government badly. A groundswell trade union reaction opposing wage reductions, advocating increased government spending, and proposing reduction of interest on bonds crystallised about the person of the New South Wales Labor leader, J.T. ("Jack") Lang, who became Premier in October. The Acting Prime Minister, James Fenton (1864-1950), M.H.R. for Maribyrnong (Victoria), and Acting Treasurer, J.A. Lyons (1879-1939), a former schoolteacher and Tasmanian Premier, found themselves at loggerheads with elements in caucus demanding credit expansion and resistance to the claims of bondholders.

Premiers' Plan and aftermath

The Premiers' Conference of February 1931 met in an atmosphere of trade union fury at the reduction of the basic wage by 10 per cent on the instruction of the Arbitration Court, a decision followed by Victoria's wages boards. Premier Lang's proposal for credit expansion, pegging of interest on internal bonds, and a moratorium on interest liabilities to Britain, was defeated, and only the Labor Premiers from Victoria and South Australia supported the Federal Treasurer's plans for modest credit expansion and assistance in the form of funds for public works for the unemployed and wheat bounties and financial relief for farmers. In the event the hostile Senate rejected Labor's Bills, and defections to the right and left deprived the Scullin Government of its majority. Sir Robert Gibson refused a request for credit expansion.

The end of the Scullin Government was imminent. Lyons and Fenton, advocates of orthodox finance, supported an Opposition "no confidence" motion, and thus placed themselves outside the Labor Party. May 1931 saw the formation of the United Australia Party (UAP) by the Nationalist Party and Lyons' followers; J.G. (later Sir John) Latham (1877-1964) stood aside as Opposition leader in favour of Lyons. As well as a reinforced and reinvigorated Opposition, the Scullin Government faced condemnation from every mainland State Labor executive. The Premiers' Conference of May-June 1931 adopted the Premiers' Plan, embodying reductions of government expenditure by 20 per cent, including wages and salaries and most war, invalid, and old age pensions. In November, the Lang Labor group supported an Opposition "no confidence" motion, and the Governor-General, Sir Isaac Isaacs, agreed to Scullin's request for a double dissolution. The Government was decimated at the election on 19 December. "Joe" Lyons' UAP had a majority in its own right — achieved on only three occasions by single parties in earlier federal elections. He was Prime Minister for more than seven years, at that time the second longest period of office in Federal history, and was succeeded on his death in 1939 by Robert (later Sir Robert) Gordon Menzies (1894-1978) in his first period as Prime Minister (1939-1941).

In Victoria and New South Wales political events were moving to a crisis. The Victorian Parliamentary Labor Party, in a minority in both Houses, and against a background of rising unemployment, inadequate relief, and an increasing incidence of eviction, was assailed by the UAP Opposition and the extra-parliamentary Labor party and the trade union movement. The Hogan Ministry's Bill to raise funds for unemployment relief was rejected by the Legislative Council, and the Government was forced to reduce the taxation on high incomes and impose taxes on those incomes as low as \$2 per week. Only married men qualified for sustenance payments. Single men might obtain free meals and a bed at government-subsidised shelters, if there was room; homeless single women had to apply to the Charity Organisation Society until a Women's Labor Bureau was established to provide two days' work a week at 75c a day; eventually local Ladies' Benevolent Societies were subsidised to supply one day's work a week for single women living with their families or relations.

Inadequacy of relief measures, the Government's failure to stop the Railway Commissioners retrenching employees, and police handling of demonstrations by the unemployed led to bitter criticism of the Hogan Ministry by the ALP Conference and the Trades Hall Council. Premier Hogan sided publicly with Lyons' "sound finance" men in the Federal Cabinet, but nevertheless he was prepared to increase unemployment relief taxes. When the Opposition insisted on a clause making work for sustenance compulsory, the ALP Conference and the Trades Hall Council called on Premier Hogan to repeal the Act or resign. The Ministry did not gazette the necessary regulations to implement the legislation.

The Lyons Government and the Victorian UAP Opposition pressured Hogan to observe strictly the Premiers' Plan of 1931; broadly speaking, the Labor movement regarded the Plan as a betrayal of the working class, and expected Hogan to repudiate it at the 1932 Premiers' Conference. In New South Wales, Premier Lang's contempt for the Plan and his policy of defaulting on overseas interest payments were polarising society. When he arrived in Melbourne in April 1932, and made a slanging attack on Melbourne financial interests, he was received in some Labor circles as something of a hero. On the other hand, Sir Stanley Argyle (1867-1940), UAP Opposition leader, declared that Victoria's public honour would be besmirched if the Premiers' Plan were not faithfully observed.

The fear of the Unemployed Workers' Movement brought attacks on the unemployed, one march being broken up by baton-wielding and mounted police, some of them drawing revolvers. New South Wales' secret, right-wing armies, notably the New Guard, had their counterparts in Victoria, but they kept a low profile. From the special constables sworn in to break the Melbourne police strike there had arisen the White Guard, organised on a permanent basis by the soldier and businessman Sir Cyril Brudenell-White (1876-1940). In 1930, the remnants formed themselves into a League of National Security, ready to employ its 30,000 members (early 1931) in any emergency to protect, as they saw it, law and order, life, and property.

In Victoria the resolution of political conflict had none of the drama of that in New South Wales. When Parliament met in April 1932, Premier Hogan was overseas. Acting Premier T. Tunnecliffe (1869-1948) refused to give an assurance that the Government would adhere to the Premiers' Plan, and the recently reunited Country Party voted with the Opposition to defeat the Ministry. The day before the election, the Governor of New South Wales, Sir Philip Game, dismissed Premier Lang from office when his Government attempted to block a Commonwealth Government move to seize State revenues to cover Lang's defaults. Labor in Victoria was annihilated, Premier Hogan resigned by cable, and Sir Stanley Argyle, interpreting the result as a mandate to implement the Premiers' Plan, took office. Labor expelled Hogan and four other parliamentarians, and the ALP Conference of 1933, endorsing the expulsions, directed that no leader of the State Parliamentary Labor Party was ever to form a government unless he commanded a majority in the Assembly. This directive was to be observed for more than ten years.

Argyle Government and effects of the Depression

The Argyle Government implemented between 1932 and 1935 policies of taxation and wage reduction and economies in expenditure. Opposed to expansive programmes of public works to absorb the unemployed, the Premier boasted his continuing adherence to the Premiers' Plan, and at the 1934 Loan Council meeting he said that most of Victoria's share would be spent on reducing the deficit, and only a quarter on unemployment relief. The Unemployment Relief Administration Act was described by the Minister, W.S. (later Sir Wilfred) Kent Hughes (1895-1970), as part of a plan to co-ordinate all social welfare services by creating a ten member Employment Council of Victoria, and a complete code for dealing with relief works, sustenance payments, ration scales and offences against the code. Lax administration, indiscriminate giving and the mixing of the "dissolute" with the "decent" poor were said to lead to the "demoralisation" of the recipients of relief.

From 1932, the Government set about making work for sustenance compulsory. Forced on the Hogan Government late in 1931, but opposed by the trade union movement, work for sustenance was gazetted by the Argyle Government and administered through local councils. All able bodied unemployed men had to earn unemployment relief by working on government provided projects; any who refused could be struck out. Unemployed groups opposed work for sustenance, initially because payment was below basic wage rates until August 1932, and Labor Councils boycotted the scheme. The Government armed itself with powers to call men up for sustenance work, and the inauguration of a programme of big city works in 1933 using the unemployed from inner suburbs brought on a large dole strike. Men refused the call-up until the sustenance rate was increased by 50 per cent, for dole payments were very low. The unemployed had been campaigning for two days' work for single men at basic wage rates, and three days for married men, increasing to six, depending on the number of children; agitation for classification of sustenance work as relief work with award rates and more employment led to another strike in 1935.

Despite the poor physical condition of the men, and the frequent hostility between them and their supervisors, many sizeable projects were mounted by State departments and instrumentalities. Those completed in Melbourne under the direction of the Public Works Department included the Yarra Boulevard at Studley Park and Fairfield (1933-1935), roads around Albert Park Lake, and the construction of Linlithgow Avenue and the approaches to the Shrine; in rural Victoria a major project was the Great Ocean Road, west of Geelong.

The threat of dismissal to join the vast army of unemployed virtually extinguished trade union militancy in the 1930s. Among the few employed who resisted wage cuts and

management attempts at speed-ups were sections of meat industry employees and miners at the State Coal Mine, Wonthaggi. This 13,000 strong community responded to the decision to reduce both the labour force and wage rates by 20 per cent in 1932 with a two months' stoppage. In March 1934, the dismissal of several coal wheelers brought work to a halt for four months in opposition to wage reductions, worker retrenchment, and speed-ups. R.G. (later Sir Robert) Menzies, Deputy Premier, Attorney-General, and Minister for Railways, was at first intransigent. Perceiving that the conflict was producing dangerous levels of miner and trade union solidarity and militancy throughout the eastern States, he made concessions.

A significant product of continuing high levels of unemployment was the hostility directed towards women in paid work, amounting to a sustained campaign by certain trade union leaders and politicians to drive women out of the paid labour force and into the home. There were demands for protection from the "threat of cheap female labour" by means of preference in employment for males.

The stereotyping of male and female employment had been institutionalised in Australia by the wage fixing authorities. Minimum and basic wages were to provide for a man, his wife, and several children, for it was assumed that most males would marry, set up a home, and bring up a family. These assumptions did not take account of the single, the widowed, and the deserted woman, perhaps with dependents, who had no alternative but to seek continuous paid employment. Working women, their needs being judged "temporary" and less essential than those of men, were paid in the main less than half the rates paid to males. Male workers resisted any intrusion of "cheap female labour" into "men's work", and the conviction was widespread that "women were taking men's jobs".

The most spirited and articulate response to this claim would be voiced by the feminist and trade unionist Muriel Heagney (1885-1974). Active in the Clothing and Metal Trades unions, Heagney had been an organiser in August 1930 of "Girls Week", a public fundraising effort designed to heighten general awareness of the plight of girls and women dismissed from their employment. From this emerged the Unemployed Girls' Relief Movement, which functioned in co-operation with Ministers in charge of sustenance under the Hogan Labor Government. Assistance was given to wage earning girls and women from families whose income, though meagre, was not received from sustenance. In co-operation with the Department of Education, from 1931 domestic arts courses were provided for girls leaving school, and many were placed in employment. The Argyle Government put this organisation aside. Unemployed Girls' Relief was renamed the Girls' Employment and Welfare Movement, with control in the hands of a male dominated Advisory Board. The sewing centres were closed, and the number of women eligible for assistance was limited to those from families in receipt of sustenance, and to destitute, homeless girls.

Depression economies also hit the State's education system hard. Salary cuts in 1930 and 1931 and the reduction in promotions had sapped teacher morale. A Board of Inquiry into the Education Department appointed by the Hogan Government in 1931 had questioned the proposition that secondary education should be freely available to all young people, and the Argyle Government hastened to introduce further economies. The *Education Fees Act* 1932 increased fees in high schools, and imposed them in other secondary schools. Although in 1933-34 one-third of the children liable to pay fees were exempted because of their necessitous circumstances, fees discouraged many from further secondary schooling. The demography of the school age population suggested that post-primary numbers would increase throughout the 1930s, but the high school population fell steeply after 1931 and recovered only in 1937. Junior technical schools experienced a steep decline in enrolments between 1928 and 1933. The adoption of the principle that the user should pay effectively restricted access to post-primary schooling.

Apart from effecting economies in unemployment relief and education, the Argyle Government took a stern look at the steadily increasing burden on the Treasury of closer settlement schemes. The *Closer Settlement Act* 1932 initiated a bold rationalisation of the farmers' economic position: the Closer Settlement Board was superseded by a five member Commission. Largely independent of Ministerial control, this Commission was to consolidate into one debt the liabilities of each settler — the balance unpaid on account of land and advances and all arrears of interest. The new scheme was designed to eliminate farmers'

dependence on government for operating costs, but it assured a huge eventual loss to the State in written off debts.

Indebted farmers were one of the very few groups for whom the State exhibited much compassion in the 1930s. The adjustment of their parlous position testified as much to the domination of the political process by sectional interests as it did to any popular acknowledgement that the farmers' condition was a product of ignorant, timid, and short-sighted policies. The Depression had deepened class, religious, and sectional animosities. Treatment of the Aborigines, the young, the aged, the sick, women and the unemployed, together with the unequal distribution of wealth and the constitutional and electoral system, meant that the second century of European civilisation in Victoria did not begin propitiously.