



OFFICE OF THE GOVERNOR
VICTORIA

UNDERSTANDING VICTORIA DISCUSSION SERIES #5

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Acknowledgments

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Distinguished Guests

I begin by acknowledging the Traditional Owners of the lands on which this House stands – the Wurundjeri and Bunurong people of the Eastern Kulin Nation – and pay my respects to their Elders, past and present.

This year, *Understanding Victoria* is delving into key elements of social and political policy in the 20th century.

The first topic for 2025, titled "*A Wage Earners' Welfare State: From the 8 Hour Day to Harvester*", explored the development of significant labour campaigns – in particular, the eight-hour day and 'living' wage.

The impact of the arbitration system combined with the growth of the economy through much of this period was the foundation for the early welfare payment approaches of the early twentieth century.

Today's discussion steps into the ensuing decades, as we examine the factors that shaped the distinguishing features of social welfare policy in Australia in the 1930s to the 1960s.

In addressing the topic – *"To each according to [their] needs ..."*? – we must consider its implicit assumptions:

Who should be the beneficiaries of social welfare? What should they be entitled to? Who should be responsible for its provision, and how?

Inevitably, these questions were influenced by the particular circumstances of this era and the lessons drawn from them.

Before considering the implications, it is worth tracing the origins of social welfare in our nation.

In the early years of the Colony of Victoria, welfare was treated as decidedly residual, and was the domain of private charity and benevolent societies, rather than a responsibility of government.

The exception of early direct state intervention was the 1864 Neglected and Criminal Children Act which, in Victoria, allowed the State to become the guardian of children that were not adequately provided for by their parents.

This was a regime administered by the State – either directly or by proxy through charities – marking the first evidence of public provision of social welfare.

By the end of the 19th century, states had introduced models for people who could not rely on employment, where payments were 'means tested' and drawn from general revenue.

Gradually, the responsibility for such payments shifted from the State to the Commonwealth, commencing with the introduction of federal pensions in 1908, followed by the invalid pension and the maternity allowance in quick succession.

This transition accelerated in the wake of World War I, as the Commonwealth created a parallel system of veterans' welfare support, anchored in the concepts of the 'living wage' and worker's compensation for injury.

When the Commonwealth assumed sole responsibility for income tax in 1942, federal dominance of the payment systems was complete.

Amongst the legislative changes, this period cemented the notion of welfare measures being funded from general revenue, rather than social insurance built on contributions, thereby diverging from approaches in Europe.

In this way, Australia's social welfare had the form of a citizen entitlement, usually means-tested.

From today's standpoint, we can see the development of these 'universal' schemes.

Many measures are means-tested or tied to our progressive income tax system, a significant number are funded from general revenue with our major, almost uniquely widespread superannuation scheme, diverging by requiring contributions.

We might argue that our contemporary social welfare system still reflects elements developed in the middle of the 20th century, we can also claim innovation that has developed since – with universal application or extension of eligibility for welfare payments from the government being the touchstone.

Yet there remain questions about the impact of various exclusions and restrictions on eligibility that were applied, as well as stigmatising assumptions tied to race or the 'worthiness' of those receiving social welfare supports and benefits.

The relationship between the state and 'institutionalised' care, particularly for children, has also remained one of the most challenging areas of social policy.

Still today, the enduring question for our understanding, our policy, our institutions, private and public, and our governments remains how best to ensure “to each according to [their] needs”?

The title of this series, *'Understanding Victoria'*, underscores our aim to interrogate the moments in our history that have significantly influenced the development of our State and nation.

The outcomes we see today are the result of significant eras of reform, as well as the legacies of action and inaction in response to shifts in circumstance.

In better appreciating their causes and consequences, we can consider the aspects that have continued and what we might seek to change or preserve.

I want to extend my gratitude to speakers Professor John Murphy, Professor Philip Mendes and Professor Nell Musgrove for generously sharing their expertise.

And of course, thank you to Jon Faine for facilitating today's discussion.

Thank you.