

VICTORIA FROM 1935 TO 1939

DUNSTAN GOVERNMENT

Sir Stanley Argyle had the satisfaction of presiding at Victoria's centenary celebrations beginning in October 1934, but his Government fell within weeks of the general election held on 2 March 1935. The United Australia Party (UAP) won 25 seats, the United Country Party (UCP) 20 (the largest number Country parties had ever held), Labor 17, and Independents 3 (including ex-Premier Hogan). Sir Stanley had earned the enmity of Labor for his policies of strict economy and retrenchment, so Thomas Tunnecliffe (Leader of the Opposition) offered the UCP his party's assistance to defeat the Government if the Country Party would deal with rural rehabilitation, abolish the dole, and offer full-time work to the unemployed. The new Country Party leader, Albert (later Sir Albert) Dunstan, accepted the Premier's offer of the Deputy Premiership, which would have made him Acting Premier during Sir Stanley's coming absence overseas. However, the UCP decided to withdraw from the coalition, the three Country Party ministers resigned, and Labor declared its intention of supporting any motion of no confidence in the Government. The Argyle Ministry was defeated on 28 March, and Lord Huntingfield commissioned Dunstan on 2 April.

The Dunstan Ministry was Victoria's — indeed, Australia's — first Country Party government unencumbered by coalition parties. Appearing before his party's annual conference at Ballarat, Dunstan declared that "the Country Party Ministry would not be sectional or narrow in its view. It would show no discrimination and was prepared to give the great City of Melbourne, where 54 per cent of the people of the State lived, the fair consideration to which it was entitled". The new Government's first act was to increase rates of pay for sustenance work, but Dunstan had made it clear to the Labor Party that his undertaking to provide substantially increased employment at award rates was conditional on his obtaining additional funds through the Loan Council. These extra funds were not forthcoming, and the Government could not mount the programme Labor expected. Indeed, Dunstan cut taxes further, and every budget from 1936 reduced the unemployment relief tax. The Labor Party, sensing a rapprochement between the Government and UAP Opposition — which urged more severe tax reductions — and reaction from the Legislative Council (where Country and Labor members remained a minority), maintained its support of Dunstan, who remained Premier from April 1935 until October 1945, apart from one week in September 1943 when John Cain (1887-1957) led a minority Labor Government. Dunstan had Labor support for almost seven and a half years, UAP support for another year, and led a Country Party-UAP government for two years. This period of more than ten years of relatively stable government was the longest Victoria had known since responsible government in 1855, and has been surpassed only by the Liberal Party from 1955 to 1982. Dunstan's record term as Premier has been broken only by that of Sir Henry Bolte from 1955 to 1972.

Under Dunstan, Victorian expenditure on social services, education, and the unemployed was the lowest in the Commonwealth. Minimal concessions were made to widows and their children, but the Government responded with alacrity to the needs of the hard core unemployed, men and women who had been denied training and retraining over a decade. On the other hand, giving clear priority to the recovery of agricultural industry, the

Dunstan Government made direct concessions to primary producers in the form of State relief funds, grants for the destruction of noxious weeds and vermin, and freight concessions on bulk transport by the Victorian Railways. From the late 1920s, improved roads and motor vehicles (and especially the introduction of the semi-trailer) had caused an expansion of private haulage and severe pruning of railway profits. Transport Regulation Board controls on motor vehicles were weakened from 1935, and the Victorian Railways were increasingly left to carry agricultural produce at uneconomic rates. Dunstan prided himself on his tight, balanced budgets — he produced his first surplus in 1937 — but the ever growing railway deficit became a financial “sleeper”. Reacting promptly to the crisis experienced by primary producers in 1938 as a result of the fall in overseas prices and the almost total failure of the wheat harvest, Dunstan found \$600m from Consolidated Revenue for farmer relief. Such spending, and the financial problems of the railways, guaranteed deficit budgets in 1937-38 and 1938-39.

AGRICULTURE

In agricultural affairs, Dunstan's outstanding achievements were in produce handling and marketing and farmer debt adjustment. Wheatgrowers were in the worst plight. Federal and State Governments had virtually abandoned them, and a 1934 survey of indebtedness revealed that the highest debts were among Victorian growers.

The Closer Settlement Commission established in 1932 faced a task of considerable magnitude and delicacy for the areas most affected lay at the heart of UCP support. It was to investigate and settle the affairs of some 10,000 occupiers, representing between one in seven and one in eight of all holdings in Victoria, and more than 10 per cent of the total area sown for crops. A basic task was to deal with those settlers whose positions were not recoverable and, by mid-1936, 1,656 cases had been dealt with, at a cost of \$133,291. The other necessity was to create viable farms by eliminating unsuitable lands, transferring settlers to more suitable areas, and enlarging blocks to make them a living proposition. By mid-1937, 2,361 settlers had been dealt with in these ways, and the Commission estimated that fewer than 2,000 settlers occupied “non-living areas”.

It was in the Mallee that the Commission had acted most decisively and dramatically. Aside from the huge outlay of State funds to develop Mallee farms, over a fifteen year period to 1936-37 seasonal advances (over \$13m) had greatly exceeded repayments (\$6.5m). The position was most acute in the Northern Mallee, the area roughly north of Ouyen, where almost \$8m had been advanced and only \$2.2m repaid. In the five years to 1937 the Commission eliminated 234,221 hectares of unsuitable Mallee land, which involved 773 settlers.

The revaluation and final adjustment, which commenced in July 1936 and was completed in August 1938, the Commission's term of office having been extended for the purpose, was a long and complex business. The leases of 3,805 settlers had been cancelled, surrendered or transferred, and more than 647,000 hectares, comprising 4,811 blocks, had been resumed: more than 200,000 hectares were converted to grazing licences in the Northern Mallee. Another 7,700 hectares were made available as temporary leases, and 33,870 hectares were sold, with the balance of 378,381 hectares going partly to accommodate returned soldiers and mainly to create viable living areas by means of transfers and enlargement of blocks. The Commission believed it had achieved its ideal of a contented rural community of farmers able to rear their families in frugal comfort and meet their commitments regularly, but it warned that its work would only succeed if the minority of inefficient settlers was not allowed to undermine the remainder. Those who, contrary to the spirit of closer settlement, sold their properties, should never again be eligible to take up land with State assistance. Even as the Commission completed its allotted task and admonished government with the lessons of the closer settlement fiasco, many hundreds of settlers who had received the benefit of debt adjustment were again drifting into arrears. Stay orders under the Farm Debts Adjustment Act were being used to prevent forfeitures of leases; farmers facing a bleak future held on desperately in the hope that something would turn up.

Farmers who did not come under closer settlement legislation had to wait longer for assistance. The relief offered up to 1934 by the Commonwealth UAP Government and by State Governments was quite inadequate. Moratoria declared under Farmers' Relief or

Assistance Acts had satisfied neither debtors nor creditors. Stay orders protected farmers' assets, but such suspensions of liabilities relied upon early and rapid improvement in world prices for primary produce. Such an improvement did not eventuate, so a generous plan of debt adjustment suggested by the Commonwealth Royal Commission on the Wheat, Flour, and Bread Industries in 1934 was eagerly accepted. The Commonwealth agreed to make \$24m available over three to four years to assist 30-40,000 of the nation's 260,000 farmers; the States, using existing agencies, would advance the relief as grants or loans. Cash would permit farmers to settle with their creditors, and reduce their liabilities.

The Commonwealth Government legislated in April 1935 — the Loan (Farmers' Debt Adjustment) Act — and the Dunstan Government followed promptly. Dunstan chose grants and, in addition to providing cash payments to creditors which acted as a strong inducement to agreement, his legislation included compulsory clauses to speed the whole process. Although poor administration meant that by the end of 1939 less than half the promised assistance had been distributed to the States, Victoria appears to have done quite well: of an expected \$5m more than \$3.6m had been received by the end of the first quarter of 1939. All the same, only 2,152 out of 4,422 applications had been dealt with, and even those assisted were left with substantial debts. The average debt before adjustment was \$10,084, and \$6,812 after adjustment. Droughts and consequent low yields in the northern hemisphere caused international wheat prices to rise, so no bounty or relief was paid for the harvest of 1936-37 and 1937-38. A fall in prices and drought followed; of the \$1m drought relief given by the Commonwealth Government in 1938-39, \$400,000 went to Victoria. It is not surprising that under conditions of erratic prices, variable seasons, and forced rationalisation the area under wheat for grain declined continuously from 1930-31 to 1935-36 and recovered only slowly thereafter.

If the situation of wheat farmers continued parlous through the 1930s, cattlemen and sheepmen, dairy farmers, orchardists, and vinegrowers appear to have enjoyed modest prosperity. Cattle numbers reached a pre-war record in 1935-36 (a record not to be equalled again until 1947-48), although poor seasons brought a downward trend until 1939-40. Milk and butter production records set in 1939-40 stood until 1948-49 and 1954-55, respectively. Sheep numbers and greasy wool production increased continuously from 1934-35, until checked by the drought in 1938-39. Despite the ravages of insect pests upon orchard fruit in 1934-35 and unfavourable seasons from 1934 to 1936 for certain districts producing dried fruits, Victorian fruit production prospered in the five years to 1939. The State accounted for about 70 per cent of Australian canned apricots, peaches, and pears, and new records were set in 1935-36, 1936-37, and 1937-38. In 1939-40, the total area of vineyards approached the previous record of 1923-24, and the production of raisins, sultanas, and currants in 1939-40 was exceeded once during the war and not again until the 1950s.

MANUFACTURING

In Australia as a whole, the resurgence of manufacturing employment from 1931-32 led the general recovery in employment, factory jobs expanding at a greater rate than the increase in the number at work. However, employment in Victorian manufacturing — 126,000 in 1931, when it stood at its lowest level since 1919 — did not regain its pre-depression peak of 161,639 until 1934-35. Between 1934-35 and 1938-39 factory employment increased from 170,000 to over 200,000. Despite the Ottawa Agreement of 1932, which committed Australia to preferential treatment of British imports, and tariff modifications in the early 1930s, most industries were still well protected by the "Scullin tariff" of 1930 and the 1931 devaluation of the Australian pound. Consumer demand first registered itself in sectors traditionally strong in Victoria — textiles, clothing, and food and drink — but the recovery became most pronounced in metals and machinery, and in chemicals, explosives and fertilisers, areas revived by the resurgence in mining, metal refining, motor body building and car and truck assembly, and factory and office construction. Central to most of these developments was the expansion and diversification of the iron and steel industry. These developments took place outside Victoria but they were directed from Melbourne.

Essington Lewis, managing director of BHP from 1936 to 1952, ensured his company's control of supply lines, fuel supplies, and of major steel using firms. Further collieries were bought, customers who had been encouraged to establish factories in Newcastle were

absorbed, and in 1935 BHP's only local competitor, Australian Iron and Steel Ltd, was taken over. BHP was able to operate on a scale and with such efficiency as to produce in this period the world's cheapest steel. Guaranteed and cheap local supplies of steel were vital to car and truck assembly, and suppliers of metal parts had been stimulated further by the "Scullin tariff". General Motors-Holden's Ltd (GMH), as the company became known with the absorption in 1931 of the motor body builders, was employing some 5,500 persons around Australia and some 2,000 in supply firms in 1935 when the decision was taken to build a new works at Fishermens Bend, Melbourne, on a 20 hectare site sold to GMH by the Dunstan Government. GMH had built truck bodies and assembled chassis in Melbourne, stimulating in the process Victorian suppliers of felt and fabrics, hardware, screws, nuts and bolts, springs, drop forgings, and extruded non-ferrous mouldings. Now the company planned to centralise at Fishermens Bend the entire Australian administration and parts service and the whole of its utility and truck building operation, and to assemble there all car and truck chassis for Victoria, Tasmania, and South Australia. The Premier turned the first sod on the site on 14 February 1936 and just over seven months later, on 28 September, Prime Minister Lyons opened the plant and saw the first car driven off the assembly line. Other major developments followed. In 1937, International Harvester announced the purchase from the Geelong Harbor Trust of an 18 hectare site with road, rail, and water transport for the erection of plant to manufacture a full range of agricultural machinery; in 1939, ICIANZ unveiled plans for a \$1m plant at Deer Park for the production of synthetic ammonia and nitric acid.

Apart from overseas firms, there were also significant indigenous initiatives in rubber tyre, paper, and aircraft manufacture. Men with a flair for organisation and technical innovation were at the centre of each advance.

Frank (later Sir Frank) Beaufreire (1891-1956) formed the Olympic Tyre and Rubber Company in 1933. The West Footscray plant, Australian designed and equipped to produce tyres and tubes for the retail outlets of the Beaufreire Tyre Service, was operating within seven months, and by mid-1934 had achieved the target production rate of 1,000 tyres a month. The company introduced to Australia carbon toughened motor tubes and seamless tyres incorporating heat resistant cord. Beaufreire was encouraged by War Office officials in London who warmed to his interest in the Australian manufacture of rubber insulated electric cable. Plant was purchased and shipped; late in 1939, a cable division of the company was formed, and production began early in 1940.

Around 1934 the Defence Department attempted to interest GMH in the manufacture of aircraft. L. J. (later Sir Laurence) Hartnett (1898-), the managing director, was keen, but he advised a broader approach to a number of top businessmen, including Essington Lewis of BHP. Lewis visited Japan in 1934 and saw in the rapidly growing steel industry Japan's capabilities for the mass production of armaments and aircraft. He initiated as a matter of urgency at BHP, rationalisation of operations, further purchases of quarries and collieries, stockpiling of raw materials, and increased production. Between 1934 and 1936, Lewis and Harold Darling of BHP, W. S. Robinson of Broken Hill Associated Smelters (BHAS), and Hartnett of GMH formed a syndicate with a view to aircraft manufacture. They sent Wing Commander Lawrence (later Sir Lawrence) Wackett (1896-1982) to investigate overseas production, and he selected a single engine two-seater fighter bomber of the North American Aviation Corporation as the plane most suitable for Australia's initial manufacturing venture. Late in 1936, the Commonwealth Aircraft Corporation was formed, half the capital being subscribed by BHP, BHAS, ICIANZ, and GMH, and with Darling as chairman, Lewis as managing director, and Wackett as manager. Dunstan arranged a 12 hectare site at Fishermens Bend, Wackett secured manufacturing licences, and GMH built the factory in five months. On 27 March 1939, the first Australian built metal aircraft made its test flight from the small airfield beside the Fishermens Bend factory. The "Wirraway" was to play a vital role in the training of factory technicians and pilots.

In the same year, Australian Paper Manufacturers (APM), under the direction of Herbert (later Sir Herbert) Gepp, became the first company in the world to use shortfibred eucalypt pulpwood as a major raw material in paper production. Gepp created a research department at the Fairfield APM plant. Suitable pulpwood sources were located in Western Gippsland forests, and a pilot mill was established at Maryvale, near Morwell. The resultant

breakthrough freed the Australian paper industry from dependence on imported raw material. A full scale pulp mill, completed at Maryvale just a few weeks before the outbreak of war, shortly became Victoria's first integrated wood pulp and paper mill.

Dunstan in 1939 pointed up the factors which had assured Victoria a share of new manufacturing projects in the Commonwealth during the late 1930s: the State's central position for the distribution of goods in the south-eastern crescent of Australia, and the fact that Victoria was the lowest income taxed State of all. In addition, despite the inadequacies of the technical education system and the sad decline of apprenticeship, Melbourne could still offer a labour pool for assembly line production methods, a sophisticated metal trades base crucial to car assembly and aircraft production, and a ready made consumer market. The availability of large industrial sites at or near the centres of Melbourne and Geelong, well served by road, rail, and water transport, was also a factor of moment.

SOCIAL PROBLEMS

Despite the revival in manufacturing industry between 1934 and 1938, there was a continuing serious level of unemployment. At the outbreak of war in 1939, the September quarter figures indicated that 11.2 per cent of trade union members in Victoria were unemployed. The Chief Inspector of Factories and Shops reiterated a common theme from 1933 — a pronounced shortage of skilled workers, notably machinists, in clothing, dressmaking, millinery, knitting and textiles, and also in engineering and its allied trades. On the other hand, there was always an excess of unskilled labour, a phenomenon pointing to a social problem which predated, but had been augmented by, the Depression and advancing technological change in industry — the existence of a pool of virtually unemployable men and women whose skills were obsolete or who had been forced onto the labour market at the earliest possible age.

The number of sustenance registrations stood at 27,468 in 1933, and declined until 1938. But even in the first year of the war, the figure was over 8,000. Rates of pay did improve, but because of the ceiling imposed on the amount of sustenance workers were entitled to draw, and the rationing of available work to spread it around, earnings remained low. Most work was pick and shovel labouring, and the poor state of health of many of the men, and the inexperience of the substantial minority of former clerks, shop assistants, and other white-collar employees, made much of it onerous. Work for sustenance brought only the barest of incomes; the basic allowance for the male worker, payments for dependent children, and permissible extra income (if work could be found) could have covered little more than food. Tens of thousands of Victorians were living in shocking circumstances of poverty and privation. Many thousands of single, deserted, widowed, ill, and pensioned persons were probably hovering at the barest level of subsistence.

By 1935, the criticism of those women fortunate enough to retain paid employment had not abated. Muriel Heagney answered the current propaganda in her provocatively titled book *Are Women Taking Men's Jobs?* She had been a founder that year of the Equal Status Committee of the Victorian Open Door Council, an international body which championed the unqualified right of women to whatever work they could handle, at rates of pay the equivalent to those received by men doing the same work. Heagney's argument that the increasing femininity of the labour force had been exaggerated appears to have been correct. Such increase in the femininity of the labour force as there was from the mid-1920s and into the Depression was the product of the more rapid collapse of fields of employment in which masculinity had traditionally been high — metals and machinery, for instance — rather than traditionally female spheres. Female participation in the factory labour force did not increase overall between the wars, and there was no appreciable movement of women outside their traditional occupations in manufacturing: about 80 per cent of women employed in Victorian factories worked in the clothing and textile trades (70 per cent) and in the preparation of food and drink.

Heagney denied that women were taking men's jobs, but she argued that the artificial demarcation of male and female employment was breaking down, notably in the field of office work, that women were rivals of men for the new positions, and that equal pay for equal work was an inviolable principle. She played a leading role in the creation of the Council of Action for Equal Pay in 1937, which held its first interstate conference in

Melbourne the following year. Little progress was made on the equal pay principle — Dunstan made his opposition known in no uncertain terms — and throughout the 1930s even the matter of the health of female industrial workers excited little interest from government. Feminists were suspicious of medical inspectorates which threatened to stereotype female workers and proscribe and curtail their employment prospects, but Dr Kate Mackay did much valuable work as the female medical inspector of factories and shops from her appointment in 1925. However, as an economy measure in 1933 Dr Mackay was transferred to another department, and she subsequently resigned. Her position was not filled in the 1930s, despite the expansion of the chemical, explosives, and paint industries, and the upsurge in juvenile labour.

From 1941, women would be encouraged to view factory and office work as a national duty; in the 1930s the community would not accept women's right to employment. Whereas the plight of the single female worker and of the woman with dependents excited little concern, the declining birth rate excited moral condemnation and fears for national security. Wage fixing systems enshrining the notion of the worker as a married man with no more than two or three children were seen as penalising large families and retarding population growth. Solutions were sought in systems of child endowment, rather than in any fundamental re-examination of the value of work and the remuneration of men and women.

Reflecting the Dunstan Government's wariness of potentially expensive schemes, the Select Committee on Child Endowment took four years to submit its recommendations. An interim report in 1936 on widows' pensions revealed that Victoria and Queensland were the only States not rendering direct financial assistance to distressed widowed mothers, and that the amounts paid on behalf of widows' children were the lowest by far throughout the Commonwealth and New Zealand. The allowances for children boarded out to their own or to foster mothers were insufficient to provide reasonably decent food, let alone clothing, shelter, and other necessities. Mothers who worked, it was confidently asserted, produced truant and delinquent children because they deprived them of wholesome home guidance. In order to give widows a chance, the Committee recommended widows' pensions of up to \$1 a week for those with dependent children, and average allowances to each child of 90 cents. At the end of 1939, under the *Maintenance (Widowed Mothers) Act* 1937 which had come into force in March 1938, some 900 widows with dependent children were receiving on average the weekly sum of 91 cents.

In 1940, the Select Committee, alarmed by Victoria's low birth rate, declining family size, and an ageing and urbanising population, recommended a graduated scheme of family allowances which might assist in reversing the trends. Whereas the wage fixing system penalised the family breadwinner who had more than two or three children, it was hoped that a system of child endowment would reward those who "did their duty to the community", and encourage those workers outside wages boards and the Arbitration Court, notably the unemployed, certain rural and white-collar workers, professionals, the self employed, and owners of small businesses to increase their families. Although child endowment was the responsibility of the Commonwealth Government, the Committee felt the State should take the initiative, and proposed a modest system of payments, graduated according to family size, for the fourth and subsequent children. The Dunstan Government, however, did not take the initiative, and Victorians received child endowment only when it was introduced by the Commonwealth Government in 1941.

HOUSING

There was one initiative for which the Dunstan Government, moved and guided by social reformers, would be remembered — slum clearance and the provision of housing for the underprivileged. The Christian activist F. Oswald Barnett (1883-1972) formed a study group which throughout the 1930s drew public and parliamentary attention to the acute housing problem in Melbourne's inner suburbs. In July 1935, Barnett conducted the Premier, his Cabinet, and many Labor parliamentarians on a tour of the worst slums; Dunstan was reportedly very moved when he saw the appalling conditions under which a large minority of the urban working class was living. In 1936, the Government appointed a Housing Investigation and Slum Abolition Board to survey housing conditions in the Melbourne metropolitan area and make recommendations within the year. Barnett and his

disciples imbued the investigation with the fervour of their earlier moral crusade for the salvation of Victoria's slum children: their report was a remarkable blend of emotive description and sober statistics, illustrated with graphic photographs of the worst housing circumstances.

Pressure of time obliged the Board to concentrate its attention on sub-standard dwellings within an eight kilometre radius of the GPO, and 7,330 houses were selected on the basis of decrepit external appearance for detailed internal examination and inquiry into rentals, household composition, and earnings. The Board concluded that some 25,000 Melburnians were living in houses or areas which could be designated as "slum conditions" in terms of overcrowding of dwellings or persons, inadequate street and garden space, physical deterioration of premises (structural decay, bad drainage, dampness, poor lighting and ventilation, presence of vermin and rat infestation), and absence of essential cooking, bathing, and laundry facilities. Stress was laid on the association between such conditions and the pronounced incidence of infectious diseases, high infant mortality, and juvenile delinquency. The slum environment was said to affect not only those living in it, but the moral well-being and social stability of the wider community. Slumdom had to be eliminated for the benefit of society in general as well as its victims. The unemployed, the casually employed, the lower paid, unskilled workers, and pensioners, especially those with large families, had been relegated by market forces over which they had no control to the most depressed areas of the city. As such persons could not pay the full economic rental of decent and comfortable housing, and private enterprise was not interested in providing accommodation at less than full economic rental, it followed that the State should intervene, instituting a scheme of slum reclamation, house construction, and differential rentals. The Board recommended the appointment of a commission of experts to initiate action.

On 1 March 1938, the Housing Commission was constituted under the *Housing Act 1937*. The Commission's brief, as set out by the *Slum Reclamation and Housing Act 1938*, included the improvement of existing housing conditions, the determination of minimum standards with which new houses should comply, reclamation of insanitary areas, and the provision of housing for persons of limited means. Priority was given to the development of housing estates to which could be transferred the 4,000 residents of the worst 1,200 dwellings described by the Board of 1936-37, and large families facing acute accommodation problems.

The first estate was established from early 1939 on 22 hectares of sandy waste lands with a beach frontage at Fishermens Bend; 376 single storey semi-detached brick dwellings were planned, with a central shopping area, a community centre, 3.2 hectares of playground, and a road layout designed to minimise through traffic. By the end of the Commission's first full year of operations (1939-40), some 115 hectares were acquired for the erection of 1,925 dwellings in Spotswood, Maribyrnong, West Brunswick, Coburg, and Preston in the western and northern suburbs, in Newtown at Geelong, and in a number of country towns. Housing design was flexible according to family size and sex composition, but essentially tenants were offered cottages set in their own gardens in medium density estates, approximating the suburban home ideal to which most Victorians aspired. Rents were set according to tenants' ability to pay, a sliding scale reflecting income and family size. These policies represented a fine start to the Housing Commission's programme for the elimination of slums and the creation of decent housing conditions for Victoria's underprivileged.

EDUCATION

Year after year through the 1930s administrators bewailed the effects of economies on education: building programmes were at a standstill, renovation and maintenance of schools and residences had been cut to the bare minimum. The accommodation backlog assumed crisis proportions, especially in technical schools, where from 1934-35 enrolments increased, stimulated by the recovery of manufacturing industry and the building trades, and the popularity of "practical" education. By 1935-36, all classes in junior technical schools were filled, and in the senior schools late afternoon in addition to evening classes were provided. The demand increased even though senior technical students paid higher fees than did those undergoing academic and commercial training in other post-primary schools.

In Melbourne in 1936, a meeting of State Ministers of Education asked the Commonwealth Government for \$4m over four years for the development of technical education; the

request was turned down. Attempting to keep abreast of modern industrial practice, the Victorian Education Department's technical division became a mendicant, dependent on the loan of new equipment from private enterprise. Technical education could not supply the industrial demand in areas for which it was even moderately equipped. Industrial surveys undertaken in the Melbourne metropolitan area revealed new and advancing fields in chemical engineering, textiles, ceramics, tanning, and the food trades. Lack of funds prevented adequate expansion to provide the new expertise, but a renewed building programme and equipment grants allowed some headway in the late 1930s. The generosity of Sir William Angliss (1865-1957) made possible the William Angliss Food Trades School, which was completed in 1940.

E. P. Eltham, Chief Inspector of Technical Schools, saw technical training as playing a key role in Victoria's economic recovery. His overseas trip to the United States of America, Britain, and Europe in 1935-36 confirmed his belief that compulsory part-time day and evening continuing education for young workers in industry was superior to voluntary evening training.

Some progress was made by the outbreak of war. The number of apprentices attending day school increased: several State instrumentalities (notably the Victorian Railways and the State Electricity Commission) and a few private employers not only released employees for more than the statutory period but paid their tuition fees. Eltham's ambition to extend this scheme to all young workers in industry and commerce up to the age of 18 was a long way from realisation, but in one area, however, he had a signal impact. His support for intensive vocational training for unemployed men who were victims of the Depression resulted in the appointment by the Government of a Youth Employment Committee. The Committee investigated the plight of unemployed youths aged 18 to 25 and by 1938-39 had received applications for training from 8,642 youths. Of the 2,300 recommended for training, 1,875 were catered for by 53 separate classes. It was, perhaps, too little, too late, but at least a proportion of the Depression generation was offered an opportunity to develop aptitudes and skills denied them so long.

These accomplishments were even more striking given the parsimony of the Dunstan Government. Visitors from overseas, and teachers returning from exchange duty, were struck by the failure to provide adequate equipment and reading matter for the schools, and the failure of the Education Department to subsidise funds raised by local effort. The Chief Inspector reported that, at the end of the decade, Victorian schools were the most inadequately equipped in the Anglo-Saxon world.

Fees were abolished or gradually reduced after 1936, but funds for building, equipment, and maintenance remained modest by comparison with needs. Promotion of teachers was resumed and most had their meagre salaries progressively restored, yet recruitment and pay levels remained inadequate. State school salaries were inadequate to attract the best talent to the service, let alone to keep it. Despite falling enrolments in primary schools, classes of 50 to 60 children were common in the Melbourne metropolitan area and larger country towns. Student teacher allowances had been abolished in 1932 and the last recipients graduated in 1935. The handful of scholarships offered was no substitute for a general scheme of student teacher allowances and pay on a professional basis; reforms were not made until after the war. A modest scholarship scheme to recruit technical teachers was introduced in 1938, but the first group of trainees would not be ready until 1942. Government economies had destroyed the secondary training structure, patchwork solutions in the late 1930s were inadequate, and the staffing situation worsened during the war.

Between June 1937 and February 1938 an epidemic of poliomyelitis swept through the schools. Then known as "infantile paralysis" because it struck at children in particular, the epidemic created alarm because of the high mortality rate and the permanent crippling of survivors. The occurrence of fourteen cases in and about two bayside suburban schools led to their closure on 14 July 1937. Affected and nearby schools were instructed not to issue transfer notes, and no schools were to admit pupils without them. Employing class rolls and room sketch plans, teachers assisted health authorities in tracing contacts.

In spite of the precautions, poliomyelitis occurred outside the defined area. Wholesale closure of schools was ruled out, because of the impracticality of isolating well children and the probability that they would as a result be scattered across the State. Yet when the

summer vacation commenced on 21 December 1937, 401 schools were wholly or partially closed. The holidays were prolonged to 15 February 1938, so that teachers transferring from infected areas would have a fortnight isolated from the children. There were fifteen deaths among the 106 adult cases, and 94 deaths among 1,990 affected children. The poliomyelitis epidemic was — and remains — the worst outbreak in Victoria's history.

OUTBREAK OF THE SECOND WORLD WAR

Victoria's second century of European settlement had opened unpropitiously when torrential rains on the eve of the centenary celebrations brought widespread flooding, left thousands homeless in country and city, and took eighteen lives. By the late 1930s, Victoria was in the grip of a severe drought: wool, milk, and butter production fell, and the wheat harvest of 1938-39 was almost a total failure. There was a slump in manufacturing, and unemployment passed 10 per cent. In January 1939, bushfires swept the State, taking 71 lives, devastating scores of rural communities, and consuming over 1,620,000 hectares of forest, pastoral, and agricultural land. The report of Royal Commissioner Judge Leonard Stretton (1893-1967) castigated the public for its apathetic attitude to fire prevention, scathingly indicted the Forests Commission and the Lands Department, and implied serious criticism of the Dunstan Government.

Devastated by floods in 1934 and by fire in 1939, Victoria managed in between a measure of economic recovery from the Depression. In retrospect, governments between the wars took few social initiatives, reflecting the political and economic conservatism of those years. There were few concessions to the less fortunate. Yet a society, socially divided as was Victoria's, responded with alacrity to the call for unity and self sacrifice when war came in 1939.

Australia, from allegiance to Britain, was drawn into the maelstrom as Europe moved towards war. Hitler's Germany had invaded the Rhineland in 1936 and Austria in 1938. The Australian public was indifferent to, or bewildered by, the train of events; the Lyons Government, regarded international communism as a greater evil than fascism; the Labor Parties — Federal and Victorian — were in a state of tension between "left-wing" elements supporting sanctions against fascism and "right-wing" elements emphasising resistance to Russian communism. Labor solved the problems posed by the Italo-Abyssinian war, the Spanish civil war, and Hitler's aggressions in eastern Europe by adhering uneasily to a policy of isolationism. Opinion among the committed hardened: in September 1937 some 4,000 attended the congress of the International Peace Campaign which urged collective security against the dictators. The League for Peace and Democracy held demonstrations against visiting nazis and fascists and in opposition to German aggression. In March 1939 the German army marched into what remained of Czechoslovakia. Anzac Day in Melbourne brought a sombre crowd of 100,000 to watch some 20,000 diggers parade. In May, 5,000 Catholic war veterans marched and 60,000 persons attended a Peace Rally, organised by the Central Catholic Peace Committee at the suggestion of the secretariat of Catholic Action as part of the Pope's crusade for world peace. Resolutions for peace were received by Prime Minister Menzies, Premier Dunstan, and the Lord Mayor, Cr A. W. Coles, to be conveyed to international leaders. Events in Europe swept to a climax: Britain had promised to come to the aid of Poland in the event of German attack, and war became inevitable when Germany invaded Poland on 1 September 1939.

By a chilling coincidence the Prime Minister was in Colac, as Fisher, the Leader of the Opposition, had been in August 1914, when the news broke of imminent war. Mr Menzies declared that "if Europe were again at war Great Britain was at war, and ... if Great Britain were at war, Australia was a belligerent country". Two days later, in a memorable nation wide broadcast, he informed his fellow Australians that as Great Britain had declared war upon Germany, Australia was also at war: "Australia is ready to see it through. May God in his mercy and compassion grant that the world will soon be set free from this agony"

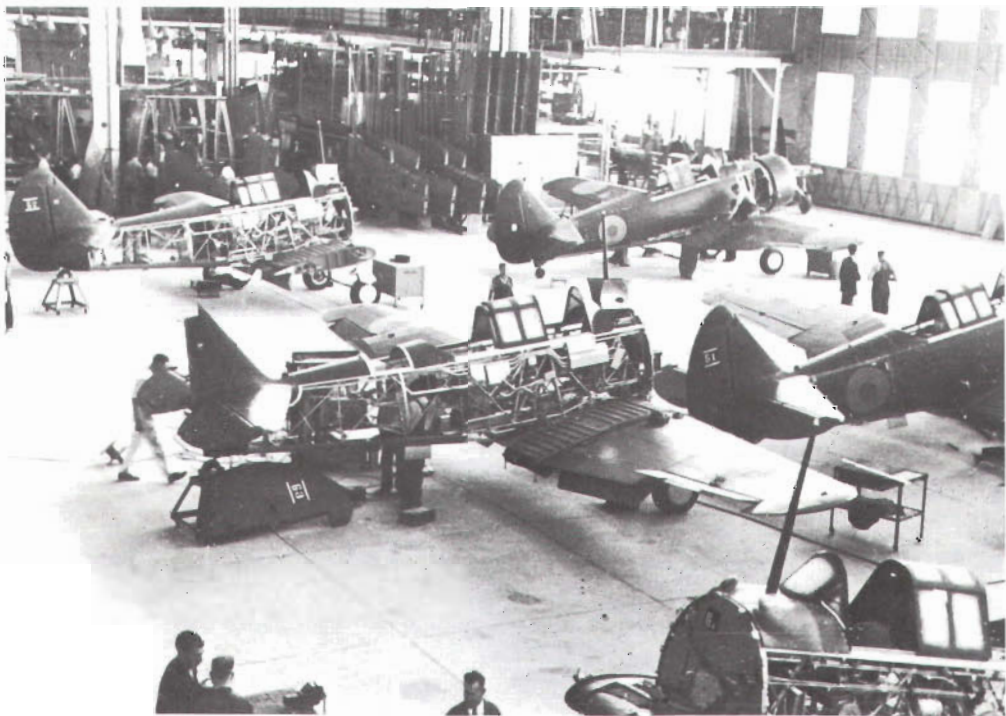


Huge crowds in Collins Street when the Second AIF marched through Melbourne in 1940.

The Herald and Weekly Times Ltd

Wirraway aircraft production during the Second World War at Fishermens Bend.

Australian War Memorial



Children at the Ripponlea State School filling in slit-trenches in an air raid precautions practice.

The Herald and Weekly Times Ltd



Australian Comforts Fund staff in Melbourne preparing parcels for servicemen at the war.

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American servicemen and members of the Women's Auxiliary Australian Air Force (WAAAF) at the Shrine of Remembrance during the Second World War.

Australian War Memorial

