THE POLITICAL ECONOMY OF POST-WAR IMMIGRATION

BY JOHN COLLINS

One of the special features of imperialism... is the decline in emigration from the imperialist countries and the increase in immigration to these countries from the more backward countries where lower wages are paid.

V. I. Lenin.¹

FROM THE BEGINNINGS OF SETTLEMENT, AUSTRALIAN CAPITALISM HAS BEEN TIED INTRINSICALLY TO COLONIALISM AND IMPERIALISM. THROUGHOUT ITS HISTORY IT HAS FACED FREQUENT LABOUR SHORTAGES AND HAS RELIED ON IMMIGRATION TO REPLENISH THE LABOUR SUPPLY AND BOOST THE POPULATION. IN THE PERIOD SINCE THE SECOND WORLD WAR ALONE, MORE THAN THREE MILLION MIGRANTS HAVE COME TO AUSTRALIA. DESPITE THE PLETHORA OF MATERIAL WRITTEN ON THE TOPIC OF IMMIGRATION FROM A MARXIST PERSPECTIVE, ANALYSING ITS PLACE WITHIN THE FRAMEWORK OF WORLD IMPERIALISM, YET AN UNDERSTANDING OF THIS QUESTION IS FUNDAMENTALLY IMPORTANT FOR THE CLASS STRUGGLE TODAY.

General to such an understanding are the Marxist concepts of the industrial reserve army and the labour aristocracy. Marx viewed the existence of an industrial reserve army as a pre-condition for capital accumulation. The constant recreation and absorption of this army, regulated wages, and, in turn, the rate of profit and of capital accumulation (investment).² In the twentieth century, however, the maintenance of such a reserve army has become more difficult, especially because of the political tensions which arise out of unemployment and economic crises. Capitalist economies have increasingly relied on immigrant labour to perform this function, and at the same time cushion and displace the social tensions to which it gives rise.³

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The term ‘labor aristocracy’ was coined by Engels, and the concept was developed by Lenin to explain the development of opportunism in the working class movement. The growth of trade unionism had not only won higher average levels of wages for the working class, but also created particular groups of privileged workers, whose employers were willing to pay higher wages out of their monopoly profits. Lenin, on seeing and defending their privileged position, this upper stratum of the working class was set off from the impoverished multitude. This split in the working class undermined class consciousness and class solidarity, securing thereby the basis for the domination by opportunistic, non-revolutionary leaders.

In Australia, the two processes, the establishment of an industrial reserve army through immigration and the transformation of the ‘indigenous’ workforce into a labour aristocracy, have been closely linked.

Immigration before World War II

Until the 1820s New South Wales was no more than a remote penal settlement and military outpost for British colonialism. The rapid expansion of the pastoral industry after this date soon created a demand for labour beyond that supplied by the transportation and assignment of convicts. Local authorities accordingly resolved to embark on a larger scale immigration program: emigrants were recruited in Britain by both the government and private agencies for employers. Because the cost of importing this labour was quite large, the Wakefield scheme was adopted, whereby Crown land was sold off at high prices. The revenue from sales was used to finance immigration, while the high prices prevented immigrants from acquiring land quickly or easily, thereby compelling them to seek work from established landowners.

The gold rushes of the 1850s temporarily upset the pastoral equilibrium. While population, trade and capital flowed in new patterns, not all British migrants (from Germany, Poland, China, America, Scandinavia and Hungary) for the first time came to Australia in large numbers.

The period 1860-90 was a time of high employment, labour shortages and rising wages. A renewed call for increases in both assisted and unassisted immigration arose. But the most acute labour shortages were in the country areas, while newly arrived emigrants generally stayed in the cities, where it was not always easy to absorb them. Hence, this did not solve the labour problem, and at the same time it generated strong opposition to the immigration programme. As a result, the immigration schemes were abandoned in the 1890s even while capital formation continued at a high rate.

Per capita and per worker growth rates fell, and real wages stagnated until 1939. Apart from a short period around 1910, unemployment rates remained high, averaging around 6% per cent and standing up in the depression of the 1930s. Correspondingly, immigration levels were very low or negative in the depressions of the 1890s and 1930s, although there was a considerable influx of immigrants in the 1920s.

McQueen has argued that the history of this period of Australian capitalism is, in part, the history of racism and xenophobia. Xenophobia and nativism arose out of Australia’s geographic isolation as the outpost of British colonialism and imperialism, and working class racism had strong roots in the ‘face of an unarmed conquest of Australia by cheap Asian labourers who would destroy the labourers’ prosperity and prospects’.

Asian labour first appeared in Australia in the 1830s, lured to supplement the labour force. With the gold rush of the 1850s, thousands of Chinese emigrated to Australia, such that by the mid-1850s one adult male in five in Victoria was Chinese. However, the use of Chinese as strike breakers, the hostility of the indigenous working class at Chinese labour during periods of recession and unemployment, and the anti-Chinese riots during the gold rush period, resulted in strong racist outbursts by the working class, particularly the radical labour leaders.

Subsequently, Chinese immigration restriction acts were passed in NSW and Victoria, amidst blatant racism from the press at that time. The working class was then subjected to racist propaganda from the press and to own labour leaders, not only against Chinese immigra, but also at Kukaku and Indian labour hired for Queensland’s plantations.

So important was this racist aspect that Hughes, the Labor Party’s leader in 1901, considered that ‘our chief plank is, of course, a White Australia. There is no compromise about that! The industrious coloured brother has to go—and remain away’.

This was the basis for the establishment of the 1901 Restrictive Immigration Bill, the so-called White Australia Policy which ensured the virtual exclusion of non-Europeans from Australia. Initially it was used solely as a means of racial exclusion, but from 1920 the Commonwealth Government accepted the responsibility for overall regulation of migrant flow in accordance with economic conditions. The White Australia Policy remained, with slight alterations, as the basis of Australia’s immigration policy until the election of the Labor government in 1972.

A number of significant points emerge from this brief survey. At the most basic level, Australian capitalism has always shown considerable reliance on imported labour. But importation of labour was fairly expensive—hence the important role of the government in promoting it. As a consequence, Australian workers have sought employment in a labour market which has been relatively protected. Labour shortages persisted over sufficiently long periods in the 19th century to allow the establishment of relatively high wages and living standards. Racism and xenophobia held strong roots among the working class.
Post-war Immigration

The Second World War opened a new phase in the history of Australian capitalisms. Wartime conditions strengthened local exploitation and paved the way for another long boom. Once again immigration played a crucial role. The basic statistical data for this period is presented in Table 1.

In 1964, under the late John Curtin, the Department of Immigration was set up to initiate "... the longest phase in Australian planned migration since the convict settlement." This was largely in response to an awareness of the unreliability of unplanned immigration and natural population growth for sustained capitalisms development. The period of post-war reconstruction and expansion was hindered by grave labour shortages. Not only were the losses, injuries and interruptions of training and careers during the war an important factor, but this period also coincided with the impact of the low birth rates during the depression years. Moreover, the relaxation of wartime restrictions led to strong demand pressures. As a result of insufficient labour supplies:

Australia faced a backlog of about a quarter of a million houses and flats, as well as a shortage of schools and hospitals. Transport services were run down and blackouts covering whole cities were common. Coal and steel production which had risen appreciably during the war years, had declined and steel production in fact dropped by one third. Industries which had been established during the war faced the prospect of closing down. Primary industries found difficulty in obtaining essential supplies. 12

The task of convincing the war-weary and xenophobic working class to accept and support proposals for the mass influx of immigrants fell to Calwell. Stressing the need to strengthen the country against future attack he 'adopted the policy of playing softly on the fears of decent citizens for the future of their children; "we must fill our country or lose it" was his theme. 13 So successful was he that his proposals were supported and accepted by industry, trade unions and virtually all sections of Australian society, especially given his emphatic assurance that 'for every foreign migrant there will be ten people from the United Kingdom.' 14 The arbitrary target figure—to be the unchallenged basis of Australian post-war immigration till the late sixties—was a 2 per cent population growth. Given a natural population increase of 1 per cent at that time, it meant that Australia should aim for annual increases of 1 per cent from immigration.

Calwell’s master plan for ethnic purity failed from the start, for there was insufficient allocation of British shipping to carry the 40,000 British willing to migrate at that time. He turned then to the million displaced persons in western Europe, and after a trial shipment of 12,000 Italian immigrants to test the reaction of 'foreigners', 170,000 displaced persons were brought into Australia within four years. In 1948, the government signed immigration agreements with the German, Dutch, and...
Italian governments under the condition 'that only skilled workers willing to live in camps and be directed to work for two years, would be considered'.

Together with the contracted Baltic refugees, this migrant intake provided an easily directed, mobile reserve army to overtake the bottleneck areas of building and construction, heavy industry, and public utilities. These migrants made up more than 70 per cent of the extra workers needed in the steel industry and over half the workforce on the Snowy Mountains. Non-British immigration was from the eastern backlanders, forked into manual labour, dumped in outback concentration camps and regarded as foreigners and cheap labour. Moreover, because they were working at manual jobs which Australians did not want, the reserve army of immigrant workers was seen as separate from, not part of, the Australian working class.

Not only was immigration important as a source of labour, it was quite important as the basis of a growing domestic market. This was crucial for Australia's industrial expansion, since 'high labour costs and technological backwardness meant that Australian capitalists were not able to turn to an export market for expansion'. By 1953-54, factory production exceeded the output of primary industry for the first time.

The second phase of post-war immigration from 1951 to the recession of 1961, coincided with the expansion and recovery of Europe and the formation of the European Economic Community (EEC). Refugee migration fell off and net migration of southern Europeans (generally Italians, Greeks and Yugoslavs) exceeded net British migration.

Despite the recession of 1961, the immigration targets were not reduced nor were agreements restricted, because of the strong competition of intra-European migration within the EEC. Rather, the previous policy of encouraging only working male immigrants was amended to encourage a greater proportion of dependents in the immigration quota, thus reducing the number seeking jobs.

The period 1961-66 saw immigration targets raised progressively, to a level of 145,000 in 1966. These targets were mostly achieved, but the character of immigration changed. Northern European (German, Dutch) migration fell with the increased prosperity of the EEC, from 26.3 per cent of the net intake in 1951-61 to 0.8 per cent of the intake in 1951-66. U.K. migrants did not increase with the increasing targets. However, these sharp declines were counter-balanced by a rise in the number of southern European workers, particularly Greeks and Yugoslavs, despite the large movements of Greek workers to north-western Europe.

From 1966 to 1971 immigration targets were greatly increased and expanded efforts were made to attract and hold migrants. But with increasing competition for migrant labour from the EEC, it was necessary to ease southern European sponsorship restrictions and to meet with passage costs. Increased in the intake of Greek and Italian migrants, along with migrants from Spain and Portugal, were not enough to

counter-balance the general decline. This induced a 'relaxation' of the immigration restrictions—treating Turks as entirely European, and relaxing the conditions of entry for people such as Lebanese, and those of mixed European and non-European descent. Changes also allowed permanent settlement for highly skilled non-Europeans.

The Employer Nomination Scheme has played an increasingly significant role in immigration recruitment. Over the last decade, more than 30,000 migrants have entered Australia under this scheme, whereby a company approaches the Government with a detailed demand for immigrant labour, specifying the country from which it wants the immigrants to be drawn.

Thus, over the post-war period Australia's immigration targets have fluctuated with domestic economic conditions. The extent to which they were filled was determined in part by the economic conditions of the country, particularly the expansion of the European Economic Community. Further, racial restrictions had to be gradually relaxed to fill intake quotas.

The ethnic structure of Australia's population had undergone substantial change. In 1947, 78 per cent of residents born outside Australia had come from the U.K. or Ireland. By 1966 this had fallen to 44 per cent. This was largely the result of an inability to fill immigration targets with more desirable British and northern Europeans, rather than a conscious policy for a more cosmopolitan society. Nevertheless, by the end of March 1973, immigration had contributed 60 per cent of the population increase since 1945. More important perhaps, migrants had contributed more than 50 per cent of the increase in the workforce since 1947 and enabled Australia to have the highest rate of population growth and growth of the workforce of all OECD countries. However, the contribution and significance of immigration is much clearer when the occupational and industrial distribution of migrants are considered.

Industrial and Occupational Distribution of Immigrant Labour

Although it is difficult to evaluate precisely, the general contribution of migrants to the workforce over the post-war period can be seen from Tables II and III. Immigrant labour has provided a significant and growing proportion of the workforce in almost all Australian industries. It is particularly important for the manufacturing industries generally, accounting for more than 30 per cent of the workforce in these industries, while of much less significance for the primary industries. Migrants contributed only 11.4 per cent of the agricultural workforce, and 13.9 per cent of the forestry and fishing industries in 1966. On the other hand, they provided nearly a quarter of the workforce for the mining industry. Within manufacturing, migrant labour has been crucial. It provided 49.48 per cent of the workforce for the clothing industries,
44.7 per cent in the textile industries, 40.6 per cent in the petroleum products industries and 40.3 per cent in ‘other manufacturing’ industries in 1966.

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>12.3</td>
<td>13.2</td>
<td>11.6</td>
</tr>
<tr>
<td>Forestry and Fishing</td>
<td>14.45</td>
<td>15.5</td>
<td>13.9</td>
</tr>
<tr>
<td>Mining</td>
<td>20.0</td>
<td>24.5</td>
<td>34.6</td>
</tr>
<tr>
<td>Textiles</td>
<td>50.3</td>
<td>38.7</td>
<td>44.3</td>
</tr>
<tr>
<td>Clothing</td>
<td>26.7</td>
<td>43.6</td>
<td>49.5</td>
</tr>
<tr>
<td>Footwear</td>
<td>18.1</td>
<td>18.2</td>
<td>35.3</td>
</tr>
<tr>
<td>Wood, Wood Products and Furniture</td>
<td>17.6</td>
<td>22.7</td>
<td>25.9</td>
</tr>
<tr>
<td>Paper and Paper Products</td>
<td>16.7</td>
<td>31.8</td>
<td>23.9</td>
</tr>
<tr>
<td>Chemicals</td>
<td>22.2</td>
<td>28.2</td>
<td>30.7</td>
</tr>
<tr>
<td>Petroleum Products</td>
<td>34.4</td>
<td>47.7</td>
<td>40.4</td>
</tr>
<tr>
<td>Glass, Clay, Non-Metallic Mineral</td>
<td>29.4</td>
<td>35.5</td>
<td>37.1</td>
</tr>
<tr>
<td>Products</td>
<td>28.8</td>
<td>37.1</td>
<td>40.4</td>
</tr>
<tr>
<td>Coal, Coke and Tar</td>
<td>23.6</td>
<td>32.1</td>
<td>36.3</td>
</tr>
<tr>
<td>Manufactured Metal Products</td>
<td>27.0</td>
<td>34.0</td>
<td>38.1</td>
</tr>
<tr>
<td>Transport Equipment</td>
<td>26.5</td>
<td>34.0</td>
<td>37.8</td>
</tr>
<tr>
<td>Other Machineries and Equipment</td>
<td>21.1</td>
<td>34.0</td>
<td>37.8</td>
</tr>
<tr>
<td>Leather and Leather Goods</td>
<td>28.4</td>
<td>35.3</td>
<td>40.5</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Increase in the Labourforce (1966-56)</th>
<th>Other Sources</th>
<th>Increase in the Labourforce (1962-65)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining</td>
<td>6.2</td>
<td>0.8</td>
<td>2.8</td>
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<tr>
<td>Manufacturing</td>
<td>158.1</td>
<td>70.1</td>
<td>135.5</td>
</tr>
<tr>
<td>Electricity, Gas and Water</td>
<td>9.2</td>
<td>18.4</td>
<td>7.4</td>
</tr>
<tr>
<td>Building and Construction</td>
<td>50.3</td>
<td>39.4</td>
<td>36.5</td>
</tr>
<tr>
<td>Transport and Communication</td>
<td>33.9</td>
<td>8.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Finance and Property</td>
<td>4.1</td>
<td>20.6</td>
<td>8.9</td>
</tr>
<tr>
<td>Commerce</td>
<td>37.3</td>
<td>134.6</td>
<td>47.3</td>
</tr>
<tr>
<td>Public Administration and Defence</td>
<td>12.5</td>
<td>1.7</td>
<td>11.2</td>
</tr>
<tr>
<td>Community Services</td>
<td>23.4</td>
<td>60.6</td>
<td>31.9</td>
</tr>
<tr>
<td>Other</td>
<td>24.9</td>
<td>2.6</td>
<td>23.6</td>
</tr>
<tr>
<td>Total</td>
<td>357.7</td>
<td>372.4</td>
<td>322.5</td>
</tr>
</tbody>
</table>

force for reconstruction purposes has been pointed out. It is the figures for the later period 1967-68, which indicate the most important socioeconomic differences, for migrants from northern Europe, Britain, Canada, the USA and New Zealand tend to come from a professional, skilled or at least semi-skilled background. In general, they are educated, have few language difficulties, and are quickly assimilated into a society not too different from their indigenous ones. In addition, many of them were among the 'first wave' of post-war immigrants. On the other hand, two-thirds of the immigrants from Malta, Italy, Greece and Yugoslavia have been unskilled or semi-skilled on arrival. These immigrants low

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**Table V: Employment of Migrant Workers in Australian Manufacturing and Construction Industries, 1966 Census**

<table>
<thead>
<tr>
<th></th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
<th>U.K. % of 1966 workforce in Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spinners, weavers, gatherers and dyers</td>
<td>8,247</td>
<td>11,133</td>
<td>19,380</td>
<td>3,753</td>
</tr>
<tr>
<td>Tailors, cutters and hatters</td>
<td>8,169</td>
<td>37,907</td>
<td>46,076</td>
<td>6,381</td>
</tr>
<tr>
<td>Leather workers and tanners</td>
<td>4,215</td>
<td>4,353</td>
<td>8,568</td>
<td>1,409</td>
</tr>
<tr>
<td>Furnishers, joiners and other metal workers</td>
<td>7,632</td>
<td>7,632</td>
<td>15,264</td>
<td>2,524</td>
</tr>
<tr>
<td>Makers of watches and precision instruments</td>
<td>4,825</td>
<td>328</td>
<td>5,153</td>
<td>2,146</td>
</tr>
<tr>
<td>Toolmakers, plumbers, workers and platers and mechanics and motor body builders</td>
<td>123,721</td>
<td>1,650</td>
<td>125,342</td>
<td>49,938</td>
</tr>
<tr>
<td>Electricians and electronic workers</td>
<td>29,084</td>
<td>620</td>
<td>29,704</td>
<td>13,555</td>
</tr>
<tr>
<td>Mental and mechanical process workers</td>
<td>26,618</td>
<td>17,196</td>
<td>43,814</td>
<td>14,030</td>
</tr>
<tr>
<td>Carpenters and other woodworkers</td>
<td>38,951</td>
<td>804</td>
<td>39,755</td>
<td>13,437</td>
</tr>
<tr>
<td>Painters and decorators</td>
<td>20,157</td>
<td>277</td>
<td>20,434</td>
<td>7,407</td>
</tr>
<tr>
<td>Bricklayers, plasterers and other construction workers</td>
<td>33,133</td>
<td>58</td>
<td>33,191</td>
<td>11,376</td>
</tr>
<tr>
<td>Compositors, engravers and bookbinders</td>
<td>7,463</td>
<td>2,151</td>
<td>9,614</td>
<td>4,628</td>
</tr>
<tr>
<td>Glass and pottery workers</td>
<td>4,462</td>
<td>978</td>
<td>5,440</td>
<td>2,408</td>
</tr>
<tr>
<td>Millers, bakers, brewers and other food and beverage workers</td>
<td>17,599</td>
<td>7,466</td>
<td>25,065</td>
<td>6,112</td>
</tr>
<tr>
<td>Chemical and related process workers</td>
<td>7,340</td>
<td>1,476</td>
<td>8,816</td>
<td>3,937</td>
</tr>
<tr>
<td>Total</td>
<td>494,789</td>
<td>104,936</td>
<td>599,725</td>
<td>185,792</td>
</tr>
</tbody>
</table>

*Estimated % of 1966 workforce in Australia.*

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## POLITICAL ECONOMY OF POST-WAR IMMIGRATION

Northern European migrants tend to be employed in key permanent positions, their skills matching the structural requirements of Australian industry. They thus form a distinctive stratum of the Australian working class, below the bulk of the indigenous workers, but considerably better off than the great mass of immigrant workers.

The unskilled southern European immigrants function not only as a permanent addition to the secondary industry workforce, but also as a "buffer" group which absorbs disproportionately the unemployment generated in the business cycle. This was noted by the Council of Social Services: in periods of recession, such as 1972, it is the newly-arrived, non-English-speaking migrants who are likely to be the first dismissed, and who figure well in any analysis of the unemployed. The analysis is supported by the official statistics on unemployment during the recession of 1972. During this period, the Australian-born rate of unemployment was 2.1 per cent while the newly arrived migrant rate was 10.9 per cent. Broken down to ethnic groups, the figures show 4.8 per cent of Yugoslav immigrants, 3.2 per cent of British and Irish, 3.9 per cent of Greek, and 2.5 per cent of Italian immigrants as unemployed, while the overall migrant unemployment rate was 3.2 per cent.

As a "buffer" group with insecure jobs, southern European migrant workers are particularly mobile sections of the workforce, providing additional benefits for Australian employers. Appleyard notes:

> Southern Europeans have acted as a mobile labour force; moving from urban constructions to trade-packing or new mining developments, or changing jobs in the metropolitan areas as the need has arisen. Indeed, the mobility of new migrant labour has been one of its important contributions to post-war economic growth, minimising the dislocation which affects the established workforce as new developments require labour.

Immigrant labour has been significant in providing additional labour for the metropolitan labour markets, accounting for well over half the total population increases in Sydney, Melbourne and Adelaide between 1947-60.

In Melbourne, where immigration has had the most impact of all capital cities, migrants contributed over 70 per cent of the increase in the size of the labour force, and over three quarters of the increase in the mining, building and construction sectors of the workforce. More particularly, overseas males contributed almost 50 per cent of all the unskilled workers in the Melbourne metropolitan areas, and almost 27 per cent of the unskilled male workforce in Melbourne worked in Italy, Greece or Malta.

Immigration is important to Australian capitalism not only in providing additional workers to be exploited. It is also important because of its effects on wage levels within Australia. Full employment adds greatly to the bargaining power of the working class vis-à-vis the employers...
and leads to increased money wages (so-called 'wage inflation'). An inflow of immigrant labour can offset this, especially if the migrants have no tradition of trade union organisation or are generally ignored by the Australian trade unions. When one adds to this the point that immigrant labour is used as a buffer to cyclical instability, there are strong a priori grounds to argue that immigration tends to lower both the level of wages and the rate at which wages increase. There is, however, a need for empirical studies to test this.

It is difficult to obtain substantial data on the actual earnings of migrants, although it is conventional wisdom that they accept lower wages. A recent study revealed that only 21 per cent of non-British foreign-born migrants aged between 25 and 44 had incomes of $4,000 or more, compared to 39 per cent of Australian-born and 49 per cent of British-born.22 More particularly, George Peterson, MLA, has revealed some detailed figures on the wages of migrants in the Wollongong steel industry. Over 85 per cent earned less than $86.10, after inclusion of shift allowance, penalty rates and bonuses. This was at a time when the average weekly earnings for adult males was $119.90.23

The recent case of a Sydney clothing factory paying Filipino women $17 for a 60-hour week is perhaps an extreme example,24 but is evidence of the willingness of Australian employers to exploit newly arrived non-English speaking migrants.

It is difficult to resist the conclusion that immigrant labour provides an industrial reserve army whose labour power is super-exploited in the labour market. This exploitation is reflected in and re-induced by the adverse living conditions of Australia’s immigrants.

Living Conditions

Two recent works give some detailed information on the depressed conditions of Australia’s migrant population. The Australian Council of Social Services (ACOSS) in a recent submission to the Commonwealth Poverty Enquiry, argued that all migrants are subject to lack of knowledge of Australian culture, institutions and, for many, the language. People in Poverty: A Melbourne Study, by Professor Ronald Henderson and others found that: “All groups of recent migrants had a higher proportion of poor people than the population as a whole.” Both studies note a discernible ethnic dimension to the social conditions of immigrants in Australia. According to ACOSS:

The literature clearly states that among all migrants, British-born and Northern Europeans are more likely to be better educated, and possess occupational skills. To be more accustomed to the mores of a highly industrialised society, and to migrate on government assisted passages with the attendant government support on arrival, these are the southern Europeans.25

Similarly, the Henderson study noted that the poverty figures for...

Southern European migrants were particularly high, 55.3 per cent of Italians and 16.2 per cent of Greek income units were found to be in poverty, whilst the corresponding figures for immigrants from other countries were 11.1 per cent and 7.8 per cent for Australia as a whole.26

Further Australian-wide research by the Australian Government Commission of Inquiry into Poverty has found a much higher rate of poverty in Australia, with 10.2 per cent very poor and 18 per cent of the population considered poor.27

Corresponding figures for migrant poverty are not yet available. It is reasonable to expect at least an increase of similar magnitude in the ‘official’ number of migrants in poverty. However, once the austerity poverty measure is questioned, migrant poverty could be expected to be much higher, since migrants in general (and southern European migrants in particular) have much lower incomes than Australian born, and would therefore be included at a much greater rate for marginal extensions of the poverty line. According to Henderson et al., the main factor responsible for placing southern European migrants in poverty is their concentration in unskilled, low-paid jobs.

Despite their low incomes, migrants face a high cost of living. Because of their industrial concentration in manufacturing and building industries, southern European migrants are predominantly located in metropolitan areas and industrial cities.28 High rent charges are a major cost for migrants. The study by the Australian Council of Social Services found while the average weekly rental paid by Australian born families was $17.68, that paid by migrants with less than two years in Australia was $26.92.29 The Henderson study indicated that after housing costs had been taken into consideration, the proportion of the migrant population living in poverty increased to 29.3 per cent for Italians and 22.9 per cent for Greeks.30 Many migrants live in inner suburban areas where competition with students, young professionals and developers for the limited supply of (now-fashionable) terrace housing has boosted rents. But the ACOSS study suggested that rents and financial difficulties were also a direct result of discrimination against migrants on the part of landlords, money-lenders and government officials.31

The ACOSS study went further than a consideration of the purely economic aspects of migrant poverty. It reported that migrants were also subject to discrimination and deprivation in the fields of health, education, social services, political participation and legal rights.

Educational discrimination against migrants has been well documented. One survey carried out in Victoria in 1962 noted that “only 29 per cent of migrant children in schools receive adequate English tuition and that even these children receive instruction under extremely poor physical conditions.”32

Further, ACOSS noted that migrants had a higher proportion of industrial accidents and infectious diseases. And yet, over 75 per cent
of Italians and Greeks who had arrived in Australia between 1960 and 1966 were uninsured for health benefits. Even more startling is the discovery that 98 per cent of the Greeks who had arrived during the eighteen months immediately preceding the survey were uninsured.

The necessity to work long hours overtime aggravates the social isolation inevitably connected with settlement in a new environment; where both parents work it breaks down the traditional family structure, leaving little time or energy for leisure activities. It is not surprising that a relatively high incidence of various mental disorders among migrants has been documented.

Oppression and discrimination in these areas both reinforce and are reinforced by the economic super-exploitation of migrants, while providing 'savings' for the government in the field of social overhead expenditure.

There is a further dimension to the problem of assimilation and adjustment of the southern European immigrant: unlike his northern European counterpart, he is more likely to have come from a rural area or small country town. A study by Burnley shows that while 75 per cent of Dutch and Germans in Australia were born in cities and large towns, over 80 per cent of Greeks and Italians, and over 70 per cent of Yugoslavs, were born in small towns or rural villages. In many ways this is the internationalisation of the movement of labour from rural village to urban industry that Marx noted over a hundred years ago. It necessitated an adjustment (both physically and emotionally) from rural Europe to urban industrial Australia, from farm life in Greece or Yugoslavia to work in Sydney or Melbourne's assembly lines.

Upward social mobility for immigrants is limited. The Henderson study found that migrants who came to unskilled jobs tended to remain in them, while housing discrimination did not significantly diminish over time. Immigrant workers thus tend to enter Australian society at the lowest rung on the social hierarchy, as a super-exploited section of the proletariat, and the depressed conditions that result from this ensure that they remain in this position.

**Labour Aristocracy**

According to Nicolaus, a 'labour aristocracy is a monopoly within a monopoly. It consists of workers who benefit from structures that exclude the competition of other workers, within a capitalism structured to exclude the competition of other capital'. Such exclusion is on the basis of 'certain nationality, or race, or sex, culture, or some other social category'. In Australia, there is a labour aristocracy of indigenous workers over immigrant workers at one level, and an aristocracy within indigenous workers at another.

The presence of immigrant labour divides the Australian working class. Instead of indigenous workers seeing themselves as having a common class interest with migrant workers, they regard themselves as superior. A sociologist has recently observed that 'You only have to walk across the floor of places like the big glass and automobile plants in South Sydney... in the canteens and lunchrooms the segregation can be seen'. The skilled Australian tradition would rarely think of having lunch with his Mediterranean brother who might be earning the same amount by working a lot of overtime but is not yet socially acceptable. By bringing migrant workers into the large plants that have been regarded as the traditional bastions of working class consciousness, the bourgeoise has succeeded in engineering a significant decline in class consciousness among Australian workers.

A. F. Davies has noted that although migrant workers account for large sections of the membership of a number of trade unions (particularly railways, vehicle builders, rubber workers, metal industry and clothing trades workers, among others), they have rarely risen to executive office. This is symptomatic of the neglect and file level, the most glaring examples of this recently was at the 1973 strike in defiance of their union by migrant workers at Ford's Broadmeadows plant in Victoria. As one journalist put it: 'A total misunderstanding by union leaders of the depth of resentment among workers about their job conditions at the Ford Broadmeadows plant was a major cause of the renewed strike at Ford's, and of last week's riot—which was the most violent industrial incident in recent years in Australia'. As has been noted, many southern Europeans have rural backgrounds and are thus accustomed to trade unionism.

Surprisingly, there has been very little research into the voting patterns of immigrants, and the effect this has had on the electoral fate of the Liberal-Country party and the ALP. The question is as to whether the ALP 'der its own grave' by introducing mass migration in 1945 largely through Calwell's 'confidence trick on the workers' remains unanswered. Indeed, the complex ethnic origins and differences in religions and culture make generalisations in this area difficult.

What is clear, however, is that many migrants are excluded from the parliamentary process. Research by Lancaster Jones in Victoria into naturalisation (a pre-condition for voting eligibility) suggests that 60.4 per cent of Dutch, 62.7 per cent of German, 76.8 per cent of Greek and 67.2 per cent of Italian immigrants resident in Australia for between five to fourteen years for the period 1952 to 1961 remained unnaturalised.

Naturalisation has also been a method of excluding politically active migrants (especially from the left). According to one journalist, some 500 applicants for naturalisation have been deferred or rejected on security grounds presumably because they 'have probably been inimical to go around preaching left-wing ideas'.

The division between indigenous and immigrant workers also brings about a further decline in the political and electoral weight of the working class, few non-British migrants are active in, or represented as such.
in Australian politics. Western and Wilson sum up survey data on this point by saying: 'The overall picture of active political participation of British and Australian respondents is one of disinterest, that contrasted by Italian respondents, one of massive political apathy.'

To explain this with the observation that Migrants are people whom politics have already failed: their apathy runs deep,' as A. F. Davies does, is to ignore the conditions under which migrants live in Australia. Western and Wilson write:

The lack of active participation by Italians in Australian politics is not surprising, given their motivation for emigrating to Australia, their drive for economic security, and their general cynicism towards political institutions. Italians also have considerably more linguistic problems than British immigrants, and have to meet far more stringent requirements before they are eligible to vote. The ALP and Liberal-Country Parties at both the State and Federal level have shown not merely disinterest but considerable hostility towards European immigrants generally, and Italians specifically.25

This provides an important basis for conservatism among the indigeneous workers. As Andre Gorz argues:

The adverse of the subtraction of indigenous workers from manual jobs is their displacement elsewhere; to diminish the national working class by 20 per cent is to 'promote' that number of workers into tertiary and technical activities; to deprecate the social and economic value of manual work and manual workers as a whole; to deepen the separation between manual work and technical intellectual and tertiary work; to inflate correspondingly the social and political importance of the middle strata, and by racist and chauvinist propaganda, to encourage backward elements in the national working class to identify themselves ideologically with the petty bourgeoisie.26

To date there has been little overt racial conflict over immigration in Australia. But migrants are largely excluded from the mainstream of political and cultural developments. Racism attitudes among Australians have waxed considerably over recent decades, but they have by no means disappeared. Michelle Grattan summarised the results of a 1971 public opinion poll as follows:

Australian prejudice towards several national and racial groups as potential migrants has suffered in the past 23 years... AGB poll results suggest that while Australians have become rather more tolerant of certain clearly 'different' groups, they cling to a 'logic of exclusion' that centres on the memories English, and gradually moves out to embrace Northern Europeans, then other Europeans and finally looks very heathenly at the groups perceived as the most 'foreign' and different in race and culture.27

As Borrie commented in 1958: 'The absence of friction between the immigrant and non-immigrant has probably something to do with a liberalising of national attitudes towards the "foreigner" compared with pre-war; but it almost certainly has a good deal more to do with full employment and a high degree of segregation between "Old" and "New" Australians.28 If economic conditions deteriorated in Australia, ethnic conflict between the indigenes and the immigrant sections of the Australian working class could escalate sharply—to the benefit of the capitalists that exploit both groups.

The continued presence of racism, even in diluted form, provides the ideological justification for the super-exploitation of migrant labour by alleging that migrants are inferior. They become scapegoats for the deficiencies of Australian capitalism providing an important ideological back-up for the system and dividing the working class. With the development of a labour aristocracy many of the indigenous workers see themselves as an intermediate privileged strata, rather than being exploited by the same relationship to the means of production (by which they are forced to sell their labour power under the direction, and in the interests of the ruling class). The political significance of this is that it contains the class struggle by creating conditions whereby a large section of the working class are isolated and ignored.

Immigration and the Labor Party

Culley and McFarlane have argued that the ALP government is trying to follow the economic strategy advanced by the Organisation for Economic Co-operation and Development (OECD).29 This involves in part a manpower policy to ensure that labour supplies are consistent with other economic policies, and immigration is of course one of the most important components of this. No longer can immigration policy and targets be a lagged response to shortages and bottlenecks. Clyde Cameron, now Minister for Labour and Immigration, has seen clearly the need to 'predict the structural changes which will take place, and to anticipate the kind of changes in employment for particular industries which it will require' as the basis of his manpower policies.30 It is inevitable that there will be close links between retraining schemes and immigration policies.

One of the ALP's first policy changes in coming into office was to suspend the 'White Australia' policy and replace it with a policy for the avoidance of discrimination on any grounds of colour of skin or nationalit31. The underlying basis for this change is twofold. Firstly, the White Australia policy was an important block to developing closer ties with Japanese imperialism and expanding Australia's markets. Secondly, competition from the EEC for immigrant labour has forced Australia further and further afield. In future, Asian and Latin American countries will probably be among the main sources of immigration to Australia. Australia's diplomatic ties with Latin American countries have been increasing, and immigration has been rising in recent years, although the flow is still very small. It is, therefore, towards
Asia that Australian capitalism will increasingly turn for supplies of immigrant labour.

On his recent tour of Asian countries, Prime Minister Whitlam gave President Marcos of the Philippines assurances that Australia would accept entry of the thirty-five Filipino workers sought by the Leyland Motor Company under the Employer Nomination Scheme. Mr Whitlam, in turn, received the most favourable response to his plan for an ‘Asian Forum’, the success of which would be a major gain in advancing Australia’s influence in Asia. The Filipino migrant worker scheme is also an important test case for Australia. It will provide employers with a clear demonstration of the potential of Asia as a source of immigrant labour. According to one journalist: ‘It seems clear that if the Australian car industry... remains fragmented and protected by high tariff barriers, car companies will follow Leyland’s example and look for new labour sources in Asia to supplement their European workers.’ It will also test Australian public opinion on the question. The ruling class response has been overwhelmingly favourable, and when some trade unionists expressed doubts they were promptly denounced as racists—by those very sources that were whipping up ‘Yellow peril’ fears during Australia’s involvement in the Vietnam war.

Women and Migrants

Calthorpe and McFarlane also suggest that one of the ALP’s aims, in accordance with the OECD recommendations, is to ‘accelerate the percentage of women, rather than migrants, in the workforce’. However, potential in this direction may be limited in Australia. Alongside immigration, women have been one of the most important sources of workforce growth throughout the post-war period, increasing from 19 per cent of the total workforce in 1954 to 25 per cent in 1966. During this period, the female workforce grew by 69.7 per cent, and there has been a significant movement into what had been previously held to be ‘men only’ employment. These trends will be accelerated by the ALP policies discussed by Calthorpe and McFarlane, but it is doubtful whether women can fully replace migrants as an industrial reserve army in the heavy manual industrial jobs.

‘Women’ and ‘migrants’ are not mutually exclusive categories. The data in Table IV indicates that women accounted for 28.2 per cent of total migrant employment in 1966. Furthermore, they accounted for 35 per cent of migrant professional and technical workers, 68.4 per cent of migrant clerical workers, 40.6 per cent of migrant sales workers and 57.9 per cent of migrant miscellaneous workers. Although only 17.5 per cent of migrant craftsmen, labourers and process workers are women, 82.3 per cent of migrants working as tailors, cutters and fitters are women, as are 57.4 per cent of migrant elevatorists and escalators, and 59.8 per cent of migrant leather workers and sewers (see Table V).

Migrant women, then, have been quite important to Australian capitalism. Their low paid labour has been of considerable importance for ‘small fry’ manufacturers, particularly in the clothing industry.

The ‘New Critics’

One of Grasby’s first acts as Minister for Immigration was to cut the immigration target for 1972–73 by 30,000. This was largely in response to criticisms of the immigration program coming from some academic economists, the OECD, and Cabinet Ministers such as Tom Uren. These ‘new critics’ emphasise the high cost of providing the social infrastructure for a fast-growing population, and point out that migrants add to demand as well as to the labour supply, especially as many are employed in protected industries with a low level of production. They argue for a detailed ‘cost-benefit’ study, and the cessation of immigration if it can be shown that it contributes negatively to the ‘welfare of the nation’.

Capitalism, however, has never been based on consideration of welfare as these theorists imagine. It is based on the accumulation of capital through the exploitation of wage labour. From this perspective, it can be seen that immigrant labour has been of crucial importance for Australian capitalism in the post-war period—it has provided a much-needed supply of cheap labour to be exploited in key areas of capitalist production in this country; it has divided the working class, undermined its class consciousness and reduced its political impact. Both directly and indirectly, immigration has promoted the accumulation of capital in Australia. Rapid population growth is an inevitable consequence of large scale immigration, but inflation is not. The economic significance of population growth depends on the basic structure of the economic system in which this growth takes place—in particular, under modern capitalism, it depends on the demand for labour (as determined by the rate of capital accumulation and the organic composition of capital) and the relationship between private capital and the economic activities of the state. It is here that the ‘new critics’ should look for the sources of inflation, rather than using immigrants as scapegoats.

Conclusion

Immigration has been of vital importance to Australian post-war capitalism. In the most obvious sense, it has provided an industrial reserve army of workers, alleviating labour shortages that have restricted Australian capitalism almost continuously since settlement. More importantly, by providing an easily directed, mobile workforce to accept jobs for wages and conditions that Australian indigenous workers would reject, it has been crucial for capital accumulation and growth. It is the immigrant workers who are placed at the bottom of the labour market, become the ‘factory fodder’ for local and imported capital, and are used as a ‘buffer’ reserve army to minimise social and economic instability.
Social discrimination against migrants, reflected in almost any social indicator, is a direct consequence of the economic role that immigration plays for Australian capitalism. This is especially true for southern Europeans, who are recruited to become the bottom layer of Australia's proletariat; they are consequently over-represented amongst the poor and the unemployed.

Racism and xenophobia, although less overt in recent times, have been important ideological underpinnings for both the economic and social exploitation of migrants, justifying the prejudice and discrimination against allegedly 'inferior' immigrants. The economic and social discrimination are reinforced to maintain the flow of labour aristocracy of indigenous Australian workers who see themselves as benefiting from migrant exploitation. This is reflected in the upward social mobility at the expense of immigrant workers.

An artificial split in the working class emerges, and is reinforced by the political neglect of migrants both at the ballot box and on the factory floors. The result is a decline in the political weight of the Australian working-class. This 'labour aristocracy' ensures the continuance of the economic and social exploitation of migrants, although its significance in maintaining Australia's political stability in the post-war period has been grossly neglected.

It is a remarkable feature of post-war Australian capitalism that it could have absorbed such a large number of immigrants with seemingly little strains on the system. Whether or not it will be able to maintain the containment of migrants as a political force largely depends on its ability to maintain labour aristocracy and racism within the Australian working class.

Recent European experience is of increasing immigrant militancy, with the immigrants finally emerging from their long political passivity and isolation.1 Similarly, there is evidence that Australia's immigrants are starting to become a political force. Out of the Ford Broadmeadow strike—which hinted at the extent of latent militancy among migrant workers—the first Migrant Workers Conferences were held in Sydney and Melbourne, with the aim of uniting migrant workers to be an effective force within (but not separate from) the Australian working class.

To sum up, immigration is of decisive importance for the economy of the class structure, and the political life of modern Australian capitalism. If we were to be stopped, radical changes would have to take place at all of these levels. By the same token, the struggle of the immigrant working class cannot be restricted to demands for "fair" or 'decent' wages and living conditions; it must be a struggle against the whole social hierarchy based on the super-exploitation of migrant labour.

To quote Gorky:

It is impossible to claim that, in the absence of foreign workers, the capitalist class would be forced to employ local workers in their place.

NOTES

3 Karl Marx, Capital, vol. 1, Part VII, chapter xxv, sect. 3.
5 An excellent Morton application of immigration at the post-WWII period, it provided the foundation and much of the framework for this article.
7 Martin Luchow, loc. cit.
9 Ibid., p. 49.
10 Ibid., p. 32.
13 Australian Institute of Political Science, Australia and the Migrant (Angus & Robertson, Melbourne, 1953), p. 22.
15 Ibid., p. 8.
17 Immigration, op. cit., p. 32.
18 Jupp, op. cit., p. 38.
19 "Pastoral Capitalism: Australia's Pre-Industrial Developments", in Australia, no. 1 (1972), p. 25.
20 Jupp, op. cit., p. 15.
22 Jupp, op. cit., p. 9.
23 "Pastoral Capitalism: Australia's Pre-Industrial Developments", in Australia, no. 1 (1972), p. 25.
24 Jupp, op. cit., p. 15.
26 "Pastoral Capitalism: Australia's Pre-Industrial Developments", in Australia, no. 1 (1972), p. 25.

Since these are figures of those who register at commonwealth employment agencies, they underestimate the level of unemployment. The understatement is greater in the case of migrants, since language barriers and unfamiliarity of the institutions may cause them to fear deprivation. This applies in the case for those who have working wives and thus are ineligible for unemployment benefits.


The terms ‘Southern European’ and ‘Northern European’ are used loosely in the day text. ‘Northern European’ refers to immigrants from the UK, Ireland, Netherlands, Germany, New Zealand, Canada and America. Southern Europeans refers to immigrants from Italy, Greece, Cyprus, Yugoslavia, Poland, Hungary, Baltic States, Turkey, Lebanon, etc., otherwise specified.


36. *Poverty: The A.C.O.S.S. Evidence*, op. cit., p. 165. This study also notes that while 94 per cent of British and 67.5 per cent of Northern European immigrants between 1948 and 1968 had government assisted passage, only 24.5 per cent of Southern European immigrants were assisted.

37. Ibid., p. 12.

38. *Poverty in Australia*. Interim Report of the Australian Government Commission of Inquiry into Poverty, March 1974. It should be noted that the present and past governments have been particularly reluctant to release a list of the statistical data that it does have classified by ethnic origins. Key statistics such as income distribution, wages and earnings are collected but not published.


41. Henderson et al., op. cit., p. 150.

42. *Poverty*, op. cit.

43. Ibid., p. 177.

44. Ibid., p. 169.


