UNEMPLOYMENT IN NEW ZEALAND, 1875-1914

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ABSTRACT

Unemployment, although a common feature of economic and social life in colonial New Zealand, has received little attention from historians or economists for the period before 1920. While construction of a reliable index of unemployment is not possible from available data, an intensive analysis of published and other official sources establishes the significance of unemployment.

The decade of the 1880's, following as it did years of large scale immigration and marked as it was by little overall economic growth, drew attention to the insecurity of employment for many skilled and unskilled workmen. Agitation, though evidenced frequently enough was not sufficient in the absence of an organised labour movement, to move policy.

Nevertheless as part of an overall move towards a regulative role in many economic and social spheres, Government formalised procedures for coping with unemployment. The activities of the Labour Bureaux in assisting unemployed to find jobs became an important part of the labour market, and assisted the co-operative works scheme of completing necessary public works.

The thesis suggests that it is this regulative approach of Government which is the significant feature. Other periods and societies have had a more welfare-oriented approach to unemployment. The ideology of work in a growing colonial economy was fiercely against any form of pauperisation, or even long term support.

Unemployment, apart from apparent cyclical influences in the 1880's and less certainly 1903-1907, was largely of a seasonal or frictional variety. Availability of seasonal work in areas surrounding most towns absorbed even skilled workmen who lacked employment for summer months. However, winter and any slackening of public construction works, brought high levels of unemployment to many towns. Often, these problems were exacerbated by new immigrants entering the job market.

Because the fluctuations in employment were so localised, the efforts of the Labour Department in developing a national labour market were appropriate though not uniformly successful. These efforts were not geared to find skilled employment where this was desired in many cases, nor was female unemployment adequately catered for.

Assisting mobility and identifying employment opportunities were important contributions of the Department of Labour. Government also played a limited role as an employer of unemployment workers. No government of the period, central or local, was clearly and unambiguously in favour of providing work as a means of combatting unemployment. Although the co-operative works system had as one of its functions the provision of a "buffer" for male unemployment, the system cannot be considered purely as a relief work mechanism.

The last two decades of the period are marked by the articulation and implementation of the problems and policies identified during the 1880's.

"The curse of unemployment falls almost in equal ratio on the individual, on the city, and on the nation... To tramp one street after another and from one possible job to another, to go from one city to another, and leave one country for another, and all without success, is in a word, the reality of unemployment."

Hon. Mr Paul, New Zealand Parliamentary Debates, 1909, p. 257.

"The Pony"

"Looking for work?" he went on. We nodded and asked, "Any work where you come from?"

"Don't know. I never look for it", he replied.

J.A. Lee, Delinquent Days, pp. 72-73.

PREFACE

Unemployment. The very word remains a vote-catcher in New Zealand in 1975. In March 1976, there are 10,000 or so either unemployed or on government special work. At time of last census (1971) there were 16,168 self-declared unemployed. If ordinary people or public figures wish to raise the spectre of joblessness they hark back to the 1930's. It is salutary to reflect on the colonial economy in which unemployment was an ever-present, if fluctuating, problem.

Inevitably reflection on pre-World War I unemployment leads to reflection on employment, the structure of the labour market, the very nature and meaning of work in that context. Speculation, however, must be restrained. This thesis has a much more limited purpose. At most, it has traversed ground which will make one small aspect of future investigation unnecessary.

This thesis began as a longer project, and certainly the field has only begun to be explored. For their assistance in research I should like to thank the following: P.S. Harris, G.R. Hawke, W.H. Oliver, J.W. Rowe, and other colleagues.

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CHAPTER 1

Introduction and Scope of Thesis

(i) THE SCOPE OF THE THESIS

This thesis is an examination of the problem of unemployment in colonial New Zealand. While historians have noted scattered instances of unemployed agitation and distress, most often in the context of the "Long Depression" or the "Black Eighties", there has been no sustained investigation of either the extent or significance of this problem.

This thesis discusses the available literature and statistical material on unemployment in pre-World War One New Zealand and establishes that unemployment was a significant factor in the New Zealand labour market. Unemployment was not merely a cyclical phenomenon but a structural and seasonal feature of the colonial economy.

The body of unemployed men was often large in major towns, and occasionally agitation broke out, fired by the distress and urban poverty that destroyed many a settler's dream.

The management of the unemployed was a major function of the Labour Department, marking a strong government entry into the labour market.

Placed in this context, unemployment, and the policies developed consequent upon unemployment, fit a pattern of conflict - recognition - rationalisation in New Zealand government before World War One, of which the Labour Department is the centrepiece. The approach to these propositions is necessarily interdisciplinary.

Further, the approach is forced to be more than purely empirical by the paucity of statistical material. Such material

as has survived is utilised in an effort to "map" the extent of unemployment.

The unemployment situation should be related to the socio-economic conditions of that country.(1) Unfortunately our lack of knowledge of the colonial labour market precludes any definitive statement regarding social relations of production. Dispute still exists amongst historians as to whether or not class analysis is appropriate to the study of New Zealand society.

The writer's standpoint is that one could not seriously discuss nineteenth century unemployment without using some such term as "working class". Nevertheless there are a number of important questions which are mainly begged in this thesis so far as sophistication of class analysis is concerned.

It is not proposed to resolve these difficulties in this thesis. Class references are mainly in the taxonomic vein, rather than intended to refer to a particular theory of social change. No class ideology as such emerged in the controversy in the period over unemployment, but the relevance is nevertheless clear.

Certainly the class structure of colonial New Zealand as it emerges from continuing research will be more complex than a bourgeois-proletarian dichotomy. If we are to approach class from the viewpoint of Marxism, then we may safely admit a plurality of factors determining the concept of class. A class may have an

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(1) W. Kersten and K. Wohlmuth, "Political Economy of Employment Creation: Some Critical Remarks on the Possibilities of Employment Creation in Dependent Economies" in K. Wohlmuth (ed.) Employment Creation in Developing Societies, New York, 1973, p. 17.

existence in an economic sense (for example) perhaps one which is capable of being delineated (e.g. the wage-earning population) but which does not have a consciousness of itself as a class. There may be concrete reasons for this e.g. elements of contradiction between wage-earners' immediate interests, or various racial or ideological factors. These could well turn out, in New Zealand's case, as Olssen suggests, to give one a "congeries of distinct working classes rooted in particular national groups, industries, and communities".(1)

As noted, however, these subtleties lie mainly beyond the immediate scope of this thesis, and terms such as "working class" are used rather broadly. In general unemployment affected all levels of the working class, tradesmen, rural labourers, and unskilled casual labour, though by no means equally in all times and places.

(ii) SOME OF THE RECENT LITERATURE ON UNEMPLOYMENT

Two major studies on unemployment in England, both written with a traditional historical approach, have been completed recently. Their findings are discussed below.

Jose Harris, Unemployment and Politics covers the following areas in great detail:

1. Problems of the labour market;
2. Unemployment and political action;
3. Regimentation of the unemployed - charity, labour colonies;

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(1) E. Olssen, "The 'Working Class' in New Zealand", New Zealand Journal of History, 8:1, 1974, pp.44-60.

4. Unemployment and local administration;
5. Evolution of a national policy - insurance and organisation for the labour market.(1)

While the details of this study need not concern us here, the concluding survey notes the evolution of a consensus on unemployment policy amongst reformers and administrators. There were two aspects to this:

1. "That whether loss of employment was caused by personal deficiencies or by adverse industrial environment, its effects were socially destructive, economically inefficient and possibly even politically dangerous; and the widespread fatalism that had characterized administrative attitudes to unemployment in the late nineteenth century had therefore been replaced by a conviction that unemployment could to a certain extent be prevented, and ought to be relieved."

2. "The results of numerous experiments in the relief of unemployment had shown that voluntary and local efforts were quite inadequate to deal with a problem that fell so erratically and often unpredictably on different industries, different regions, and different types of workmen." (2)

The same evolution of attitudes is not apparent in the New Zealand context, as from the earliest days, the colonists looked willingly to the central government for assistance not only for unemployment relief, but also for other forms of state assistance.

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(1) J. Harris, Unemployment and Politics: A study in English Social Policy, 1886-1914, Oxford, 1972.
(2) J. Harris, op.cit., p. 348.

The evolution that does become apparent is from a localised response in the 1880's towards a national employment policy under the administration of the Labour Department. Some form of public responsibility for provision of work had been accepted from the days of the New Zealand Company, although this responsibility was neither always met nor left unchallenged in public discussion. The question was posed in rather picturesque manner in the New Zealand Farmer;

> "We cannot boil them (i.e. the unemployed) down like surplus sheep, and how to get rid of them is becoming a national question."(1)

The other recent historical treatment of unemployment is that of K.D. Brown, Labour and Unemployment, 1900-1914. This is a revised version of Brown's Kent Ph.D. thesis of 1969. The main aim of this study is "to study the activity and effectiveness of the Edwardian labour movement". Nevertheless, and despite its total concentration on Britain, the conclusions have some comparative value for the present study. Brown notes that his period saw:

> "A significant change in the attitude of the state towards its unemployed. When the twentieth century began, the worker who had no job usually had recourse to municipal relief works set up under the provisions of the re-issued Local Government Board circular of 1886, to private charity or to the poor law. If he was a trade unionist belonging to a society that paid unemployment benefit he could, for a time, rely on that. But by 1914 the state openly admitted the responsibility by legislating for those of its citizens who had no work. The breakthrough came in 1905 with the passage of the Unemployed Workmen's Bill, and four years later the Liberal Government began to lay the foundations of a completely new approach by setting up labour exchanges. In 1911 the National Insurance Act

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(1) New Zealand Farmer, August, 1885; quoted in P.J. Gibbons, "Turning Tramps into Taxpayers": The Department of Labour and the Casual Labourer in the 1890s. Massey, Thesis, 1970, p.120.

> brought approximately one-third of all male workers into a state scheme of unemployment protection."(1)

In New Zealand, for reasons to be discussed later, recognition of a role in dealing with the unemployed on the part of central government, came earlier than in Britain, and in a somewhat different fashion. The development of a labour-exchange system, for example, dates from the inception of the Labour Department. On the other hand, the New Zealand central government was much less ready to legislate for relief of the unemployed. The reasons for these differences may well lie in the different nature of unemployment in the two countries.

There is a fairly wide literature of an economic nature dealing with the causes of unemployment. Economists have dealt with unemployment in two contexts - advanced industrial countries and modern underdeveloped countries - neither of which is entirely appropriate to pre-world war one New Zealand. The principal concern of this thesis is the mechanisms of coping with unemployment, as well as defining the nature of that unemployment.

There is, on the face of it, some considerable difficulty in defining the meaning of unemployment. While it will be necessary to meet these difficulties in the estimation of the extent of unemployment, absolute rigour will not be necessary throughout.

Pigou, in his classic study of unemployment, noted the ambiguity of the word, but felt that there was:

> "No matter of principle involved: it is simply a question of the precise sense in which it is convenient to use a

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(1) K.D. Brown, Labour and Unemployment, 1900-1914, London, 1971, p.164.

> particular common word. Hence. there are two conditions, and two only, that our definition must obey. It must be so fashioned as to prove a useful tool in the investigation we have in hand; and it must, subject to that condition, conform as closely as possible to the general drift of popular usage."(1)

Pigou himself, although he finally settled for the definition of unemployment adopted by the British National Insurance Scheme, delineated two important aspects which will be accepted here. First, the restriction of the term to the wage-earning classes, and within that grouping, considering only that unemployment which was, from the worker's point of view, involuntary. Second, although it will be noted from time to time as an added element of hardship, "short-time" will not be regarded as constituting unemployment.

Effectively then unemployment in this study will be defined as the inability to secure wage employment amongst men who were firmly in the labour market. This definition excludes what "lumpen-proletarian" elements there were in the Maori population, and also unemployment as it affects women.(2) Women will be considered where information permits, but they on the whole constituted a "reserve army of labour" which existing social arrangements were well geared to handle. There were undoubtedly women who required wage employment for their own support and who from time to time were unable to obtain such employment, and the Labour Department did provide some facilities for these women.

There is also a wide range of literature on unemployment from a sociological and social administrative perspective, little of

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(1) A.C. Pigou, Unemployment, London, 1914, pp.12-13.
(2) The term "lumpen-proletarian" is used in the sense adopted by P.S. Harris, "Industrial Workers in Rhodesia, 1946-1972", Journal of Southern African Studies, 1:2, April 1975, p.142.

which has improved on B. Seebohm Rowntree and Bruno Lasker's Unemployment: A Social Study, which presents the results of their 1910 research into the case histories of unemployed workers, with emphasis on the causes of unemployment.(1) It is not the intention here to provide a survey of the body of sociological literature, but merely to point to a few relevant and important treatments of the subject.

The classic modern study, one of the forerunners of modern sociological research methods is Marienthal: The Sociology of an Unemployed Community, which was first published in German in 1933. The co-authors, M. Jahoda, P. Lazarsfield, and H. Zeisel, found the effects of unemployment to be "a diminution of expectation and activity, a disrupted sense of time and a steady decline into apathy through a variety of stages and attitudes."(2)

There are obvious ways in which this study, based on personal observation and describing a cohesive, small, community which was "totally unemployed", differs from the present historical study of a wider, less intense problem. Nevertheless there is a warning for the historian in the co-authors' curt warning:

> "A casual observer is apt to see only what is most conspicuous, namely the occasional revolutionary effects of unemployment, or particularly heart-rending outbreaks of despair. Our detailed enquiry has lead us to see more clearly the paralyzing effects of unemployment, an aspect that might elude less systematic observation."(3)

No historian (or economist) will readily concede the ground of systematic study to the sociologist, but nevertheless when one's

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(1) M. Jahoda et al., Marienthal: The Sociology of an Unemployed Community, London, 1972.
(2) M. Jahoda, et al., Marienthal, p.2.
(3) M. Jahoda, et al., op.cit, p.4.

evidence is based on written records, particularly when as in this case heavy reliance must be placed on events and statements thought worthy of record by the news media, the economic historian can fall into the trap of the "casual observer" all too readily.

Theoretically however, the sociological studies of unemployment such as Marienthal can contribute little to the present study. An article by the modern sociologist Alvin Gauldner notes the trend with which we are concerned:

> "A transition to a welfare state implies a greater involvement of the state in the planning for and management of disposal strategies. In some part, the growth of the welfare state means that the disposal problem is becoming so great and complex that it can no longer be left to the informal control of market or traditional institutions."(1)

This conception of the growth of control fits well with the historical findings for England of Harris and Brown which are discussed above. The idea is not novel, but has the virtue of laying stress on the real rather than ideological factors involved in movement towards state welfare provisions in capitalist society. Problems such as unemployment are reducible at least on a theoretical level to problems of control, and new administrative procedures may be seen in this light.

A more ambitious theoretical approach has been attempted in the United States recently by F.T. Piven and R.A. Cloward, Regulating the Poor.(2) These writers assume somewhat arbitrarily, that the chief function of public relief arrangements is "to

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(1) A. Gaulder, "The Unemployed Self", in R. Fraser (ed.), Work, London, 1969, p.350.
(2) F.T. Piven and R.A. Cloward, Regulating the Poor: the Functions of Public Welfare, London, 1972.

regulate labour". This regulation is achieved in two ways:

> "First, when mass unemployment leads to outbreaks of turmoil, relief programs are ordinarily initiated or expanded to absorb and control enough of the unemployed to restore order; then, as turbulence subsides, the relief system contracts, expelling those who are needed to populate the labour market."(1)

This theory is intended to have the status of an historical generalisation supported by United States relief statistics. Functionally, any relief scheme has some "absorbing" and hence "expelling" role. So far as unemployment relief is concerned these functions can be seen as a controlling factor over seasonal or cyclical unemployment. Clearly relief of this nature is not likely to perform the same functions in a situation where unemployment is structurally induced. More importantly in the present case, the role of relief is obscured by the main focus of government action - control through intervention in the labour market. Nevertheless the stress that the Piven-Cloward thesis places on the labour-regulating aspects of unemployment measures is acceptable and useful.

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(1) F.T. Piven and R.A. Cloward, op.cit. p. 3.

CHAPTER 2

Unemployment in the 1880's

The period under consideration is divided for convenience at the time of the institution of the Labour Department as the significant government agency for handling unemployment. From the formation of the Department it is possible to make more significant quantitative estimates than we are able to do for the 1880's.

By the 1880's it was clear that New Zealand was taking on many of the aspects of the old society in Europe. Along with the growth of the larger towns and the beginnings of industrial production, came urban distress and unemployment. Working conditions during the 1880's have received some attention in the literature, in particular focussing on the discovery of "sweating" in Dunedin. But unemployment was a problem which was even more widespread and certainly affected a greater number of people. The two phenomena are, of course, by no means unrelated.

It does not seem to be possible to construct a reliable index of unemployment for the decade, though one can say with certainty that in certain areas for short periods of time it reached crisis proportions. In 1880 in Dunedin there was "hardly a foundry whose hands are not reduced by one half - many two-thirds; and short time must be counted in measure. There are ninety compositors in the city. Of these only sixty are in regular work, twenty work quarter time, and ten do nothing."(1) In the building trades, which employed around 900 men, at least half were said to be out of work on any particular day. In December 1883 in mid-summer, it was

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(1) J.U. Davis, Plain Talks on Being Out of Work, 1880, p.3.

estimated that in Christchurch alone there were 700 men out of work.(1)

Throughout the decade Christchurch and Dunedin seem to have been the worst hit by unemployment, although after 1885 Auckland became increasingly involved. An Auckland M.P. complained in the House of Representatives that Auckland was being unfairly treated in the distribution of government unemployment relief, commenting that "it was almost impossible to get a few hundreds set aside for necessary works, so as to relieve the large numbers who were able to work and anxious for employment but who could not obtain it. In fact, the distribution of money over the previous fourteen months had been as follows:

Auckland	£3,800
Hawkes Bay	£4,361
Nelson	£1,009
Canterbury	£13,537
Otago	£13,972 (2)

By 1887 there were 1,036 people receiving relief money in Auckland alone.

The problem of unemployment seems to have been one of isolated pockets. It was usually met (or ignored) locally, and the unemployed were as likely to move to Australia in search of a job as they were to go to another part of New Zealand. The move to Australia, where conditions for the working man were reputed to be much better in the

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(1) J.D. Salmond, New Zealand Labour's Pioneering Days, Auckland, 1950, p.30.
(2) New Zealand Parliamentary Debates (N.Z.P.D.), 1889, pp.486-488.

1880's, grew to such an extent that New Zealand suffered a net outflow of people later in the decade for the first recorded time.(1) It was true that the 1880's were a boom period in Australia. Butlin's estimates for Gross Domestic Product reveal a substantial rise in the late 1870's running on through the 1880's. Indeed, the G.D.P. estimate for 1889 is not reached again until 1903/04.(2) Dowie has provided an interesting discussion of the inverse relations between the economic conditions in the two countries in the late nineteenth century.(3)

From 1885 to 1891 there was a net outflow of population from New Zealand in every year, with the result that although population grew by 69,754, it did so in spite of an outflow of some 19,938. The net outflow can be at least partly accounted for by a fall in the rate of immigration which was by no means uninfluenced by the conditions within New Zealand, which was "no country for the labouring man to come to at present."(4)

After the boom years of the 1870's when large amounts of money were expended on immigration by the government, such expenditure dropped off rapidly. Indeed, while the two years 1878-1879 saw some £278,000 spent on immigration, the total for the period 1880-1891 was only £294,200.(5) This fall was at least partly due

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(1) See e.g. R. Arnold, "Some Australasian Aspects of New Zealand Life", New Zealand Journal of History, 4:1, April 1970, pp.54-76.
(2) N.G. Butlin, Australian Domestic Product, Investment and Foreign Borrowing, 1861-1938/39, Cambridge, 1962, pp.10-11.
(3) J.A. Dowie, "Inverse Relations of the Australian and New Zealand Economies, 1871-1900", Australian Economic Papers, 2:2, Dec.1963, pp.151-179.
(4) J.D. Connolly, Commerce and Resources of New Zealand, 1888, p.21.
(5) M.F. Lloyd Pritchard, An Economic History of New Zealand, Auckland, 1970, p.141.

to the recognition by the government of the problem of finding employment for the workless men. Amongst the unemployed there was a high degree of agitation for an end to further immigration. In February 1880 Vogel was telegrammed in London, "Unemployed numerous and increasing. Warn men without means against coming at present; send none yourself."(1)

From May 1879 meetings of the unemployed in Christchurch and other centres had been calling for an end to immigration and specifically calling on the government to prohibit Chinese from coming to New Zealand.(2) There has been a constant element of racialism in New Zealand attitudes to immigration - a racialism most evident when New Zealander's jobs are at stake. Employer groups from time to time called for "Asiatic" (Chinese) immigration - and certainly cheap labour was a fear for those few small working class organisations as there were at the time. One minor aspect of this was threatened importation of cheap labour from South Africa. In 1887 Vogel was accused of making "capital for Protection out of a recent threat used by certain employers that they would import Kaffir labour", and the speaker went on to claim that Protection would turn "our labouring population into Kaffirs instead of importing them."(3)

But the net outflow of migrants is also due to rising rates of emigration throughout the period. Total emigration had been

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(1) Immigration Department; dated Wellington, 25th February, 1880 National Archives IM4/1/2.
(2) J.D. Salmond, New Zealand Labour's Pioneering Days, Auckland, 1950, p.30.
(3) A.A.S. Menteath, Address to the Electors of Inangahua, 1887, p.14.

rising steadily up to 1886 while immigration fluctuated.

IMMIGRATION AND EMIGRATION, 1877-1891

(Contemporary Official Estimates)

Year	Immigration	Emigration
1877	12,987	6,611
1878	12,263	5,761
1879	23,957	5,234
1880	15,154	7,923
1881	9,688	8,072
1882	10,945	7,465
1883	19,215	9,186
1884	20,021	10,700
1885	16,199	11,695
1886	16,101	15,037
1887	13,689	12,712
1888	13,606	22,781
1889	15,392	15,178
1890	15,028	16,810
1891	14,431	17,629

Source: New Zealand Official Yearbook, 1892, p.61; 1894, p.72.

These figures, however, understate the actual number of emigrants quite substantially. The major source of error derives from the emigration to Australia, the major destination. Many people left for Australia without booking their passage and so were missed by the returns of the Customs authorities. Although pursers

on the ships of the Union Steamship Company filed returns including such passengers, there is reason to believe that even these returns could be low estimates. "During any period of cheap fares and strong competition between rival companies steamers may carry more passengers than can lawfully be taken, and of the number in excess no return is likely to be made."(1)

Despite the fact that these figures suggest a net outflow of migrants only in the years 1888, 1890, and 1891, it is clear from other estimates that there was in fact a net outflow in every year after 1884. Thus there is recorded a net outflow of 2,744 for the year 1885 by estimation from statistics of net increase of population and net excess of births over deaths.(2) The total net outflow of population between 1885 and 1891 was 19,938. By far the greater number of emigrants went to Australia, forming part of a constantly high flow of people between the two countries. Throughout the later nineteenth century there was a flow from Australia to New Zealand which, except for the period 1886-1890 either matched or exceeded the flow across the Tasman from New Zealand. Even in the period of net emigration from New Zealand an average of 9,541 people crossed the Tasman from Australia every year.(3)

A large proportion of those leaving New Zealand were married men, often leaving their families behind where they became a charge on the local charities. The misery caused by unemployment is unquestionable, though it has received scant attention from

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(1) New Zealand Official Yearbook, 1892, p.61.
(2) M.F. Lloyd Pritchard, op.cit., p.142. This rather dubious method of estimation is rough, but nevertheless the best at hand.
(3) R. Arnold "Some Australasian Aspects of New Zealand Life, 1890-1913", New Zealand Journal of History, 4:1, April 1970, p.55.

historians in comparison to the "sweating" dispute. In the main centres destitution induced the establishment of relief depots controlled by Citizens Committees. "There butchers sent surplus meat, while other tradesmen contributed groceries, drapery and coal. To afford immediate relief some of the depots were converted into 'soup kitchens' and hot soups, bread, oatmeal and potatoes were given out to the destitute poor."(1) A member of Parliament spoke, rather belatedly, of "hundreds of people who would have to leave the colony because conditions were not such as they could live in it at present."(2)

Throughout the decade unemployment was a greater problem in Christchurch and Dunedin than in the other centres. Timaru, although on a much smaller scale, was also hard hit at various times. Possibly the concentration in the South was due to the seasonal nature of wheat cultivation and demand for labour, but in the main unemployment was an urban problem for urban workers. Wheat harvesting really only provided a supplementary income for those men who were already without steady jobs. Possibly a more important reason for the concentration of unemployment in the southern towns was the fact that they received a somewhat disproportionate share of the assisted immigrants during the 1870's and were unable to absorb the extra labour power other than at times of peak seasonal/cyclical demand in their surrounding areas.

It was seldom that there was no work available anywhere in

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(1) J.D. Salmond, op.cit., p.29.
(2) N.Z.P.D., 1889, p.467.

the colony, but there seems to have been little independent inclination on the part of the unemployed to move to other centres - certainly not on the scale which the activities of the Labour Department were to encourage in the 1890's. In part, of course, such reluctance would have been the result of poverty itself. On one occasion at least the unemployed did raise the demand that they be transported to other areas of the colony at government expense. When the Timaru unemployed demanded government ships to take them to the North Island in 1883, the demand caused enough controversy for a government inquiry to be made into conditions there. No action was taken; the investigator was of the opinion that many if not all of the men were malingerers, and realised that in any case the men had really no idea of employment conditions in the North Island.(1)

It seems probable that knowledge of employment conditions was the crucial factor. This may in part explain the willingness to move to Australia in search of work, where more reliable information on employment prospects was available.

The distinction between the worthy unemployed and the malingerer is central to the set of attitudes surrounding unemployment at this time, as it is today. Though some were prepared to voice openly the view that "if a healthy man is poverty-stricken the fault is not with the labour market, but with the man",(2) most made some distinction, however fine. Thus J.A. Connell, addressing

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(1) Timaru Herald, August 23rd, 1883.
(2) N. Young, The Labour Party in New Zealand, 1892, p.16.

a large meeting of working men in Auckland said, "There's a certain class of unemployed, and when you offer him work he says I want seven, eight, or ten shillings a day .... That's the kind of man no employer would care to engage .... But as for a man who is prepared to work for a fare wage - I tell you I can shake that fellow by the hand."(1)

Another speaker in an address to electors appealed to the "industrious population of New Zealand, to all those who work, not to the 'loafers' and 'sundowners' for they will also whine to others to do what they will not do for themselves."(2)

This emphasis was an important part of the contemporary ideology of work, and one which was substantially adopted by the working classes themselves. Frequently the representatives of the unemployed were at pains to point out that they were 'worthy' poor. In Christchurch in 1880, when soup kitchens and the like were in action, the unemployed presented a petition in which they asserted that "they had not come to New Zealand to line up at soup kitchens; they wanted work, not charity".(3) Throughout the period government assistance seems to have been regarded even amongst the working classes as very much of a last resort. The Christchurch Committee of the Unemployed claimed in 1880 that "there are numbers of people among the unemployed who cannot bring themselves to disclose their poverty by availing themselves of the charity which is dispersed publicly from the old Post Office Building."(4)

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(1) J.A. Connell, An Address to the Working Men, 1887, p.7.
(2) A.A.S. Menteath, op.cit., p.14.
(3) W.H. Scotter, A History of Canterbury, Christchurch, 1965.
(4) Lyttelton Times, June 12th, 1880.

Of course, the social pressures against accepting handouts were very strong. Letters to the papers, to say nothing of editorials and public speeches, make plain that prevailing attitudes towards the claims for government assistance were antagonistic. Such ideas were probably best summed up by "old colonial" who wrote to the editor of The Press:-

> "I have been to a good many meetings of the so-called unemployed in this country, but I never yet knew a man who meant to work and was self-respecting who went to such a meeting with a view to asking for government assistance or interference."(1)

A similar sort of view was expressed in the House of Representatives when it was alleged that "it was usually the very worst class of labourers who received assistance, and they congregated about the towns always ready to agitate for relief".(2) The idea that relief payments attracted people to the towns was discounted by Sir Julius Vogel who noted

> "The earnings the unemployed gain by the work offered them are not sufficient to attract them to the towns if legitimate work is to be obtained at ordinary ruling rates in the country districts."(3)

But even so, urban poverty was most often attributed to the failings of the poor. A liberal such as Stout, when listing the causes of poverty, began with "State interference with human rights" and continued with "physical weakness", "mental weakness" and "moral weakness".(4)

This ideology was so strong in the 1880's, that a large element of "disincentive" was built into all work offered by

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(1) Press, 20th December, 1883.
(2) N.Z.P.D., 1884, p.232.
(3) N.Z.P.D., 1887, p.491.
(4) Sir Robert Stout, Politics and Poverty, 1883, p.8.

Government to the unemployed.

Despite the view of one visitor that "there is plenty of outdoor relief wisely and kindly administered by government officials,"(1) the realities of relief work could be harsh. There was continued debate over the 'reasonable wage' for such work, which was often of a back-breaking nature. The Immigration Officer for Christchurch reported to Head Office in 1884 on relief work being offered in his area which involved breaking stones over a 12 or 14 hour day. He commented:

> "Probably no better test work than this could be found, a large number have left and if the present fine weather continues I shall endeavour to reduce the number considerably next week."(2) (Italics added.)

Writing to the Minister of Immigration, who at the time had general responsibility for employment in the colony, a Dunedin baker who claimed to have the backing of 200 "mechanics, artisans and labourers", maintained that:

> "It is a crying shame that men have in a young country like this got to unite together to demand what his (sic) their right as British subjects. work to enable them to live as well as their wealthier neighbours."(3)

So far as the question of the "reasonable wage" was concerned, employers were definite that men were demanding too much. H.D. Atkinson in a private letter concerning an employee asked,

> "Another thing about Fred's labour, what is a man's labour worth? I consider a man's labour is worth what an employer can afford to pay him and in the present depressed

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(1) Dr J.M. Moore. The New Zealand of Today, 1891, p.32.
(2) Immigration Department memo dated January 1884. National Archives file IM 4/1/2. Subsequent Immigration Department references are also from this source.
(3) Letter to Minister of Immigration from B. Burnett, dated 20 August, 1883, IM 4/1/2.

state of the colony wages are very low, in fact many old and experienced hands are at the present time glad to get work for their board and lodging and many of them cannot get employment even on those terms."(1)

Work however was regarded as a duty rather than as a right by employers and colonists. Many of the colonists who had fought hard to build up their current prosperity felt extremely angry that, as it seemed to them, there were now colonists who looked to the government for help at every opportunity. Many of the immigrants were, after all, city dwellers by inclination and experience, and now that towns had grown up they were inclined to stay in them and look for work of an urban variety.(2)

Many of the unemployed however, were not recent arrivals at all, as the following table suggests:-

UNEMPLOYED WHO HAVE APPLIED FOR WORK
CHRISTCHURCH, 9th May 1884 to 11th October, 1884

In colony over 25 years	46
" " " 20 years	47
" " " 15 years	51
" " " 10 years	185
" " " 5 years	140
" " " 2 years	37
" " " 1 year	25
under 1 year	27
Total Applicants	558

Source: A.J.H.R., 1884, Sess. 2, Vol. 2, H. 23

(1) H.D. Atkinson to J.C. Richmond, 15th October 1886. Richmond/Atkinson Papers, Wellington, 1960. Vol. 2, p.537, G.H. Scholefield (ed.).
(2) See W.B. Sutch, The Quest for Security in New Zealand, Oxford, 1965, p.56, for the trades of new immigrants.

Indeed there is some evidence to suggest that there was an employment bias against people who had been in the colony and were still, or had become unemployed. "Employers do not care about taking these so-called unemployed and in every case asked for newly arrived people."(1) The greatest concentration of unemployed in the table above had been in the colony between 5 and 15 years, making their time of arrival somewhere between 1869 and 1879. This group were therefore "Vogel immigrants" and would tend to have less 'means' than those either before or after them. Certainly the assisted immigrants of the 1870's carried an unfortunate stigma with them.

Employment was often available to men at a "reasonable wage", though that nebulous concept was obviously being progressively devalued, as the "sweating" controversy bears ample witness. Average wages were certainly falling over the 1870's and 1880's for nearly all classes of wage labour.

Workers on government relief work at the end of the 1880's were earning a mere 4s per day,(2) and the reluctance of unemployed men to accept government relief work at such rates of pay in any but the most straitened circumstances, is understandable. Such reluctance was particularly reasonable when many relief jobs required workers to move away from possible alternative employment.

Many prices, of course, were falling as well - a fact that seems seldom to have been noticed in the contemporary wrangles

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(1) Christchurch Immigration Officer to Head Office, 1st November, 1883. IM 4/1/2.
(2) A.J.H.R., 1890, D10.

AVERAGE WAGES PER DAY, 1874 TO 1894

	1874	1884	1894
General Labourers	7s 0d	7s 0d	6s 6d
Artisans -			
Bricklayers	11s 6d	11s 3d	9s 6d
Carpenters	10s 9d	9s 6d	8s 3d
Masons	12s 0d	11s 3d	9s 6d
Painters	n.a.	9s 6d	8s 3d
Plumbers	n.a.	10s 9d	8s 6d
Smiths	10s 9d	10s 0d	8s 6d

Source: Official Yearbook, 1895, p.161.

surrounding wage rates.(1)

No survey of living standard exists, unfortunately, but one may doubt that living standards generally were falling very drastically at this time. Such poverty as did undoubtedly occur seems likely to have been largely due to the absence of a regular male wage earner in the family, be that absence due to unemployment, desertion, or widowhood.

The dogma of the 'reasonable wage' seems to have been all-pervasive at this time. It is used repeatedly, from the internal reports of the Immigration Department to the editorials of the leading newspapers.(2) Rates of pay for relief work were undoubtedly

(1) See J.W. McIlraith, The Course of Prices in New Zealand, Wellington, 1911, pp.51-53.
(2) e.g. Lyttelton Times, December 19th, 1883.

low. After a great deal of agitation in Christchurch during 1879 and 1880, the government offered employment on public works. In this case the rates offered were 3s 6d per day to single men, with married men earning 2s a day extra. The work was well out of town, and food was provided by the government for 1s 3d per day. Not surprisingly, this work was not popular. On some other Canterbury works men were reported to be "hardly able to make tucker on the pay".(1)

By 1883 men were talking of rates of pay such as this as "a disgrace to our social order", but cheaper labour was often available elsewhere and employers did not scruple to use it. After offering work at 2s 6d an hour for extremely disagreeable and dangerous work, and finding that he could not fill the job, the manager of the Lyttelton gasworks offered the jobs to prison labourers who could not refuse them.(2)

Wakefield, in his commentary on New Zealand in 1889 apparently felt that the relief pay rates were exorbitant. "The general well-being of the people", he wrote, "cannot be better illustrated, perhaps, than by mentioning that these dregs of the labouring population [i.e. the unemployed] receive 4s a day, which is quite twice as much as they need to live on".(3) Most other observers were more sympathetic to the plight of the unemployed. After all, even if a man could live on 3s or 4s a day, he could not as obviously support a family on it.

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(1) Canterbury Times, September 27th, 1889.
(2) W.H. Scotter, op.cit., p.61.
(3) E. Wakefield, op.cit., p.46.

The other aspect of men on relief work with which great play was made was their apparent reluctance to go outside of the towns for work.(1) The granting of relief work at some distance from the towns was part of the 'test' involved in such work, and usually no extra recompense was offered for the hardships this involved.

In 1884, it is only fair to note, some men who had been sent up-country to road work a hundred miles from Christchurch had been allowed an extra 6d per day "on account of the extra distance". For married men, to be sent into the country on relief work can only have added to the hardships of being unemployed. Often the men were able to remit £3 a month for the support of their families in the town.(2) The ways in which such conditions hastened the development of 'sweated' child and female labour in the towns are obvious.

The cost to the government of providing relief work was in the main fairly minor. From 1884 to 1887 (March years) a total of £22,246.18s.6d was expended on 'Grants in Aid, Unemployed', three-quarters of it during the last year. Not all of the work was paid for by the central government, indeed the share paid by local bodies rose from 4% (1884-1885) to 52% (1886-1887). The same return from which these figures are taken also provides some impression of the provincial unemployment relief distribution.

There were two areas of government responsibility for unemployment in the 1880's - the work of the Immigration Department, and for

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(1) See e.g. W.H. Scotter, op.cit., pp.60 and 69; E. Wakefield, op.cit., p.46; and N.Z.P.D., 1887, p.488.
(2) N.Z.P.D., 1887, p.488.

EXPENDITURE ON RELIEF WORKS - CENTRAL AND LOCAL GOVERNMENT

Year	Canterbury	Otago	Auckland	Hawkes Bay
1884-1885	£696	£128	-	-
1885-1886	£5203	-	-	£73
1886-1887	£9895	£6243	£723	-

Source: A.J.L.C., 1887, Return No. 8, June 6th, 1887. "Return showing the Works (paid for out of the Votes for 'Grants in Aid, Unemployed') upon which the unemployed have been engaged in the various provincial districts from 1880 to the 31st March 1887". Figures have been rounded to the nearest pound.

implementation of relief work decisions, the Public Works Department. Unemployment is a frequent topic of comment in the Public Works Statement presented to Parliament each year.

The Minister for Public Works noted in 1880:

> "The great depression from which nearly all our industries have suffered lately has thrown many workmen out of employment, and the Government have been called upon to alleviate the consequent distress by finding work for them on the railways and roads which are in course of construction. We have thought it our duty to comply with these requests and I am sorry to say that no less a number than 1674 of these men are now being employed at low wages in various parts of the colony.
>
> Although it is to be deplored that in a new country of such great natural resources as New Zealand this state of things should exist, yet it is by no means a new experience in the history of the colony. At various times during the last twenty years the authorities have found it necessary to afford similar temporary employment, but, fortunately, the need for the interference of the Government has in every case soon passed away, and has been succeeded by a large demand for labour in the ordinary industries of the country, and at the highest rates of wages in any part of the world... Meantime it is satisfactory to note that although many of the men thus engaged by us are engaged in work to which they are unaccustomed, yet from their labour the colony has obtained a fair equivalent from the outlay."(1)

(1) Public Works Statement, A.J.H.R., 1880, E1, p.(iii).

This last principle was to underly not only the temporary relief work granted during the 1880's but also later the co-operative works scheme. Relief work of any kind was granted reluctantly, and often subject to discontinuance for reasons other than improvement in the labour market. The Minister of Public Works, in his 1881 Statement noted the still unfortunate state of the labour market. Despite this:

> "the earthworks of (the Foxton-Wellington) part of the trunk line ... were begun in the neighbourhood of Wellington by the labour of the 'unemployed'; but funds not being available for its continuation, the works have been discontinued."(1)

So parsimonious was the Public Works Department with money for work for the unemployed during the 1880's, that often the total vote was not expended. The vote had reached an annual £10,000 by the later years of the decade, but often as in 1888 only a part (in this case £5361) was expended. "No money", the Minister stated, "will be expended which is not absolutely required".(2) The principle of getting value in return for relief money spent was adhered to just as rigidly.

> "We have latterly been getting very fair value for the money expended on this class of work, as the men employed have been fairly good labourers, and have been engaged, whenever practicable, on roads in the country districts, and on railways and other works of a reproductive character. The work is generally let in piecework contracts."(3)

Despite the Minister's confidence in 1888 that the £10,000 vote would be more than adequate, in fact the years expenditure was

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(1) Public Works Statement, A.J.H.R., 1881, D1, p.(ii).
(2) Public Works Statement, A.J.H.R., 188, D1, p.6.
(3) Ibid.

£14,361, most of it on road construction.(1) Undaunted, the vote requested for the ensuing year was £8,000, "to be devoted as far as possible to farming country roads, the work to be done by small contracts".

This hope had been foiled by the demand for relief employment during the year, and the situation was to continue for some time. A return was tabled in the House in 1889 showing "The Number of Men Employed upon Relief Works" in the period 31st March 1888 to 31st May 1889. The monthly totals are presented in the table below:

MEN EMPLOYED ON RELIEF WORKS, MONTHLY TOTALS

April 1888	345
May 1888	398
June 1888	515
July 1888	629
August 1888	727
September 1888	793
October 1888	809
November 1888	602
December 1888	445
January 1889	348
February 1889	249
March 1889	188
April 1889	172
May 1889	185

Source: "Return showing number of men employed upon Relief Works", A.J.H.R., 1889, D.9.

And the parsimony of the Department produced results, as in his 1890 report the Minister was able to note that only £1,871 of the

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(1) Public Works Statement, A.J.H.R., 1889, D1, p.10.

£8000 voted had been spent. There was, indeed a significant fall in the number of men employed, as the table below illustrates:

TABLE SHOWING MEN EMPLOYED ON RELIEF WORKS, MONTHLY TOTALS

March 1889	131
April 1889	117
May 1889	166
June 1889	199
July 1889	214
August 1889	213
September 1889	247
October 1889	220
November 1889	204
December 1889	n.a.
January 1890	56
February to May 1890	nil

Source: "Return Showing Men Employed on Relief Works in the Colony", A.J.H.R., 1890, D.10.

There are two confusing aspects of this return. In the first place the figures for March, April and May 1889 do not tally with the figures given in a return of the previous year, which is noted above. In the second place, although numbers employed had clearly dropped off, the return notes an expenditure of £11,289 for the period 31st March 1889 to 31st May 1890. It seems most likely that the division of administrative responsibility for unemployment during the decade meant that accurate knowledge was as unlikely as cohesive policy. Although the underlying policy was consistent, application was no doubt open to regional or political pressure.

The two main objects of government policy seem to have been to

get the unemployed out of the towns and to ensure that where government money was spent on their upkeep, it was given in return for productive work. This approach is illustrated in a circular from the Colonial Secretary's Office to Roads Boards in 1880.

> "Owing to the existing depression, numbers of men who are unable to obtain work have applied to the Government to provide them with employment. The funds now at the disposal of the Government, however, will not admit of this being done to more than a very limited extent, and only on works in certain localities. The Government consider it very desirable that the unemployed should be as much as possible distributed through the country districts, and believe that this object would be best attained by the local bodies undertaking such works within their districts as their funds will admit of; and that their local knowledge, and staff at their disposal, will enable them to employ the available labour to the greatest advantage. Under these circumstances, Government desire to call the attention of your Board to the desirableness of proceeding with such local works as you may be able to put in hand, with a view to relieving the existing depression in the labour market."(1)

It is not the main intention of this thesis to closely examine all government action in relief of unemployment during the 1880's. For a brief time the central government placed some reliance on the "Village Settlements" scheme introduced by Ballance in 1886. Described by one historian as "the only bright spot" in unemployment policy at this time,(2) the scheme, although it did put perhaps a thousand poor families on the land during its short period of application had, of course, wider aims than merely relief of unemployment.

Certainly the fame of the Village Settlement scheme spread far and wide, and a leader of the unemployed agitation in Victoria

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(1) Circular No. 32, National Archives File 80/3117, dated 28th June 1880.
(2) W.B. Sutch, op.cit., p.63.

Australia in 1890 was prepared to endorse it.

Interviewed by a reporter, the following exchange took place:

Rosa: "But leaving that, there is that New Zealand scheme of Village Settlements. They tell me that settled the unemployed trouble in New Zealand?"
Reporter: "I know it did. I was a reporter in Auckland at the time, and I had to do any number of Village Settlement meetings".
Rosa: "Then you know something about it?"
Reporter: "I know it did its work".
Rosa: "Very well then, we ask the Government here to adopt the scheme in Victoria".(1)

Such enthusiasm was scarcely justified by the experience of the scheme, and historians are united in treating the scheme as something of a failure. As K. Sinclair noted "Some two thousand people were settled on plots of twenty to fifty acres, but the land was often as poor as the tenants, and the scheme was not a success."(2)

There may well have been an element of the "test" applied to relief work in the conception of the village settlement scheme, aimed at dissuading idlers from claiming relief unless absolutely necessary.

Ballance noted in 1891 that "Speaking generally he thought that a cure for the attraction of labour to the towns was to be found in the village settlements".(3) But a detailed appraisal of the scheme remains to be completed.

More important as a precursor of government action in the 1890's was the operation of the Dunedin Labour Bureau. This bureau was established under a Board of Advice in April 1887 in connection with

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(1) S.A. Rosa, The Truth About the Unemployed Agitation of 1890, 1890, p.21.
(2) K. Sinclair, A History of New Zealand, London, 1969, p.163.
(3) New Zealand Herald, 16th May, 1891.

the Immigration Office, the local Immigration Officer being appointed Hon. Secretary. The Bureau was closed for a period from February to May 1888 when the Immigration Officer concerned was sacked. By the time the Bureau had experienced eleven months in action a Return was tabled on its operations, noting a cost of only £120 per annum (the Secretary's salary) and a fair degree of success in securing employment for unemployed workers in Dunedin. Some 446 men had been assisted, 330 sent to government works and 116 to private employers.

This embryo of the network of Labour Bureaux which was the keystone of Government unemployment policy in the 1890's and 1900's, is perhaps the most significant development of the 1880's so far as government action is concerned.

The following chapter amplifies the picture of 1880's unemployment presented in this chapter by examining the "unemployed" agitation which, it is argued, the operations of the Labour Department were designed to avoid.

CHAPTER 3

Unemployed Agitation

The purpose of this chapter is to draw attention to some isolated instances of agitation amongst the unemployed. The sparse nature of labour history in New Zealand is gradually being corrected but it remains true to say that we know very little about the early attempts to organise amongst the New Zealand working class.

Organisation of unemployed workers is an extremely difficult task, and only in the 1930's has unemployment produced any very significant level of organisation amongst such workers. The few instances of organisation discussed in this chapter reveal neither depth nor lasting character. The chapter does not provide an overall survey of agitation amongst the unemployed over the period - a much larger but possibly not unrewarding task for a labour historian.

It can be observed from the previous chapter and later discussion, that unemployment was a social problem of some significance for the colony. As a social problem, unemployment had two major characteristics:

(i) Localisation: in that unemployment was by no means spread evenly over the country in any one year. Nevertheless no major district avoided a serious level of unemployment in one year or another.

(ii) Limited Duration: by and large unemployment (at least in so far as it was a cause of social distress or unemployment) seems to have been a phenomenon of the winter months from May to September.

Given this situation we might expect a number of conclusions to emerge from a study of agitation by unemployed workers:

(1) agitation would most likely also be restricted to small, localised levels - indeed New Zealand at this time was characterised by the localised nature of most social action.

(2) in the absence of any organised working class movement, no emergence of new policy on the treatment of unemployment could be expected from the bottom. There were, it is true, working class groups seriously and continuously concerned with land settlement, tariffs, and conditions of entry into trades (e.g. apprenticeship). Further, all of these concerns had some relationship to fear of unemployment. However, it was some decades before these individual concerns were coalesced into identifiably "labour movement" policies.

(3) one might expect to find occasional outbreaks of violence due to the frustration from intermittent, but for some workers annual, unemployment and also to the lack of consistent organisation.

In fact, the picture which emerges from a brief study of the "unemployed agitation" of the period supports the first two hypotheses, but (as other students of the period will be aware) there is little or no evidence of violence against either person or property.

The forms of protest adopted by the unemployed in their struggles were characterised by optimism, moderation and (given the total population) large numbers. Meetings of the unemployed were convened tirelessly and motions were inevitably passed condemning the situation and formulating pleas for help.

Mostly, however, the demands were moderate in tone, so much so that the Christchurch Star editorialised in 1884:

> "No-one, we think, can fairly take exception to the tone of the letters written by or on behalf of the unemployed. On the whole the assertions are moderately worded, though they are emphatic as to the existence of a considerable amount of stress."(1)

In part, at least, such conceptions of the unemployed movements were based on wishful thinking and were the result of the social distance between those reporting the movement and those involved in them. One candidate for Parliament was brave enough to question the strength of the movement in front of 2,000 working men in Auckland, many of whom were unemployed at the time.

> "Well, gentlemen, these sham statesmen that see no further than their own noses imagine that those unemployed are the most formidable and powerful force of men in the country. (A voice - 'So they are'). They are nothing of the sort. (Emphatically). I tell you they are the weakest members of the community."(2)

The workers present proceeded to constantly disrupt his meeting, but their militancy went no further than the throwing of rolled-up programmes at the platform.

The weakness of the movements (indeed as a national entity there was no "movement" to speak of at all) stemmed directly from the perception of its leaders and probably its followers as to their own place in New Zealand society. The gentleman who in 1891 mocked the "faith of those classes in the ability of legislators to restore prosperity"(3) assessed their outlook more realistically than most at the time.

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(1) Christchurch Star, October 10th, 1884.
(2) J.A. Connell, op.cit., p. 9.
(3) O.T.J. Aspers, The Man and the State. 1891, p.23.

By and large the petitions carried and the motions passed at the unemployed meetings display a remarkably moderate outlook, with the possible exception of the anger vented on Vogel by state-aided immigrants who found themselves without jobs in their new home. One meeting of such a group decided that "the Agent-General, Sir Julius Vogel, ought to be hanged, not by the neck but by the heels, for the lies he has told."(1) There is no evidence however that they took any steps designed to implement this resolution.

Mostly the resolutions called for Government to provide work at reasonable wages, or when things became really depressed, for overseas assistance. The past existence of "Government works", the continuing possibility that the Government would get back into public works in a big way, and the fact that halts in such works were never total, all conspired to make such appeals for public works the predictable response.

Historians of the period have given a slightly amused regard to the petitions to Victoria, Australia, and to the President of the United States, asking for aid to emigrate. Such calls for emigration assistance or for overseas aid were more likely designed to embarrass the government domestically than to actually succeed in obtaining the assistance requested. As one example of this one might instance the resolution sent to the Government by the Christchurch unemployed in March 1887:

> "That since the Government refuses to provide work and private persons have no work to give, the unemployed should petition His Excellency the Governor to memorialise Her Most Gracious Majesty to exercise Her perogative during the year

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(1) J.D. Salmond, op.cit., p.29.

of Her Jubilee by sending relief to the starving people of New Zealand."(1)

The leadership of the unemployed and their motives remain obscure. The Canterbury Times described them in 1886 as "too well-dressed and well-fed looking to warrant the attention paid to their 'fiery spouters'."(2) A similarly cynical view was taken by the Government investigator into the demands of the Timaru unemployed(3), but such views may be more expressive of the class bias of their sources than of the attributes of the unemployed leaders themselves. In the only sustained analysis of the labour history of this period, Salmond comments that "meetings of the unemployed were often organised by agitators", but this assertion, apart from being perhaps true by definition, is not backed up by any evidence whatsoever.(4) What evidence is available suggests that the leadership of the unemployed came primarily from men who were themselves out of a job.(5)

The composition of the unemployed is as elusive as their total numbers at any one point. The first Secretary for Labour apparently felt that apart from those who were "idle" or "sickly", only those "of diligent and industrious habits, but trained in some calling not required in the colony" would have difficulty in finding a job.(6) He instanced the "clerk, shopman, schoolmaster, music teacher, governess, the highly educated but penniless man". Such

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(1) J.D. Salmond, op.cit., p.29
(2) Canterbury Times, March 5th, 1886.
(3) Timaru Herald, August 23rd, 1883.
(4) J.D. Salmond, op.cit., p. 29.
(5) See, for example, Christchurch Immigration Officer to Under Secretary for Immigration, June 12th, 1880, and Timaru Herald, August 23rd, 1883.
(6) E. Tregear, "Labour in New Zealand", New Zealand Official Yearbook, 1894, p.371.

evidence as there is, however, suggests the overwhelming predominance of unskilled labour of a manual variety amongst the unemployed as it will be shown was to be the case in succeeding decades. At one point in Christchurch when there was a total of 558 men registered for relief work, 35 of them were carpenters, 412 labourers and 11 were painters.(1) The Dunedin unemployed were said to be composed of "mechanics, artisans, and labourers", all of whom were certainly penniless but unlikely to have been highly educated.(2)

(1) William Garrard

An agitator named William Garrard was acting as a self-appointed spokesman for the Auckland unemployed in the early 1880's. He appears first at a meeting in August 1880 on the corner of Customhouse Street and Queen Street and was to reappear regularly from then on at each burst of unemployed agitation, becoming after a time the butt of many newspaper jokes.

Garrard claimed to have come to Auckland earlier in 1880 from New South Wales, attracted by reports of plentiful work on good wages. From the beginning his imagination seems to have outrun his political organising ability. At his street corner meetings he informed his audience how he had "battled for the people's rights in Sydney", and that he had "conquered the Premier of New South Wales and compelled him to concede what he demanded. We will compel the Government of this colony to furnish us with employment to make an

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(1) A.J.H.R., 1884, Sess. 2. Vol. 2., H.23.
(2) Letter to the Minister of Immigration, January 1884, IM4/1/2.

honest living." Work at a reasonable wage seems to have been his main theme, but as the Herald commented,

> "Assuredly Mr Garrard's language was not of a character to elevate his theme. If his object was to create amusement, he succeeded admirably, but it is doubtful if the style of his oration was calculated to favour the cause of the deserving unemployed, or that the working classes will appreciate such advocacy."(1)

Nevertheless, there was a show of hands in favour of the provision of day labour on municipal works for unemployed men and "five decent-looking men" consented to act as a committee for the unemployed.

Garrard convened another meeting three days later which was attended by 300 persons though according to the newspaper "a considerable number (of these) scarcely come under the category of the unemployed."(2) Further meetings were to be held in a hall, but in fact this was not arranged and Garrard's next meeting was again in the street. The 300 again present were told "it was his hope and trust to find bread for the unemployed in a fortnight" and provision was made for a petition to be ready for signing the next day.(3)

The Herald had by this time a campaign to ridicule the unemployed agitators, admittedly a task which Garrard's conduct seems occasionally to have invited. A rather typical Herald piece is the following:

> "We are credibly informed that in the case of one of the leaders of the 'unemployed' agitation, the question was put to him by a gentleman, 'What is your occupation?'

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(1) New Zealand Herald, August 28th, 1880
(2) ibid., August 31st, 1880.
(3) ibid., September 2nd, 1880.

> 'A miner' was the rejoinder.
> 'Why' said the gentleman, 'The Bay of Islands Coal Co., are wanting miners; you ought to be the last man out of work! The answer was a significant one, 'Who is going to work in that d.....d hole?' These are the men who are ever looking for work, but in their hearts are praying to providence that they may never find it."(1)

The meeting next day, attended by only 50 persons, was adjourned with the promise at the next meeting of entertainment provided by "unemployed musicians".

The Herald continued its campaign of ridicule, and Garrard's next meeting, attended by about 100 people "of whom only a small number could be classed as unemployed" was labelled a failure. Unmoved by the newspaper taunts, the leaders of the agitation proposed formation of an unemployed workman's union, marches and further public meetings.

Meetings had by this time become almost a daily affair, and at the meeting of 6th September, attended by about 80 people "a respectable-looking tradesman, whose name did not transpire" addressed the meeting. His story was that

> "He had been deluded into breaking up a comfortable home in Sheffield, and coming out here for steel works, which Sir Julius Vogel said were in operation. He brought out seven skilled workmen with him. Forty men were on the road to the colony who were hooked by the same line. Where were the steel works? If he ever got back to London, it would be a case with Sir Julius Vogel."(2)

Meanwhile, Garrard's petition had been circulated and was finally signed by about 140 men. The petition called on the City Council to end the letting of contracts for municipal works and to

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(1) ibid., September 3rd, 1880.
(2) ibid., September 7th, 1880.

save the contractor's profit by employing day labourers. The profits could be used to employ a larger number of men. Further it called on the Council, if it lacked the means to offer employment to all those who were in need of it, to ask the Government to charter vessels to take the unemployed to wherever they might find jobs. The Herald was typically severe:

> "We are afraid the latter request has very little chance of being entertained; the colonists have paid heavily enough through the vote for immigration for the importation of many 'hard bargains' from the mother country, and are not likely to throw good money after bad by submitting to fresh taxation to defray the expense of their expatriation."(1)

Again a few days later Garrard addressed a large open-air meeting with the purpose of discussing the City Council's offer of work for the unemployed at stonebreaking. He reportedly "urged that what they wanted was work - not stonebreaking" which was a frequently used relief provision for unemployment at a municipal level. At this meeting a resolution was passed petitioning the Governments of New South Wales and Victoria to send vessels to fetch the unemployed from Auckland.(2)

Garrard was clearly not the ideal man for organising on behalf of the unemployed, however, and under the strain of the work he was doing and the newspaper attacks on him, he became less and less plausible. In one letter to the Herald, Garrard requested that "beardless boys and youths" be sacked from Government jobs in order to give adult men employment(3) drawing the response from "One of the Unemployed",

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(1) ibid., September 11th, 1880.
(2) ibid., September 14th, 1880.
(3) ibid., September 16th, 1880.

> "I have read Mr Garrard's letter ... and it is my opinion that he is doing the cause of the unemployed more harm than good; If the unemployed are to have a representative let it be someone who understands what he is talking about and not such "rot" as Mr Garrard has written."(1)

To be fair to the Herald it did admit the existence of some "worthy unemployed" at this time, though it felt that the problem was primarily one of Wellington and "other towns in the South." By mid September the paper reported a meeting of 150 turning out to listen to Garrard, though "there were no unemployed ... jibes and jeers were poured on him by working men from every quarter."(2)

Garrard, apparently still undaunted, began to describe himself as an "unemployed agitator", and even spoke of launching a newspaper for unemployed workers. The fact that he seems at this time to have been very much a lone agitator, coupled with his inability to get (so far as one can discover) anything printed other than letters and advertisements in the Herald, suggests that Garrard was operating in something of a vacuum, though at least a handful of unemployed men began to accept stone-breaking.(3)

The lone agitator continued his work through September and October, long after the normally seasonal unemployment would have ended, and launched a new campaign on 5th October with the announcement that with the assistance of men from Victoria and Wellington he would endeavour to form a labour union.(4)

A week later he addressed a meeting of 200, but no further

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(1) ibid., September 17th, 1880.
(2) ibid., September 18th, 1880.
(3) ibid., September 22nd, 1880.
(4) ibid., October 6th, 1880.

mention was made of these plans. The open-air meetings continued until the end of October, with Garrard turning his attacks onto prison labour which "was acting injuriously on the interests of free labour and those of the unemployed."(1)

By the end of November, the newspaper was able to report with evident satisfaction that in the preceding two weeks no unemployed whatsoever had applied for work at the City Council for stone-breaking and "work is getting more plentiful as the summer advances and we have heard the last of the complaints for the present at least, as to the lack of employment by the labouring classes."(2)

Garrard occasionally reappears in the newspaper columns in the following years, but never seems to gain any following of substance. His importance rests mainly on his unsuccessful attempts to get unemployed agitation going on a regular and organised basis.

(2) The Auckland Liberal Association

There is another excellent example of another level of agitation on behalf of unemployed workers, a few years later but again in Auckland. The relevant documentation for this discussion comes from unpublished legislative papers recently made available in the National Archives.(3)

The controversy begins in 1885 with a letter from H.W. Farnall, President of the Auckland Liberal Association, to the Premier,

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(1) ibid., October 28th, 1880.
(2) ibid., November 23rd, 1880.
(3) The relevant file is Le 1/1886/160.

referring to resolutions passed at a recent meeting held under the auspices of the Auckland Liberal Association on unemployment. A request was made to the Government to "provide at least temporary work for the 335 men (183 of whom are married men with families) now out of employment here."(1)

Two resolutions had been passed at this meeting:

1) That this meeting views with alarm the growing numbers and distress of the unemployed, the natural result of the bulk of the population being employed on borrowed money, and is of the opinion that the Government has no right to encourage immigration, assisted or otherwise, in the present position of the Colony.
2) That this meeting believes that there is a pressing need for employment being afforded to many industrious persons in Auckland now unemployed, and it urges upon the Government the duty of at once meeting the necessity which has arisen.

At this meeting a Committee was formed to press for the provisions of work for the unemployed.

The Minister of Works wrote to the Mayor of Auckland advising him that as there was now more employment available, he was to lay off "40 able-bodied men" from stone-breaking. It thus appears that the laborious and soul destroying relief stand-by had been resorted to on a significant scale. The 40 men were in fact paid off by the City Council, but a petition was sent to the Minister requesting

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(1) Letter dated August 6th, 1885.

re-instatement as other work was not in fact available as the Minister believed.

The Minister was cautious, perhaps even evasive.

> "It is undesirable on the one hand that we should unduly interfere with the labour market by giving charitable employment where it is not absolutely necessary, but on the other hand we must make sure to provide work for men who are willing and able to do it, if no private work is open for them."(1)

By December the unemployment problem had persisted long past the usual time and meetings of unemployed workers were being held in the city. At one such meeting the Mayor of Auckland, Mr W.R. Waddel, was prepared to act as chairman and was requested to forward the contents of resolutions passed to the Minister of Public Works. It is of some interest to note a section of this message referring to the possibility of securing assistance from the Government of New South Wales, a suggestion the much-reviled Mr Garrard had put forward five years before.(2) In response to the Mayor's requests, more money was made available for relief work, and the summer months seem to have been less disturbed.

Unemployment re-emerged in April however and another meeting communicated with the Minister of Public Works, again through the Mayor:

> "This meeting, recognising the fact that there are large numbers of able-bodied industrious men out of employment in Auckland, very many of whom are unable to provide the necessaries of life for themselves and their families, most urgently press upon the Government the duty of providing for the necessity which has arisen, by providing employment at a rate of wages sufficient to secure the means of subsistence for those willing to work, together with their families."

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(1) Minister of Public Works to Mayor of Auckland, October 26th, 1885.
(2) Mayor of Auckland to Minister of Public Works, December 5th, 1885.

Until this time the agitation had been led by and seemed in the control of the Mayor, but in May of 1886 deputations began to wait on the Mayor pressing him for action. These deputations were no longer on behalf of, but rather consisted of, the unemployed workers.(1)

At the beginning of June the Mayor, who by this time was adopting a more detached tone with respect to the agitation, wrote to the Minister:

> "I have been requested to forward the accompanying resolution, viz. A meeting of the unemployed was held this morning at a quarter to ten 200 strong. W.G. Garrard in the chair ...."

The unemployed agitator was in full business again five years after the earlier episode above. This meeting in 1886 called on the Mayor to ask for work and indeed some more relief work was provided.

Unemployment persisted and indeed worsened as the winter of 1886 drew on. The President of the Liberal Association, Mr Farnall, now re-appears as the champion of the unemployed, with the following telegram to the Prime Minister:

> "Large mass meeting unemployed. Resolved unanimously wire you. 750 want immediate work. Many starving."(2)

Stout replied immediately expressing his concern.

A further request on the following day from Farnall to Stout for some specific proposal to put before a planned meeting of the unemployed was answered immediately. This might indicate the degree

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(1) Mayor Auckland to Minister of Public Works, May 8th and May 12th, 1886.
(2) Farnall to Stout, July 21st, 1886.

of success to be anticipated from the policy of having a movement led by a political associate of those in power, and certainly the pressure applied seemed to have been successful. But the meeting of unemployed workers was not altogether impressed with the Government's action.

The meeting thanked Stout for his prompt replies, and noted:

> "it appreciates the desire of the Government to deal with the great distress now prevailing throughout the colony, it thoroughly recognises the great difficulty of dealing with this question, but it is at the same time painfully impressed with the belief that the House of Representatives, as at present constituted, is either unwilling or unable to cope with it."

The meeting pointed out to the Prime Minister through Farnall, that a possible means of providing work for the unemployed might well be the letting of "the Te Kuiti Contract in small sections to the unemployed, on the same terms as contracts have been let to them on some of the southern lines." The final plea adopted by the meeting was for the setting aside of money voted for immigration purposes, to provide relief work for the unemployed.(1)

No immediate action was forthcoming on these requests and a further meeting was held from which Farnall pleaded to Stout:

> "Large meeting this morning. Work required at once. Great distress prevailing. No present prospect work from Local Bodies."(2)

The reply to this appeal came not from Stout, but from Minister of Works, Richardson, offering free railway passes to men leaving Auckland to go gum digging at Helensville. The unemployed workers were unimpressed:

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(1) Farnall to Stout, July 23rd, 1886.
(2) Farnall to Stout, July 26th, 1886.

> "Mass meeting unemployed this morning. Resolved this meeting thanks Minister of Public Works for offer but he has been misinformed as to the payable nature of work on the gum fields."(1)

The Government by this time decided it could itself do no more in the way of providing relief work. The last episode of this agitation is a request from the Auckland Trades Council, represented again by H.W. Farnall, for provision of relief work. This is one of the few instances in the 1880's where trade unions directly intervened with requests for relief work.

(3) Relief Workers

Most of the unemployed agitation which frequently filled the pages of the daily press during the 1880's was concerned with men agitating for work. On at least one occasion, however, discontent arose amongst men who had been placed on government employment.

In May of 1880 there was a good deal of discontent amongst men working on railroad construction in Central Otago. At one meeting of these workers concern was expressed at the fact that the employers "from the governing body down to the smallest cockatoo", were trying to use the existence of unemployment to force down labourers' wages. Another speaker urged:

> "That we desire to record our protest against the Government officials using the term unemployed with reference to the men employed on these works in the broad significance with which they use it. Officially they speak of

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(1) Farnall to Richardson, July 28th, 1886.

> the unemployed in such a way as to have the general public infer that they are an improvident class-paupers in pocket and paupers in ability to do a day's work. Otherwise, they say, we would not be here. Such an assertion applied to the men as a body is without foundation."

This assertion having found unanimous support at the meeting, the speaker continued:

> "The legislature in their wisdom authorised the initiation of these works and voted a large sum of money for the construction of this line deeming it a necessary adjunct to other lines, either made or being made, and not with a view to transforming this section into a huge workhouse as the policy of the present executive has tended to make it .... We therefore emphatically protest against the Government using their perogative to introduce a system of truck in paying and rationing which cannot but prove detrimental to the best interests of the working men. If as the present Government say, they will not compete with private enterprise in public works, then let them call tenders for works sufficient to absorb the present unemployed and cease to use public moneys in introducing immigrants to complete with the labour market."

The speaker's workmates appear to have agreed with these remarks, and the men organised themselves to the extent of electing a committee and levying members 1s. per month.(1)

Another group of such workmen at the same time went so far as to form a union - the Hindon and Mullocky Men's Union, with a rudimentary set of rules of operation. One of the founders described the hopes of the men:

> "Should time add strength to the Union, as in all probability it will do, owing to the deep felt necessity of the working class taking some action, these rules would probably be revised, improved, increased. But crude as they are, coming from the rude bands of the unemployed who would not be flattered even with the name of navvy, it is only fair that the public should be gentle in their criticism. As a member remarks: 'We begged

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(1) Otago Witness, May 1st, 1880.

> Suppliantly. We have been refused. We now seek a legitimate means of demanding what we begged - what we were promised - what we ought to get."(1)

While a detailed investigation has not been made of the local press, this organisation seems not to have developed significantly. Often the government works were of short duration, and no doubt the attention of the men was directed more towards securing a job elsewhere than to agitation.

(4) Knights of Labour

The somewhat radical turn of phrase adopted in some of the comments may suggest a left ideological basis to some of the agitation. There seems little evidence to confirm this, however. In Christchurch a coincidence between the formation of a branch of the Knights of Labour and a relatively organised degree of unemployed agitation can be noted, but evidence does not permit much further speculation.

The agitation referred to arose in Christchurch in mid-winter 1889.(2) Distress had reached quite significant, but by no means unprecedented, levels, with outdoor relief, being afforded to 472 persons in June by the Charitable Aid Board. At a meeting of the Board the "large number of unemployed now in town" were noted, and some local relief works were in operation. Demonstrations by the unemployed had begun as was common in the winter months in Christchurch at this time, and the Mayor had requested some assistance

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(1) Otago Witness, May 5th, 1880.
(2) See Christchurch Press, July 3rd - 16th, 1889, for the details outlined.

from Wellington. An advertisement called for an "Unemployed Meeting....(of) all Men and Sympathisers" was placed in the newspaper, and 60-70 men were organised to attend the office of the Ministry of Public Works seeking relief employment. The leader of this agitation, W. Powell, was a familiar figure of unemployed agitation in Christchurch over some years. On 5th July a meeting of 200 met to discuss the situation, in particular the report which had just been issued by the Government on the "pauperizing" effects of outdoor relief. This report was condemned by the meeting and a call made for renewed railway construction, giving both work for the unemployed, and, it was hoped, sections for the men along the line of the railway they built. 118 of the men present then marched to the Public Works Office following a call to "revive the Knights of Labour Society".

The next day the unemployed met again in the square and formed up behind a banner in black, bearing a cross-bones and the words "Work or Food" on it. Meeting the men, the Mayor (who seems not to have been out of favour with the unemployed) was able to announce that the Government had arranged for some roadmaking for the unemployed.

A few days later there appears a report that the Knights of Labour Organisation had indeed reformed, and this piece of information may well be linked with the occasional suggestion that the agitators had more than seasonal unemployment as their basis for agitation. This issue cannot be resolved here, though certainly the man named as chairman of a 5 July meeting of the unemployed, appears again at a Knights of Labour meeting on 12 July which had unemployment as one of its topics for discussion.

"Cautious", a correspondent to the Editor of the Press noted:

> "I see that the usual unemployed demonstrations have commenced and that the prominent speakers are the same who have been posed as unemployed for years. I begin to wonder if an easy living is to be got by being the mouthpiece of the improvident"?

But he was answered sternly by "Nisi Dominus Frustra".

> "He (i.e. Cautious) states that the prominent speakers are the same who have posed as unemployed for years. Granted. Freaks would have slipped off and secured their own comfort. These men have stood by their distressed brothers with a persistence worthy of a better cause ... connected with these men bearing the black flag and asking for food are sickly wives and thinly clad and half fed children."

The agitation organised by this group dragged on for some time without particular success. The instance is unusual for the appearance of a more leftist political element in the agitators.

The episodes discussed in this chapter are few in number, and they are not intended to provide a survey of agitation in the decade. There were, indeed, few instances of organised agitation in the decade. This is primarily related to the lack of an organised labour movement on any significant scale, as well as to the localised and sporadic nature of much of the unemployment.

Most workers rendered unemployed, of course, merely sought another job, moved to another town, or made ends meet as best they could until there was employment available again.

In the event, unemployed agitation does not seem to have been responsible for policy changes in the 1880's, nor to have forced in any way the new directions of the next decade. Certainly, in the emphasis placed on accurate employment information, on assisting

workmen to find employment, and on devising more effective methods of providing productive public works at low cost, the developments of the 1890's were to meet most of the implicit requests of the 1880's agitation.

CHAPTER 4

Unemployment 1892-1914.

An Empirical View

One of the most obvious reasons for the tendency to gloss over Pre World War One unemployment is the lack of readily available concrete information on the topic, and even for the period of the operation of the Labour Department it appears unlikely that the most intensive research will provide a satisfactory and consistent series of unemployment figures.

The destruction of the Labour Department archives in the Hope Gibbons building fire in 1952 removed the most likely source of figures, and the loss of certain of the relevant Works Department files in the same fire has added to the difficulties. But, nevertheless, from published Labour Department figures, from census returns, and from Public Works returns and newspaper files, it is possible to fill in the broad outlines.

PART A

The only direct and official figures on the extent of unemployment in this period are census data, and the aggregate figures are presented in Table One.

These figures are readily available, though the points may nevertheless be made that the proportions of unemployed are high by later standards (excluding the Depression years) and that there is a falling trend from the extremely high figure for 1896. Census forms before 1896 did not seek information on unemployment, though some contemporaries were aware of the need for such coverage. Despite a

TABLE ONE: Table Showing Census Data on Unemployment.

Census Date		Number of males unemployed	Proportion per 1000 male wage and salary earners
12 April	1896	14,759	100
31 March	1901	8,467	48
12 April	1906	8,189	39
2 April	1911	7,152	30
15 October	1916	5,920	26
17 April	1921	11,061	39
20 April	1926	10,694	34
24 March	1936	35,774	96*

*Includes men on rationed relief work but excludes 16,222 partly unemployed but not on relief work.

somewhat negative response from Seddon, the inclusion of the category "wage-earner-unemployed" in the 1896 census appears to derive from an 1895 question in the House by Hall-Jones, who said that he:

> "believed that according to law a census would be taken next year, and. as the question of the unemployed had assumed such large proportions he thought it wise to ascertain the number of people out of employment and the time such persons had been without employment."(1)

This section analyses the 1896, 1901, 1906 and 1911 census results in some detail. The reliability of the census statistics is questionable, but it seems likely that while errors will certainly be present, these may not be serious.

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(1) N.Z.P.D., 1895, p.112.

(i) The Breakdown of Unemployment Into Male And Female

TABLE TWO: Male and Female Unemployment According to Census Returns

Year	Male	Female
1896	14,759	2,637
1901	8,467	1,359
1906	8,189	1,372
1911	7,152	1,203

Female unemployment was clearly a significant, if minority, aspect of unemployment as revealed by cenus returns. Women formed 17.8% of the total unemployed in 1896, and 16.0%, 16.7% and 16.8% in the other three years - a remarkably constant proportion.

(ii) The Industrial Distribution Of Male Unemployment

The table following presents the aggregate figures for each industrial class in the census returns, for males only.

TABLE THREE: Industrial Distribution of Male Unemployment.

Category	1896	1901	1906	1911
Professional	321	311	364	345
Domestic	245	164	330	379
Commercial	2,245	785	941	1,234
Transport		642	695	535
Industrial	7,840	3,508	3,918	3,052
Agricultural(1)	3,916	1,869	1,941	1,607
Indefinite	186	1,188	-	-
TOTAL	14,759	8,467	8,189	7,152

(1) including pastoral and mining.

The next table shows the industrial distribution of male unemployment expressing each figure as a percentage of the total males unemployed.

TABLE FOUR: Proportionate Industrial Distribution of Male Unemployment.

Category	1896	1901	1906	1911
Professional	2.2	3.7	4.5	4.9
Domestic	1.7	1.9	4.0	5.3
Commercial	15.2	9.3	11.5	17.3
Transport		7.6	8.5	7.4
Industrial	53.2	41.4	47.5	42.7
Agricultural	26.5	22.1	23.7	22.5
Indefinite	1.3	14.0	-	-
TOTAL	100.0	100.0	100.0	100.0

The main points arising from these tables are the somewhat surprisingly high figures in each year for the unemployment amongst industrial workers; the tendency for the proportions of both professional and domestic workers to rise as a proportion of unemployment; and the sharp rise in, then complete absence of, an "indefinite category" which may well explain all subsequent changes by formal inclusion under other sector headings.

The census returns enable us to look at male unemployment, by industrial distribution, in yet another way. The following table shows the proportions of males unemployed in the active workers in each employment group. The proportions appear lower than the proportions of labour force unemployed in the aggregate census figures used above, as the following figures include (unavoidably for the

modern researcher using census returns) both self-employed persons and employers. Nevertheless the figures do provide an impression of the relative importance of unemployment for each sector.

TABLE FIVE: Proportions of Male Unemployed Amongst Those Males Actively Engaged, By Sectors.

Category	1896	1901	1906	1911
Professional	2.7	2.1	2.2	1.7
Domestic	4.2	2.5	3.4	3.5
Commercial }	4.9	2.3	2.2	2.3
Transport }		3.0	2.5	1.5
Industrial	11.4	4.1	3.7	2.7
Agricultural	3.8	1.7	1.7	1.3
Indefinite	4.5	24.2	-	-
TOTAL	6.2	3.1	2.5	2.0

Again it will be noted that the impact of unemployment on the industrial worker was above the average impact in each year. One interesting point which emerges is that, in the final two census years in particular, those male workers engaged in domestic sector occupations were amongst the most badly affected by unemployment.

What sort of a pattern of unemployment do these figures suggest? One is loathe to make definite statements, given the previous caveats about the statistics, coupled with the fact that one has figures for only four, not necessarily representative years, and indeed only one day within those years. Without some detailed knowledge of the pre-World War One labour market, any comment is fraught with danger. To give merely one example: seasonality.

It is not easy to predict the effect which seasonality of employment would have on these statistics. The census data on these statistics were 12 April, 31 March, 12 April and 2 April, respectively, and so any seasonal bias is likely to be constant as between the flow four census years. However it is possible, indeed surely certain, that the unemployment figures for the agricultural sector would be artificially inflated at this time of year as harvesting draws to a close.

Again, all the impressionistic evidence we have, points towards a worsening of unemployment in the urban centres in the depths of winter. The census measures are taken in late summer-autumn, and therefore undoubtedly understate the peaks of unemployment in the years to which they refer.

We may nevertheless make some generalisations about male unemployment on the basis of these census returns. In the first place unemployment emerges for every sector in each year as accounting for above 1% of those actively engaged. The average, from a high of 6.15% goes only so low as 1.97%. Unemployment, therefore, emerges as a rather constant feature of the labour market to a greater extent than in modern New Zealand, though not perhaps, on an average, much above normal "frictional" unemployment in the two later census years, especially if allowance is made for the fluidity of employment one might expect in an immature colonial economy with high rates of immigration. The major unemployment problem appears to be centred on 1896, and then largely in the industrial sector.

(iii) The Industrial Distribution Of Female Unemployment

We may now repeat the analysis above for female unemployment. The three comparable tables are presented in sequence:

TABLE SIX: Industrial Distribution of Female Unemployment.

Category	1896	1901	1906	1911
Professional	341	312	245	277
Domestic	1,424	557	512	381
Commercial	75	103	145	208
Transport		10	6	1
Industrial	750	377	464	335
Agricultural	2	-	-	-
Indefinite	45	-	-	-
TOTAL	2,637	1,359	1,372	1,203

TABLE SEVEN: Proportions of Industrial Distribution of Female Unemployment.

Category	1896	1901	1906	1911
Professional	12.9	23.0	17.9	23.0
Domestic	54.0	41.0	37.3	31.7
Commercial	2.9	7.5	10.6	17.3
Transport		0.7	0.4	0.1
Industrial	28.4	27.7	33.8	27.9
Agricultural	0.1	-	-	-
Indefinite	1.7	-	-	-
TOTAL	100.0	100.0	100.0	100.0

TABLE EIGHT: Proportions of Female Unemployed Amongst Those Females Actively Engaged, By Sectors.

Category	1896	1901	1906	1911
Professional	4.7	3.5	2.3	2.1
Domestic	6.2	2.0	1.7	1.1
Commercial	1.8	1.9	1.7	1.6
Transport		2.1	0.8	0.1
Industrial	5.7	2.3	2.5	1.7
Agricultural	0.1	-	-	-
Indefinite	1.9	-	-	-
TOTAL	5.0	2.1	1.8	1.3

As one would expect a different pattern emerges for female unemployment. In particular we should note:

(a) the greater importance of unemployment amongst the professional class in the female employment.

(b) the similarly greater importance of unemployment amongst domestic workers for female unemployment.

(c) the significant extent of unemployment amongst women working in the industrial occupational class. This aspect gives the lie to the attempt by the Department of Labour to prove that women's unemployment, if important at all, was basically a question of placing domestic servants.

(iv) 1896 Returns in More Detail

For both females and males, the 1896 return indicates the most severe levels of unemployment, and accordingly the returns for 1896

are analysed in some more detail.

The table below lists the occupational classes for males in which the highest levels of unemployment were found.

TABLE NINE: Male Unemployment By Occupation Groups - 1896 Census.

	Unemployed	Total	% Unemployed
1. Cook (other than hotel or domestic servant)	56	404	13.9
2. Animal trainer, horsebreaker	48	461	10.4
3. Clerk, cashier, bookeeper	356	3186	11.2
4. Shipmaster, officer, seaman	401	2821	14.2
5. Stevedore, lumper	131	823	15.9
6. Compositor	104	908	11.5
7. Book-binder, machine ruler	59	217	27.2
8. Engine, boiler maker, mechanical engineer, fitter etc.	197	1625	12.1
9. Shipwright, boat builder, designer, worker	72	415	17.3
10. Bed, mattress, hammock maker	35	272	12.9
11. Brass founder, moulder, etc.	22	155	14.2
12. Mason, hewer, hodman, etc.	83	335	24.8
13. Bricklayer, labourer, etc.	87	833	10.4
14. Carpenter, joiner, labourer, etc.	708	6335	11.2
15. Plasterer, labourer, etc.	30	217	13.8
16. Navvy, road, railway labourer, etc.	263	2333	11.3
17. Engineer, fireman, (undefined)	108	873	12.4
18. Labourer (undefined)	3922	16299	24.1
19. Horticulturalist, gardener	286	2197	13.0
20. Quarryman, labourer, etc.	23	117	19.7
TOTALS	6,991	40,826	17.1

Several points should be noted concerning this table:

(a) the importance of the category "labourers (undefined)" suggests the extent of unemployment amongst unskilled workers. This category, as well as having the second highest proportion of unemployed of any of the occupational categories, accounts on its own for 26.57% of all male unemployment recorded in the census.

(b) This figure, of course, is only a part of the contribution made by unskilled workers to unemployment. Taking only the categories listed in the table above, it will be clear that many categories include both skilled and unskilled workers.

(c) In addition to the great bulk of unskilled labourers amongst the unemployed, some smaller occupational groupings suffered apparently harsh levels of unemployment. The book-binders are the most outstanding example of this.

Before leaving the census figures a note of warning should be entered. As with many social statistics, too great a reliance should not be placed on pinpoint accuracy. Census returns on unemployment have some particular drawbacks. It is possible that extremely short term unemployment inflates the figures e.g. a bookbinder might list himself as unemployed in respect of his trade yet be engaged in some other form of work. Equally however that same bookbinder, if he was out of work yet envisaged an early return to employment, might not mark himself as unemployed.

PART B: LABOUR DEPARTMENT FIGURES

The formation of the Department of Labour (originally the Bureau of Industries) led to a flood of statistical material which has been little used by historians, perhaps because of the laborious task involved in compiling series from scattered data.(1)

The Department did not publish figures for unemployment as such before the 1920's, and the most revealing figures offered are for persons "assisted" by the Department. The significance of these figures is difficult to ascertain in the absence of information as to how many persons applied for assistance. That there was some gap between applicants and persons assisted (indeed often a very significant gap) is strongly suggested by, amongst less directly informed sources, comments in the monthly reports of various of the local agents of the Department of Labour.

Two examples of such a discrepancy may suffice to make the point:

> "a large number called seeking employment during the first weeks of the period and 107 were assisted."(2)

> "although 102 men have been sent to employment, there are still over a hundred men calling at this office for work."(3)

The gap between applicants for work and persons assisted was no doubt larger in years of high distress from unemployment, because of the increased difficulty the Labour Department found in placing unemployed men with private employers, and the lack of haste with

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(1) These are contained in both the Annual Report of the Department of Labour for each year (published in Appendices to the Journals of the House of Representatives - see Bibliography for details) and in the Journal of the Department of Labour, which appeared monthly from 1894.
(2) Journal of the Department of Labour, December, 1914.
(3) ibid., January, 1915.

which government work was often afforded.

The persons assisted by the Department were sent either to private employment or to Government works. The proportions of labour sent to each type of work vary widely from year to year. Government works absorbed from 33.28% (1891-92) to 83.34% (1902-1903). High rates of employment of applicants on government works were likely to be associated with the periods of most serious unemployment, as the "employment bureau" aspect of the Department's work became overshadowed by the "relief" aspect. In this respect it should be noted that the census returns for 1896, 1901 and 1906 were all for years which show relatively high proportions of men assisted by being sent to government works. This may mean, it should be noted, that the census years dealt with previously were not "typical".

The figures for men assisted by the Department in aggregate are therefore possibly a less accurate reflection of trend of unemployment than are the figures for men sent to government works. A later chapter examines the figures for men employed on government co-operative works in some detail. The main problem with the use of these figures as an indicator of levels of unemployment is that clearly some proportion of men employed on ostensibly "relief" work under the co-operative system, would have been employed on government construction work in the absence of unemployment in any case. Thus we cannot assume that men either <u>sent to</u> or <u>working on</u> government works, form a part of an unemployed section of the labour force.

There is, nevertheless, an independent value in an examination

of the available statistics on persons assisted by the Department of Labour. The value lies not only in the indication given by certain aspects of the data, with regard to trends and levels in unemployment, but also in the evidence the data constitutes with regard to the manner and success of the Department's operations. In this latter sense the series presented here amplify the known details of the Labour Department's early years which are discussed elsewhere.

The figures for men assisted by the Department in aggregate are presented below:

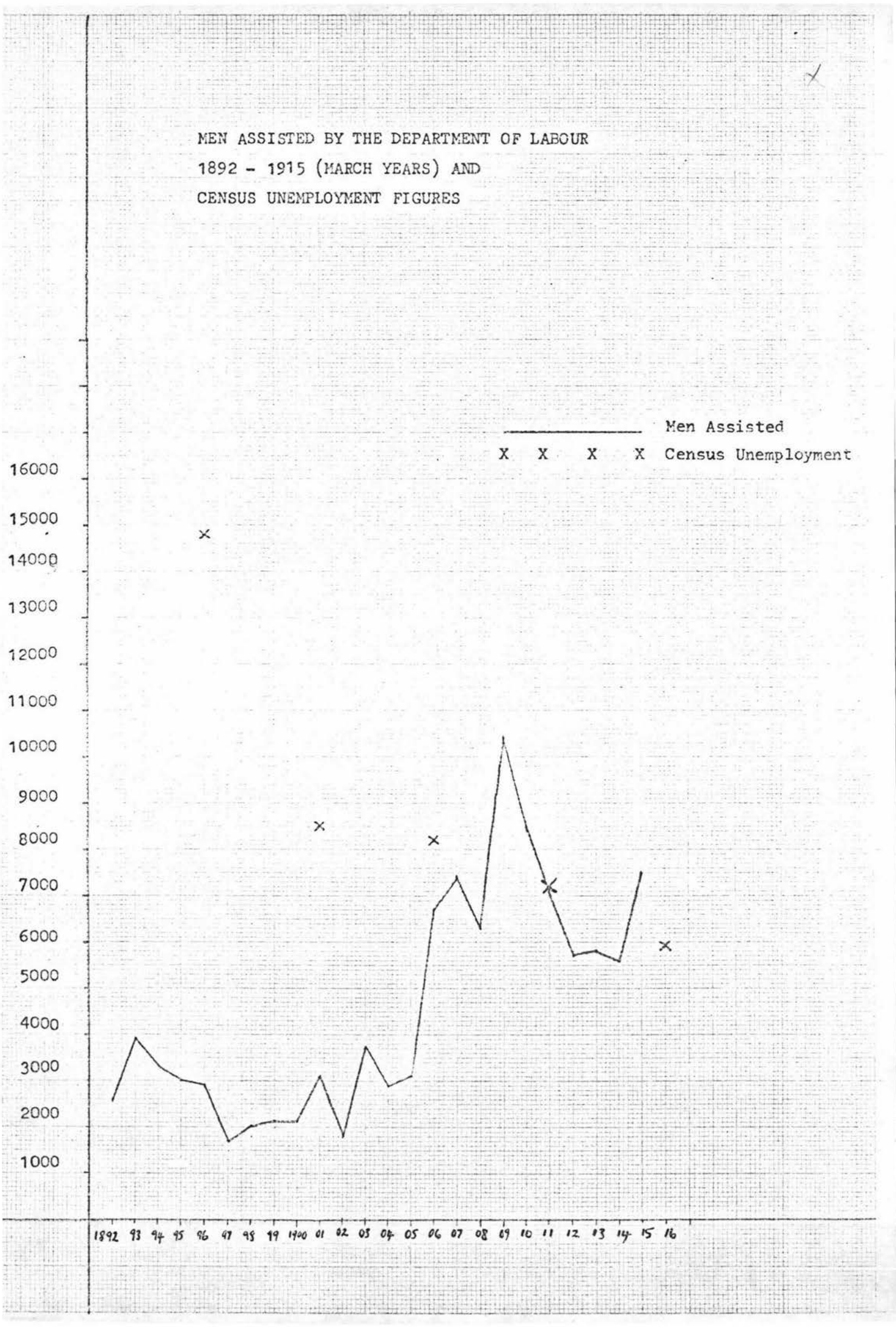
TABLE TEN: Men Assisted By The Department of Labour Bureaux 1892-1915 (March Years).

Year	Total	Dependants	Sent to ... Private	Government
1891-92 (10 mths)	2593	4729	1730	863
1893	3874	7802	2518	1356
1894	3341	7942	1019	2322
1895	3030	8883	894	2136
1896	2871	8424	708	2163
1897	1718	4719	652	1066
1898	2035	4928	544	1491
1899	2115	4759	638	1477
1900	2147	4471	486	1661
1901	3124	5432	519	2605
1902	1830	2747	396	1434
1903	3704	5934	580	3124
1904	2860	3085	1216	1644
1905	3130	3425	1960	1170
1906	6712	7351	1929	4783
1907	7393	4187	2718	4675
1908	6305	4408	2977	3328
1909	10391	7510	4190	6201
1910	8506	10164	5059	3477
1911	7102	8454	4251	2851
1912	5735	4233	3450	2285
1913	5848	5122	3705	2143
1914	5645	4295	3505	2140
1915	7515	8342	3673	3842

Source: Annual Reports of the Department of Labour, A.J.H.R., 1892-1915.

These figures will be discussed in some detail. They should first of all be compared with the census data on unemployment presented in the first section of this chapter. As graph 1 illustrates,

MEN ASSISTED BY THE DEPARTMENT OF LABOUR
1892 - 1915 (MARCH YEARS) AND
CENSUS UNEMPLOYMENT FIGURES



the "fit" between the two sets of figures is not good.

Thus, whereas in 1896 some 2871 men were assisted by the Department of Labour, male unemployment for April 1896 was 14,759. Similarly, March 1901 census figures show 8467 males unemployed, while in the year to March 1902 only some 1830 males were assisted to find employment. In April 1906, 8189 males were returned as unemployed, and over the following year 7393 were assisted, while in 1911, the comparable figures show 7152 unemployed and 5735 assisted.

Clearly the figures for men assisted by the Department to find work bear no constant relationship to census unemployment. Indeed arguably the comparisons presented in the paragraph above suggest merely an impressive increase in the Department's efficiency in placing unemployed men.

This impression is further strengthened by the evidence of one of our disaggregations of the "men assisted" statistics. Much of the unemployment suffered by those assisted by the Department was apparently of rather short duration, and the figures presented in the next table indicate a progressive fall in the number of months of unemployment suffered by those assisted by the Department. This fall perhaps suggests the increasing effectiveness of the Labour Department's activities though one must emphasise that we cannot assume that those "not assisted" by the Department had a similarly brief time out of work. In some few cases men were assisted more than once in a year.

MEN SENT TO GOVERNMENT WORKS AND PRIVATE EMPLOYMENT, 1892 - 1915 (MARCH YEARS)

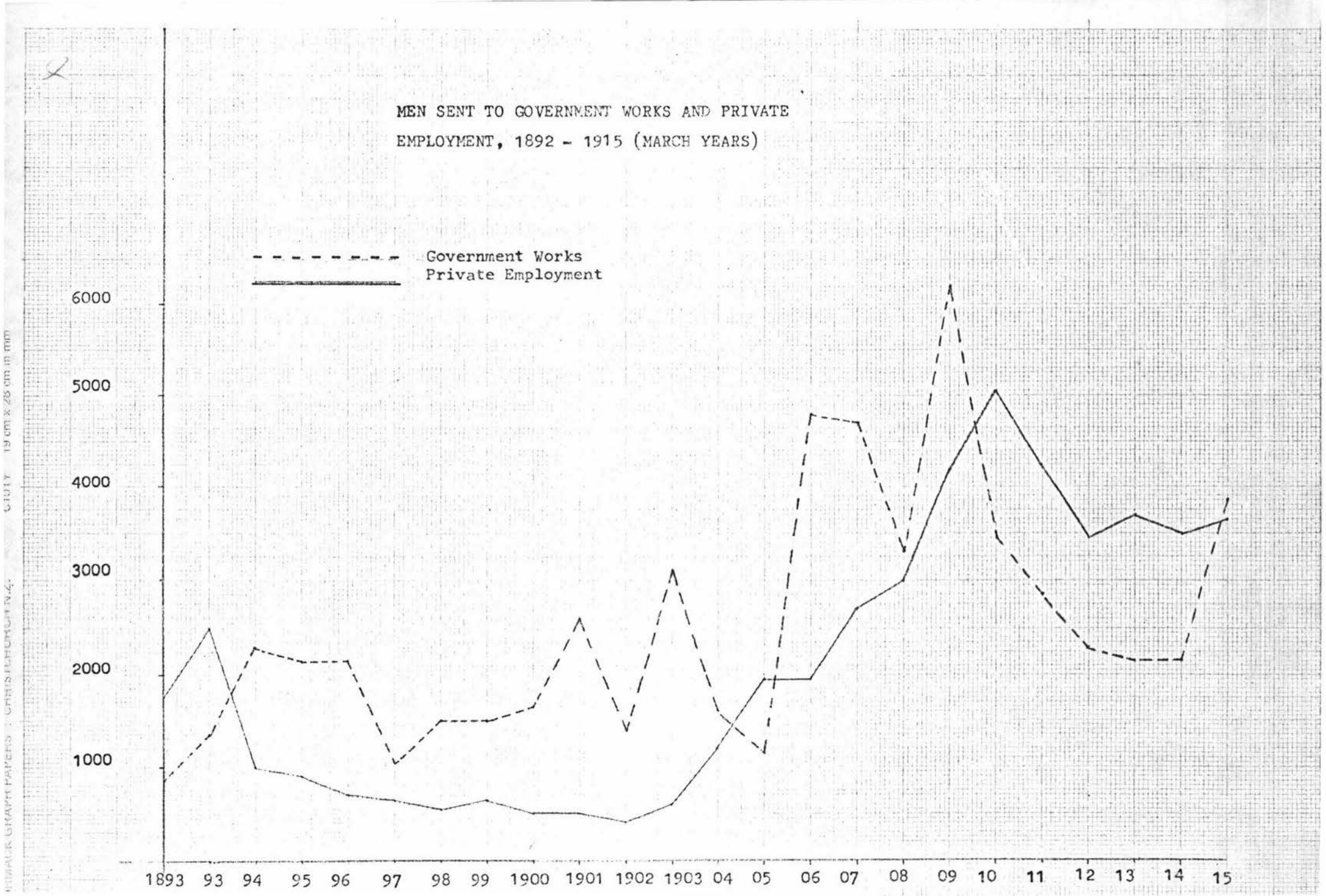


TABLE ELEVEN: Table Showing Men Assisted By The Bureau And The Number Of Months Unemployed.

March Years	Total	Months	Average Months
1892 (10 mths)	2593	6276	
1893	3874	7973	2.06
1894	3341	5903	1.77
1895	3030	5723	1.89
1896	2871	5681	1.99
1897	1718	3091	1.80
1898	2035	3301	1.62
1899	2115	3489	1.65
1900	2147	3114	1.45
1901	3124	3918	1.25
1902	1830	2310	1.16
1903	3704	5131	1.39
1904	2860	2267	0.79
1905	3130	2268	0.72

1893-1905 average number of months unemployed = 1.52

Source: Annual Reports of the Department of Labour, A.J.H.R., 1892-1905.

Table Ten above, with which we began our discussion of the Labour Department statistics, offered a breakdown of men assisted in terms of the type of work which they were sent. For most of the period, more men were sent to government works than to private employment. This was true for every year with the exception of 1892, 1893, 1905, 1910, 1911, 1912, 1913, 1914 and could perhaps reflect:

(a) the disinclination of government in the early years to offer government work - a disinclination which the success of the co-operative works system dispelled; and

(b) the tightness of the private labour market 1894-1909; and

(c) the recovery of the private labour market in the years immediately preceding World War One.

It is the trend in these final years which is the most difficult to understand. It may possibly be that there was a change in Departmental policy at this time, but no evidence has been found for this.

The next graph shows the distribution of men assisted between the two different areas of employment. There seems reason to believe that years in which the labour market was most depressed would be those in which the sending of men to government works reached a peak vis a vis surrounding years. On this basis we would identify 1894, 1896, 1901, 1903, 1906, 1909 and 1915 as years in which unemployment might be regarded as a more serious problem. As we shall see in a later chapter, however, there are aspects of Government Works policy which suggest that criteria other than purely the lack of private employment, might have governed the distribution of men assisted.

It is also possible to get some indication of the geographical distribution of unemployment for the period covered by Labour Department figures. One of the most important apparent functions of the Department's activities seems to have been the smoothing out of regional fluctuations in the numbers of unemployed workers.

The figures in Table Twelve give some indication of the geographical distribution of unemployment.

TABLE TWELVE: Table Showing Men Assisted by the Department of Labour, by District, 1894-1914.

March Year	Akld.(1)	G-B.	Wn.N.	Wn.S.	N.Cant.	S.Cant.	Wst.	N.O.	Dnd.	Invgl.
1894	351	60	158	1300	409	16	302	92	359	294
1895	268	197	308	954	281	51	139	65	505	262
1896	261	152	399	852	260	85	213	167	273	209
1897	158	117	281	531	235	45	33	23	155	140
1898	233	119	163	839	209	63	69	87	190	63
1899	333	133	70	804	161	58	164	48	267	77
1900	261	201	178	613	125	44	86	63	536	40
1901	913	175	161	688	308	65	71	96	530	117
1902	161	132	144	561	296	53	13	38	401	31
1903	911	170	118	908	513	65	418	83	407	111
1904	992	50	69	864	293	108	230	44	175	35
1905	1057	126	9	930	362	82	249	6	239	70
1906	1991	151	151	269	1633	713	132	629	155	217
1907	2055	130	380	2143	778	98	406	143	1140	120
1908	1878	239	488	1950	320	37	317	19	941	116
1909	2250	560	495	2578	1732	104	1250	14	1249	159
1910	1599	322	573	2141	1032	57	700	11	1882	189
1911	1450	433	358	1972	677	3	614	7	1497	91
1912	1250	229	431	1714	842	-	345	35	832	57
1913	1011	169	-	2230(2)	1079(3)	-	345	-	989(4)	25
1914	858	242	-	2135(2)	1211(3)	-	168	-	1002(4)	29

Source: Annual Reports of the Department of Labour, A.J.H.R., 1894-1914.

Notes: (1) Auckland, Gisborne-Hawkes Bay, Wellington North, Wellington South, North Canterbury, South Canterbury, Westland, North Otago, Dunedin, Invercargill.
(2) All Wellington District.
(3) All Canterbury District.
(4) All Otago District.

The following major points are to be noted:

(a) The Wellington South district is consistently the area which assisted the highest numbers. Only the years 1901 and 1903-1906 does another district (in each case Auckland) record higher figures.

(b) The North Island shows a higher number of people assisted throughout the period with the exception of 1906. In general the distribution of men assisted, as between the Islands, seems to have been disproportionate to population, as the table below indicates more clearly.

TABLE THIRTEEN: Distribution of Persons Assisted Compared With Population 1896-1911.

Census Years	North Island Population %	Persons Assisted %
1896	48.46(1)	58.0
1901	52.9	62.0
1906	55.7	42.8
1911	57.7	59.3

(c) The third obvious point to observe from the table showing the provincial distribution of men assisted is the propensity for wide fluctuations in the figures for individual districts from year to year.

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(1) European Population only

The first two points are probably reflections of the same situation. There seems to have been something of a "drift" in search of employment from the South Island to the North, and Wellington was the major point of distribution. This would naturally be expected in view of the tendency for population in the North Island to rise faster than the South Island - possibly part of the same process.

It should be noted that the table does not show the area in which the men assisted by the Labour Department became unemployed nor does it show the area in which the men eventually received employment, but rather the point at which the Labour Department was first able to offer them assistance. This assistance might be a job in the area concerned, but it might also consist of arrangements for a job in some other areas. Such a job would most likely be on government works, but men were also frequently sent to other areas where the Government hoped private employment - e.g. bush felling - would be found.

In May, 1897, to give an example of the way in which the South-North drift and dispersal from Wellington operated, the Wellington Agent for the Department reported "a fair number of applicants have been passing through from the South and have gone on to the country districts."(1) But of course, only those who were found employment by the Wellington Agent would appear in his "men assisted" return. All of the major cities begin to report arrivals from the country districts in search of jobs as the harvest ends.

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(1) Journal of the Department of Labour, May, 1897.

The drift of unemployed workers from South to North is more clearly indicated in the next table. A brief comparison of this table with table thirteen will immediately show this. Thus, whereas in 1896, 58% of men assisted were assisted in the North Island, only 50.3% of those whose "place of origin" was in New Zealand, were North Islanders. Again in 1901 the equivalent figures are 62% and 57% and for 1911, 59% and 48%. Interestingly, 1906 shows an opposite situation.

The interpretation of Table Fourteen is hampered by the lack of information as to the precise meaning of the category "place of origin". This is one of the many problems which the absence of departmental archives seem likely to preclude from solution. The returns seem most likely, however, to refer to place of last residence, rather than place of birth, given the overwhelming proportion of New Zealanders in the figures. The table does, nevertheless, suggest that by the 1890's at least, the problem of unemployment was rather more than a problem of immigrant absorption. The evidence from the Labour Department suggests low levels of aliens in the ranks of the unemployed in the 1890's, but rising to 30% on average in the years between 1903 and 1914.

To return to the aggregate figures presented here for men assisted by the Department of Labour, and their relationship to levels of unemployment. A certain scepticism as to the value of using these figures as indicative in any exact way of unemployment levels has been expressed above.

J P. Belshaw has made the most sustained examination of post World War One unemployment in New Zealand. Belshaw regards the

TABLE FOURTEEN: Table Showing Place of Origin of Men Assisted by the Department of Labour 1892-1914.

March Year	North Island	South Island	Australia	Great Britain	Others
1892(1)	767	1791	28	7	
1893	1322	2257	218	77	
1894	1480	1654	165	42	
1895	1466	1498	31	35	
1896	1424	1406	13	28	
1897	963	728	13	14	
1898	1284	726	5	20	
1899	1182	905	16	12	
1900	1102	992	20	33	
1901	1673	1266	42	143	
1902(2)	778	919	35	96	
1903	1572	1663	305	164	
1904	1301	974	349	236	
1905	1247	1102	382	399	
1906	2865	2724	461	571	91
1907	2770	2936	485	1053	149
1908	2683	2271	421	831	99
1909	3471	4533	485	1679	223
1910	2916	3899	227	1372	92
1911	2763	3037	218	1018	66
1912	2041	2195	259	1148	92
1913	1801	2149	320	1467	111
1914	1674	1804	335	1643	189

Source: Annual Reports of Labour Department, A.J.H.R., 1892-1914.

Notes: (1) 10 months only
(2) Total = 1828 rather than correct total of 1830.

statistics for unemployed assisted as "useful as a rough guide to unemployment". He notes that they do not give total numbers of unemployed, but quotes the 1932 New Zealand Official Yearbook to the effect that they may be regarded as "roughly symptomatic of the general unemployment situation." In all, Belshaw concurs with the Yearbook's interpretation that the relative movements suggested by the Department's figures overstate the relative movements in unemployment. Belshaw concluded on this basis that unemployment was less serious after the war (until 1926 at least) than it had been in the decade before the war.(1)

No definite conclusion may be reached regarding Belshaw's assessment, other than to note what has previously been suggested, i.e. that:

(a) the men assisted figures may well understate unemployment.

(b) they may well fluctuate according to criteria other than those of the extent of unemployment.

Other evidence of a far less systematic nature tends to suggest that the Labour Department's figures give a low estimate of unemployment. In 1887, and with undoubted exaggeration, it had been claimed in the House by an M.P. that

> "the number of cases brought before the Government does not represent a tenth of the people who have nothing to do. There are hundreds of people throughout the colony who do not know how to get their daily bread."(2)

In those days. unemployment came to Government attention

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(1) See J.P. Belshaw, "Post-War Unemployment and Unemployment Policy in New Zealand", Bulletin 23, Auckland University College, 1933.
(2) N.Z.P.D., 1887, p.489.

through agitation or the reports of Charitable Aid Boards, and less of a stigma seems to have been attached to the Labour Department. Nevertheless, application to the Department could often mean being sent to co-operative works in one of the more distant reaches of the colony, and hence might well be treated as a last step. The existence of union employment books would confirm this situation. The preference provisions which were gradually included over the years around the turn of the century in most union awards, typically included a provision that the Union maintain, in a suitably central location, an "employment book" in which were kept the names of Union members who were seeking work. The use of these books, about which no quantitative estimate is possible, may well have been a significant factor in unemployed workers securing employment in their own industry.

The Government was stubborn in regarding the level of applications to the Department as a measure of unemployment. In 1895, when a Wellington City member expressed concern about "the daily increasing number of unemployed in Wellington", Seddon replied as follows:

> "The Government is not aware that the number of unemployed is increasing daily. There is and has been work provided for those who require it. The number of men who applied for work from 1st July to the 15th July, 1905, was 103; the number sent to work for that period was 73. The number who applied for work from the 31st August to the 13th September, 1905, was 74; the number sent to work was 56. So that it will be seen that the number of applicants, instead of increasing, has dropped off from 103 to 74; and of the 74, work was found for 56, thus leaving, exclusive of other who have not applied, or who have applied since, 18 unprovided by the State with work."(1)

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(1) N.Z.P.D., 1905, p.17.

It was precisely the group who did not apply for work at the Labour Department, who would no doubt have bolstered the unemployed figures. Some quite detailed estimates certainly suggested higher figures. To give merely one example, Mr McLaren estimated on the basis of information supplied by union secretaries from their employment books that:

> "There are in Wellington at present [1909] about a thousand men out of work; in Auckland, five hundred; Christchurch, four hundred; Dunedin, one hundred; Invercargill, three hundred; West Coast, four hundred; Wanganui district, two hundred; and Timaru, one hundred."(1)

McLaren's total estimate of 3000 men out of work in the colony at that one date, may be compared with the 562 men assisted to find work in that month (June). It is only fair to add that the next month saw 1202 men assisted by the Department, and that the year 1909 saw the highest number of men assisted of any year in the period covered.

There is another series of figures which are tangentially related to unemployment, which relate directly to the expenditure of the Charitable Aid Boards. During the period 1897-1908 the Inspector of Hospitals and Charitable Institutions endeavoured to collect information as to the reasons why people were becoming charitable aid recipients.(2) There was at this time a very determined effort to cut down on charitable aid expenditure, which was regarded quite widely as being a cause of "pauperization".

Over the period, and in the districts which replied to the

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(1) N.Z.P.D., 1909, p.122.
(2) See Annual Report of the Inspector of Hospitals and Charitable Institutions, A.J.H.R., H. 22, 1897-1908.

Inspector's queries, there were 24,018 recipients of charitable aid, of whom 3558 had become recipients primarily because of "lack of employment". The table below indicates the fluctuating degree to which poverty resulted from lack of employment.

TABLE FIFTEEN: Table Showing Percentage of Cases Handled by Various Charitable Aid Boards, Whose Primary Cause of Poverty was "Lack of Employment". 1897-1908.

1897	14.09	1903	19.41
1898	13.62	1904	15.05
1899	14.72	1905	22.51
1900	17.18	1906	19.81
1901	13.41	1907	16.54
1902	15.36	1908	5.27

Source: Report of the Inspector of Hospitals and Charitable Institutions, 1897-1908, A.J.H.R., H. 22.

It seems reasonable to assume that in the years in which "lack of employment" appears as the most prevalent cause of poverty, unemployment was at its most serious level. If one identifies, say 1903, 1905 and 1906 as the most serious years of unemployment; then the fit with years identified on the basis of government works employment as years of most serious employment is close. By the second criterion, 1901, 1903 and 1906, they emerge as the worst years of those covered by the charitable aid survey. If nothing else, this rough similarity helps to identify 1903-1906 as years of significant unemployment.

UNEMPLOYED WOMEN ASSISTED

We have seen from the analysis of census returns above that unemployment amongst the female labour force was quite significant, and by no means entirely confined to the domestic service sector. This is not the place in which to survey the question of female participation in the colonial labour force, but a brief indication of their treatment by the Labour Department is given.

The Women's Branch of the Department of Labour was formed in 1897, and the following table lists the number of women who applied in each March Year. All women were placed as domestic servants.

The remarkable aspect of the operations of the Women's Branch, or as it was later called the Domestic Servants Branch, was its complete concentration on placing women seeking employment as domestic servants. And this despite the fact that many working women, more importantly many unemployed working women, had not been working as domestic servants but in other industries.

The available statistics on the activities of the Women's Branch are analysed further in Table Seventeen.

TABLE SIXTEEN: Women Assisted by Department of Labour.

March Year	Total Assisted
1898	695(1)
1899	324
1900	256
1901	256
1902	219
1903	339
1904	386
1905	181(2)
....	
1909	2255
1910	....(3)
1911	2245
1912	2215
1913	2072
1914	2163
1915	2165
1916	2192
1917	1957
1918	1692
1919	1552
1920	1406

Notes: (1) plus 20 women placed as casual charwomen
(2) the Women's Branch closed in October 1904
(3) not available

Marital Status: A breakdown of women assisted by marital status is available for the March Years 1899-1905, 1909, 1911-1915. The large majority in every year were single or widowed women.

TABLE SEVENTEEN: Marital Status of Women Assisted.

Year	Married	Widows/Single
1899	65	259
1900	43	213
1901	58	198
1902	61	158
1903	70	269
1904	68	318
1905	38	143
....	...	...
1909	517	1738
1910	...	....
1911	417	1828
1912	445	1770
1913	438	1634
1914	493	1670
1915	562	1603

Dependent Children

This preponderance of single women will also account for the small number of dependent children recorded for women assisted by the Department. These figures are only available for 1899-1905 and 1909. For these years the average number of dependent children was 80 compared with the average number of women for those years of 527. It seems most likely that women with children either had a man to support them or became recipients of various forms of charity to sustain themselves and their children.

Where Women Assisted Came From

The returns also record a column "Where from" for women, which is summarised below:

TABLE EIGHTEEN:

Place of Last Residence: Women Assisted by Women's Branch of Department of Labour. 1899-1915.

March Year	North Island	South Island	Overseas
1899	292	25	7
1900	228	20	8
1901	222	25	9
1902	167	42	10
1903	240	71	28
1904	260	72	54
1905	120	43	18
.... n.a.			
1909	1039	954	266
.... n.a.			
1911	1156	760	329
1912	1079	702	434
1913	1027	635	410
1914	1238	624	301
1915	1272	717	176

The distribution as between the North Island and South Island may well reflect the distribution of the women's branches, or the availability of domestic employment - some such explanation must account for the North Island's consistently higher share. The "overseas" category is a fluctuating one, and often reacts in a different fashion to the male figures.

This lengthy survey of the available data provides the most

detailed picture of unemployment, though the data do not enable us to construct a reliable index of unemployment. If one may summarise the major points which arise, these are:

(i) Unemployment was a significant factor in the labour market in many years, affecting both male and female, skilled and unskilled labour;

(ii) The effects of unemployment were nevertheless felt unevenly by the various trades, regions, and years;

(iii) A major effort by the Department of Labour to regulate unemployment met with mixed success, but overall provided men with work, government works with labour and private employers with an unemployment buffer, in a fairly effective manner.

(iv) The redistribution of labour which was a feature of the Department's work, followed the patterns of demographic development in aggregate terms, but no doubt also urged labour to more remote areas than it might otherwise have drifted towards.

(v) The fluctuations in unemployment on a total basis were wide, and do not reflect any obvious cyclical trend.

None of these early conclusions regarding unemployment are of a heavily significant character, but the preceding chapter provides the detailed analysis of the available data which may encourage further research. In particular much of the detail can with value be read in conjunction with P. Gibbons' analysis of the Labour Department.(1)

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(1) P. Gibbons, op.cit., passim.

Chapter 5

Co-operative Works and Unemployment

The whole thrust of the Labour Department's activities was, as Gibbons portrays it, the regulation of unemployment. It represents the efforts of a government to control in a coherent, rational way, this troublesome social problem. The activities of the Department have been described in the previous chapter so far as assisting workers to find employment is concerned. This chapter examines one of the more innovative aspects of the Department's work - the co-operative works system.

In looking at the development of this system of public works it is necessary to keep in mind two aspects of previous thinking and action on the problem of unemployment:

(a) the desire evident throughout the 1880's that relief works provided with public money should provide at least an equivalent return. The Public Works Statements often deplored the necessity for providing relief employment and pointed to the returns nevertheless being obtained.

> "Meantime it is satisfactory to note that although many of the men thus engaged by us are engaged in work to which they are unaccustomed. yet from their labour the colony has obtained a fair equivalent for the outlay."(1)

Again, in 1888:

> "We have latterly been getting very fair value for the money expended in this class of work, as the men employed have been fairly good labourers, and have been engaged, wherever practicable, on roads in the country districts, and on railways and other works of a reproductive character."(2)

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(1) A.J.H.R., 1880, E.I, p.iii.
(2) A.J.H.R., 1888, D 1, p.6.

So that the idea of a system that at once provided employment for workless men and completed necessary public works, was central to thinking in this area during the 1880's. Indeed, public financial thinking being as it was, the "economics" could easily outweigh the "welfare" aspect of such works, as when the earthworks for the Foxton-Wellington part of the trunk line were begun near Wellington by unemployed labour, "but funds not being available for its continuance, the works have been discontinued", though the demand for work continued.(1)

(b) the second important piece of background to be kept in mind, is the regulative, even repressive attitudes of officialdom towards unemployed workers. This has been discussed earlier in relation to the 1880's, and a later chapter will suggest a similar approach. Tregear himself epitomises this attitude:

> "The present system of charitable aid is faulty in the extreme, and it will need the attention of our wisest men to organize a scheme that will deliver us from the network of our present difficulties. The dependent classes should be divided into three distinct orders - viz. the helpful poor, who only need guidance and direction to enable the work and the worker to be brought together; the helpless poor, who are to be regarded as subjects for benevolent aid; and the criminally lazy poor, who should be compelled to work, if necessary under restriction."(2)

The co-operative works, indeed most of the Department's activities, were aimed at the first group, though the "test" aspect of such work was aimed at sorting out the third group from the others.

Like the labour bureaux, the co-operative works system emerged

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(1) A.J.H.R., 1881, D 1, p.xv.
(2) Annual Report of Department of Labour, A.J.H.R., 1893, p.2.

from an experiment into a fully developed rational policy. In the case of co-operative works there was good precedent, as many of the public works in the 1880's had been let on small piece-work contracts.

This contract system, however, had a number of problems: (a) contractors, who in turn employed labour, were often vicious employers, and many labour disputes were occurring on public works;

(b) sub-contracting became common, and the effect on conditions of work was often akin to "sweating";

(c) the public works let on this basis did not always assist, and sometimes had a bad effect on, the employment situation in the district surrounding the works. This happened either because of the haphazard attraction of men to areas in which contracts had been let or because the contractor brought a gang of workmen with him from a previous contract.

Under the co-operative works system, small contracts were let to groups of workmen, following a valuation by Public Works officials. These contract rates could be varied to avoid either excessive returns or unrealistically low rates if the work proved more difficult than anticipated. The system was tried out first on some small formation-works on roads and railways, and with Seddon's enthusiastic support, became widespread. Following the success of the system on the Ngakawau Railway works, Seddon announced the extension of the system to other road works;

> "Previously, the Government were paying 4s.6d. per day to the men, and the result was that the State received but a poor return for its pittance, as no interest of course was taken in the work. Now the men - some seventy in number -

> are paid so much per chain for the work, and the total cost has not exceeded what it would have been had the work been done by contract, and the men employed are well-satisfied."(1)

There is no question that the scheme was successful, and it became the basis for public works in the colony for many years. And although the co-operative works are discussed here in connection with the problem of unemployment, no pretence is made that this was their major object - they were mainly a desirable way of getting various works completed. Seddon himself made this clear:

> "The contention that, when a large amount of labour is unemployed, pressure which is well-nigh irresistible would be brought to bear on the Government to find employment, has proved to be altogether erroneous, as is evidenced by the large reduction in the number of men employed on the Government co-operative works during the last few months."(2)

By 1893, however, the letting of works on the co-operative system had entirely replaced relief works.(3)

In 1894 the new system began to meet some pressure, as a bad harvest and other economic difficulties, threw a number of men out of work. The Public Works Statement noted this, and recognised the need to respond to the demand for public works labour, if only to the extent that such works were required.(4) In the following year the problem persisted, and Seddon, noting the expansion of employment on co-operative works, saw some emerging difficulties:

> "Under the co-operative system a large percentage of the men employed have never previously done any navvying work, many of them being skilled artisans unaccustomed to labouring work".(5)

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(1) A.J.H.R., 1891, D 1, p.16.
(2) A.J.H.R., 1892, D 1, p.7.
(3) A.J.H.R., 1893, D 5B.
(4) A.J.H.R., 1894, D 1, p.2.
(5) A.J.H.R., 1895, D 1, p.v.

Seddon was keen for local authorities to adopt the system as well, for such works as they carried out in their areas with support from central government grants-in-aid. His comments at this point on the virtues of the co-operative system bear quotation at length.

> "The adoption of this system would insure a living wage being earned by the men employed; and it would also have the effect of more easily regulating the labour market. Thus, when there was a dearth of private employment, the number of men engaged by the Government and the local authorities could be increased; and when private employment was plentiful, correspondingly, the number of men employed by the Government and the local authorities could be decreased, thus equalising the work and insuring a fair return during the whole of the year. At the present time, during some months of the year skilled workmen and labourers are fully engaged, whilst again for some months, a very large percentage are unemployed. What has been earned during the busy season is eaten up during the period of idleness, and thus the men at the end of the year find themselves no better off."(1)

But, although Seddon shows in this analysis an understanding of the problems posed for workmen by seasonal cyclical unemployment, the extension of co-operative works on the basis envisaged by the Government was never really an answer to this problem. "Good", "productive" works could not be turned on and off to meet the demands of the labour market. This meant that either work had to be planned on a full-year basis, even if this at times induced labour shortages for private industry, or remain as at best an ancillary device for combatting unemployment which was also an appropriate method for completing many types of public works. In the event the co-operative works maintained a compromise between the two - enabling politicians to emphasise whichever aspect was most opportune at the time.

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(1) A.J.H.R., 1895, D 1, p.v.

This chapter now proceeds to look at the results of some empirical research into the operations of the co-operative works system.

Men employed on Government co-operative works were selected by the various Labour Bureaux under the following criteria:

1. Applicants not previously employed on Government co-operative works had priority of claim over men who have recently been so employed;

2. Men resident in the neighbourhood of the works had priority over non-residents;

3. Married men had priority over single men;

4. In recording the applications of men who had previously been employed on Government co-operative works, the dates when they left such works were noted, and those longest off such works were considered first.

5. All applicants for work had to have been at least fourteen days off such works prior to re-registration as applicants for further work;

6. If there were more applicants for work than there were vacancies to fill, a ballot was taken to determine the particular men to be employed. Such ballots were conducted in the presence of the men interested, and members of local bodies could also be present if they wished.(1)

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(1) H.J. Blow, "The Co-operative System of Constructing Public Works", N.Z.O.Y.B., 1915, pp.240-241.

Summarising, we can say that eligibility for employment on co-operative works began with unemployment and policy was aimed at avoiding the creation of a "class" of co-operative works navvy, by enforcing breaks in continuity of employment and giving first choice to local residents and those not previously employed on such works.

From the inception of the system in 1891, its use built slowly for the first couple of years, but soon came to account for all but a handful of state construction projects. Table One presents the monthly average for each year of men employed on co-operative works for 1894-1915. The series begins in 1894 from the beginning of full operation of both the co-operative works system and the labour bureaux network.

TABLE ONE: Men Employed on Co-operative Works: Monthly Average for Each Year, 1894-1915.

1894	1869	1905	4564
1895	2455	1906	7119
1896	2293	1907	5281
1897	2493	1908	6508
1898	2725	1909	7063
1899	2975	1910	4926
1900	3408	1911	6343
1901	5213	1912	6471
1902	2649	1913	4771
1903	4226	1914	4630
1904	3356	1915	5836

Source: Journals of the Department of Labour, 1894-1915.

A tendency for rather wide fluctuations in the number of men employed on the works from year to year will be noted. Two explanations of this seem theoretically possible:

(a) the works functioned (at least above a certain minimum of perhaps 2500) as an unemployment buffer, absorbing unemployed workers when necessary;

(b) employment on co-operative works may merely have fluctuated according to available finance, political dictate. changing necessity for public works or some similar governmental concern.

The second explanation seems more likely to be valid than the first, though the evidence remains rather ambiguous. While the 1896 employment of men on co-operative works is relatively low, the census unemployment figures for that year are abnormally high. This may largely be accounted for by the relative youth of the co-operative system at that time. Certainly, there does appear to be a rough correspondence between the period around 1907-1909, which other evidence identifies as a period of significant unemployment, and a certain peak in the employment of men on co-operative works. This peak may however, merely reflect the rush to complete the North Island Main Trunk Line.

Table Two details the monthly data on employment of men on co-operative works. This table gives the most detailed picture available of the scope of co-operative works activity. This table may be compared with the following, matching, table giving the monthly figures for men assisted by the Department of Labour.

TABLE TWO: Total Numbers Employed on Co-operative Work.

Year	Jan.	Feb.	Mar.	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
1894	-	2062	1862	1640	1740	1774	1668	1788	1981	1991	1952	2111
1895	2010	2272	2237	2196	2300	2486	2559	2634	2764	2702	2749	2553
1896	2128	2259	2211	2283	2406	2293	2206	2296	2226	2333	2472	2409
1897	2261	2132	2442	2417	2518	2491	2585	2793	2755	2499	2555	2477
1898	1987	2017	2253	2499	2468	2643	2860	3249	3286	3412	3242	2789
1899	2387	2569	2499	2666	2876	3207	3159	3335	3348	3240	3241	3183
1900	3093	2976	2724	2852	3034	3193	3403	3656	3818	3899	4030	4230
1901	4463	4939	2526(1)	5569	5668	5509	5627	5334	5589	5389	5015	4249
1902	2918	2420	769(1)	748(1)	813(1)	2045	2290	2366	2546	2780	3039	3438
1903	3393	4296	5109	5469	5616	5163	4608	3994	3681	3373	3112	2907
1904	2790	3002	3527	3808	3901	3696	3705	3442	3159	3081	3047	3114
1905	3072	3414	4018	4229	4239	4468	4560	4852	5192	5339	5499	5897
1906	6346	7028	7761	8246	(8336 (5876 (2)	7640	7393	7273	6753	6741	6677	6479
1907	6267	6272	6378	5644	5371	5261	5073	4873	4683	4458	4490	4609
1908	5083	5986	5952	6024	5836	5744	5866	6315	6706	7324	8206	9062
1909	9403	9917	9750	8862	8062	6605	6201	4307(3)	5117	4820	4572	4394
1910	4381	4614	4858	5028	4778	4808	4676	4748	5005	5216	5560	5440
1911	5731	6440	7000	6886	6517	6534	6219	6382	6008	6100	5967	6333
1912	6544	7201	7765	7528	7342	7020	6826	6451	6086	5373	4972	4553
1913	4169	4717	4900	5119	5185	5244	4764	4730	4765	4681	4568	4414
1914	4160	4340	3989	4339	4516	4984	n.a.	5503	5476	5688	6307	6261
1915	6163	6339	6383	6380	6212	5561	5627	5734	5878	5624	5327	4807
1916	3977	3714	3651	3564	3314	3076	2962	2749	2608	2697	2637	2630

Notes: 1. exluding men employed by Public Works Department
2. two entries appear for this month
3. incomplete return

TABLE THREE: Men Assisted By Department of Labour.

Year	Jan.	Feb.	Mar.	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
1894	n.a.	274	188	241	433	262	231	356	163	211	232	231
1895	251	303	318	425	529	411	363	259	331	279	127	200
1896	284	281	284	220	153	140	131	182	154	143	182	61
1897	138	110	114	200	156	188	289	214	142	98	135	60
1898	109	155	249	166	267	213	309	276	172	181	137	106
1899	127	112	81	49	202	192	260	147	270	144	179	73
1900	211	114	153	226	239	323	300	223	280	412	157	82
1901	425	252	205	249	180	192	184	231	238	135	138	69
1902	34	119	61	128	182	167	260	146	295	213	288	188
1903	751	649	432	371	274	161	200	148	247	213	194	117
1904	316	307	327	256	257	233	192	209	213	291	322	175
1905	337	306	339	352	392	404	554	580	468	460	636	582
1906	752	802	730	543	514	594	661	788	666	634	575	529
1907	462	764	563	354	445	570	494	388	409	353	396	560
1908	651	876	804	668	532	546	585	1202	816	946	999	948
1909	846	1184	1029	707	645	562	1202	881	593	634	709	513
1910	688	736	638	498	531	522	635	597	667	559	665	589
1911	455	693	701	468	459	411	418	514	592	499	571	414
1912	368	491	530	611	517	522	523	494	530	444	397	354
1913	368	542	542	448	402	477	457	576	589	418	463	353
1914	363	522	530	467	547	448	596	645	766	821	964	545
1915	478	690	558	434	450	429	455	862	585	682	612	355
1916	339	423	352	301	175	227	204	257	298	249	246	246

Average month = 396.

One may abstract from these detailed tables, for the purpose of identifying seasonal trends.

TABLE FOUR: Co-operative Works Employment: Average for Each Month over Period 1894-1916.

January	4214	July	4174
February	4387	August	4295
March	4632	September	4323
April	4693	October	4293
May	4700	November	4314
June	4410	December	4275

No wide fluctuations are evident between the months, though some seasonal element does appear from the lower figures for the winter months of July and August, which were no doubt due to the difficulty of providing production road or rail formation employment in adverse weather conditions. These months were also, it would seem from the more impressionistic evidence of "unemployed agitation", the worst time of the year for distress and unemployment in the towns. The months when most men were employed on co-operative works were from March to June - following the end of seasonal work in the country areas and up to the depths of winter.

The monthly figures for men assisted by the Department of Labour show a rather different pattern, although again the disparities between monthly averages over the whole period are rather small.

TABLE FIVE: Men Assisted By Department of Labour: Average For Each Month Over Period 1894-1916.

January	397	July	413
February	465	August	442
March	422	September	412
April	364	October	392
May	368	November	405
June	356	December	319

The factors governing this pattern are probably more complex than those governing employment on co-operative works. Low months (April, May, June, December) are most likely associated with the increasing difficulty in finding jobs over April-June, and the approach of the holiday season in December. It is noteworthy that in July and August a relatively large number of men were, on average, assisted, though in these months there tended to be fewer employed on co-operative works.

It should also be noted, from observation of these figures that many men employed on the co-operative works must have gone to them directly rather than through the Labour Department as "men assisted". There were, after all, a fairly constant number of around 4,000-5,000 men employed on co-operative works. Although one expects a high turnover in such work there appears to have been a monthly flow of men from the Department of Labour of perhaps 140-180, given that only about half of the total men assisted were sent to such work.

It is possible to say something briefly about the types of labour employed on co-operative works, although one can do so only at

a high level of aggregation. The table below shows the distribution of employment as between "artisans" and "labourers".

TABLE SIX: Distribution of Employment on Co-operative Works as Between Artisans and Labourers, 1894-1916.

Year	Total Artisans	Monthly Average Artisan	Total Labourers	Monthly Average Labourers	Notes
1894	1194*	108	19375*	1761	*11 months
1895	1804	150	27658	2303	
1896	1594	132	25878	2156	
1897	1957	163	27967	2330	
1898	1746	145	30959	2579	
1899	1827	152	33874	2822	
1900	1988	165	38911	3242	
1901	2746*	249	57131+	4760	*11 months +1 incomplete
1902	1695*	188	24477+	2039	*9 months +3 incomplete
1903	2353	196	48368	4030	
1904	2091	174	38181	3181	
1905	2212	184	52567	4380	
1906	3257	250	89292	6868	13 returns (2 May)
1907	2868	239	60511	5042	
1908	3223	268	74881	6156	
1909	3587	297	78423+	6535	+1 incomplete
1910	3927	327	55185	4598	
1911	4115	343	72002	6000	
1912	4419	368	73242	6103	
1913	4629	385	52627	4384	
1914	4439*	403	51124*	4647	*11 months
1915	8245	687	61790	5149	
1916	6627	552	30952	2579	

What emerges from this table is that the vast majority of the workers on co-operative works were employed in unskilled navvying jobs. As has been previously suggested, many of the men doing such work would have been unused to it.

The distribution of the men onto co-operative works of different kinds is shown, again at the broadest level of aggregation:

TABLE SEVEN: Men Employed on Roads and Rail/Buildings Monthly Average for Each Year, 1891-2/1915.

March Year	Roads	Rail/Buildings	Total
1891-92	261	527	788
1892-93	280	842	1122
1894	933	1015	1948
1895	1103	962	2065
1896	1572	764	2336
1897	1459	854	2313
1898	1552	890	2442
1899	1613	1194	2807
1900	1825	1243	3068
1901	1820	2090	3910
1902	1894	2673	4567
1903	1319	1733	3052
1904	1493	2305	3798
1905	1407	2119	3526
1906	3440	2345	5785
1907	2393	4614	7007
1908	2132	3000	5132
1909	3482	4031	7513
1910	1762	3929	5691
1911	1920	3450	5370
1912	3128	3418	6546
1913	2730	3098	5828
1914	1964	1944	3908
1915	2494	2234	4728

Source: N.Z.O.Y.B., 1915, p.763.

Note: These figures differ from those in Table One of this chapter which refers to calendar, rather than March Years.

The work performed was organised in the labour intensive way common to all 1890's construction work. To illustrate this, it appears that the total expenditure on co-operative works was £929,962

for the five years ended 31 March 1896. Of this, no less than £610,941 was accounted for by wage payments.

Average earnings of the men appear to have been comparable to rates that might be earned elsewhere. The Public Works Statement for 1896 gave the following tabulation of earnings on the co-operative works:

TABLE EIGHT: Earnings for Day on Co-operative Works: Various Classes, 1896.

Navvies	7s 2d
Concreters	7s 2d
Fencers	7s 5d
Bushmen	7s 7d
Labourers	7s 8d
Plate-layers and Ballasters	7s10d
Carpenters (Buildings)	8s 1d
Painters	8s 3d
Carpenters (Railways)	8s 8d
Tunnel-men	9s10d
Slaters	10s 4d
Masons	10s 8d
Bricklayers	10s 8d
Plumbers	10s10d
Plasterers	12s 0d

Source: A.J.H.R., D 1, 1896, p. 3.

The work done by co-operative gangs was measured monthly, and payments made to the head man of each party for division amongst the gang. While it is not our purpose here to assess the role of co-operative works, some drawbacks to this system are clear. John A. Lee points to one of these:

> "We were walking at the end of seasonal unemployment, unfit and unskilled for available bush-whacking and without the resources to see us through a contract even had we been fit."(1)

although men who had no money could be given free railway passes to travel long distances to co-operative works, this monthly payment system would have deterred, if not precluded, many men from making the venture, even though some Departmental credit was available for tools and stores. Further, because co-operative works were often in remote places, married men were virtually forced to leave wives and children.

Nor was it possible for men to work particularly hard, or strike a lucky patch of work, as it remained government policy to prevent the men earning high wages. Hours were for this reason restricted to 48 per week, and Engineers had power to alter contract terms if they felt earnings were unduly high.

The co-operative works system it is argued, was not a "relief" system in its main intent and did not function as such to any large extent. Nor was it a "cure" for unemployment in the sense of providing workless men with an opportunity to make a steady living or accumulate savings. Perhaps it should most accurately be seen as an appropriate means of developing public works in the colonial labour market - and a useful adjunct to the Labour Department's regulative activities - providing employment, rather than relief.

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(1) J.A. Lee, Delinquent Days, p.79.

CHAPTER SIX

Debate and Unemployment Policy

Unemployment, it is argued here, continued to be a problem throughout the pre-war period, though seldom becoming as important from the point of view of agitation as during the 1880's. The purpose of this chapter is to discuss some of the debate or public discussion on unemployment from the formation of the Labour Department onwards.

The literature on the period, it has previously been suggested, underestimated the extent of unemployment, as was often the case amongst contemporaries. When the Unemployed Advisory Board for Sydney investigated labour conditions in New Zealand in 1900, they reported concerning the co-operative system:

> "Certain facts respecting it are beyond question: First, it absorbs the unemployed and explains to a large extent the fact that since the adoption of the system, eight years ago, there has been no 'unemployed' agitation in New Zealand."(1)

Others, as always, had overstated the problem as wildly as such reports understated it. In 1893, Otto Kripman (Walter Manning) in expanding upon, amongst other social evils, unemployment painted the following black picture,

> "Although we have not for some time been treated to meetings of the unemployed congregated in our principal towns clamouring and agitating for the institution of relief works ... yet there is a large unemployed class located in all our large centres and drifting about the country. There is a much larger number of persons dragging out a precarious existence by casual or intermittent labour, being restricted to the ranks of the 'employers' reserve force ...."(2)

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(1) "Report on Labour Conditions in New Zealand", Journal of the Department of Labour, 1900, p.169.

(2) Otto Kripman, Social Letters to Women on Women's Suffrage, the Modern Social System, Poverty, and the Extension of State Aid to Labour, 1893, p.27.

Undoubtedly, as was stated previously, the operations of the Department of Labour and the co-operative works together did much to remove or reduce this 'class' of unemployed, but the success, as shown by the continuing need and demand for their services, was limited.

Certainly relief of unemployment was considered important enough on regular occasions to produce calls for assistance through the Parliamentary system.

In 1895 the problem of the "unemployed" became acute, despite the operations of the Department. In June the Minister of Lands was requested to open up new lands for occupation by the workmen engaged upon the necessary roading, and drainage etc., as a measure to meet "the difficulty which undoubtedly existed - that of want of employment by a large number of colonists". In reply, McKenzie expressed sympathy but reiterated the government position on such measures:

> "The Government were pushing on as fast as they could in this direction but there was a considerable amount of difficulty first in getting land where works were necessary, and .... it would be undesirable to make work which was not necessary. To find these two conditions existing together - that was, suitable land and necessary work - was a difficult matter, and the Government could only proceed with this system as opportunity occurred.(1)

In the next month, legislation to deal "comprehensively and permanently with the 'unemployed' difficulty" was requested in the House in view of what was seen as the "fact that at the present time the 'unemployed' difficulty had reached a stage of acuteness almost unexampled in the history of the colony".

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(1) N.Z.P.D., 1895, pp.97-98.

Seddon contested the assertion that unemployment was as important as was claimed, though it was "severe". However

> "to give the unemployed nothing but legislation would be to put them in the position of asking for bread and giving them a stone. Nothing that could be put on the statute book was going to solve the 'unemployed' difficulty".

The long-term answer was to extend settlement and provide the unemployed with land.(1)

Government maintained this policy virtually unchanged throughout the period after the formation of the Labour Department - provision of an employment service, provision of work where (a) need was clearly seen and (b) "reproductive" work was available, and finally extension of land settlement as the long term solution. This policy reflects the agricultural orientation of the society, the existence of continuing unemployment was not identified as being of the same importance as unemployment in an industrial society.

Government was most reluctant to consider the new schemes occasionally promoted to 'solve' the unemployment problem. One such scheme, again from 1895, concerned the goldfields. The goldfields in the colony were to be divided into districts, unemployed workmen put to work on them at "a reasonable and fair rate of remuneration", and all gold obtained was to become the property of the Crown.(2) The Government seems to have been unwilling to encourage the return to the gold mining industry which this would have encouraged, and probably the men were more profitably employed from a social point of view on roading and railways.

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(1) N.Z.P.D., 1895, p.282.
(2) N.Z.P.D., 1895, pp.138-139, 620-621.

From 1896 to 1902 the problem of unemployment was not a major matter of concern in Parliament though debate on such related matters as the Levin State Farm is not uncommon, and the operations of the employment system seem to have been regarded as satisfactory. The Department was by no means entirely successful in ironing out distortions in the labour market.

In 1903 the work of the Labour Bureaux was discussed in the House. The bureaux were rather aptly described as "a sort of registry office for the Public Works Department" and one M.P. complained that "while it certainly did perform the work of finding employment for a certain class, it did not do that work alone. It did little in the way of distributing labour for the ordinary employer."(1)

Answering this point the knowledgeable J.A. Millar noted that while the "registry office for the Public Works" description was accurate,

> "that was caused by the fact that the Arbitration Court awards said that a bock containing a list of unemployed in any trade was to be kept ... to which employers in that trade had to go when they were in want of a man."

Millar favoured the centralising of these two employment sources, in addition to better provision for women seeking employment.(2)

As some speakers noted, the idea that the Labour bureaux only found work on government works, was not accurate, as our earlier discussion has shown, though certainly this was an

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(1) N.Z.P.D., 1903, p.678.
(2) N.Z.P.D., 1903, p.680.

important part of their work.

Though most speakers were critical of aspects of the bureaux' work, some endorsed their operations. As Mr Hogg from Masterton noted:

> "the result had been that a great deal of suffering had been prevented, and men who had been travelling about, some in actual hunger and want, had within a reasonable time found work."(1)

The prevalence of lengthy travel in search of work was not ended by the Department, though a better chance was offered of actually obtaining employment at the end of the journey.

Other speakers were scathing in their criticisms:

> "the Department had been very useful in keeping New Zealanders from getting work, whereas scallywags from other places could always find work in preference to New Zealanders. In his district (Symes, Patea) while genuine, honest, bona fide settlers were in want of work, the Bureau always sent people just landed from Australia and other places to do the work and to swell the 'unemployed' ranks in the district."(2)

It is not intended here to examine closely the operations of the Department and thus duplicate the work of Gibbons,(3) but some remarks on the two difficulties raised in the debate summarised above are necessary.

(i) The Role of the Department in Finding Work for New Settlers

This was a major aspect of the Department's work, as our earlier discussion has shown. A table showing the "place of origin"

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(1) N.Z.P.D., 1903, p.681.
(2) N.Z.P.D., 1903, p.681.
(3) P.J. Gibbons, Turning Tramps into Taxpayers, passim.

of men assisted by the Department was presented in an earlier chapter. This table showed that while the majority of persons assisted were New Zealanders, many of those assisted gave their last country of residence as either Australia or Great Britain.(1)

Even given the ambiguity of the term "place of origin", it is clear that finding work for new arrivals was a disproportionate share of the Department's work though not to extent implied by some speakers in the debate. There are two main reasons for this:

(a) the employment book system which serviced local union members;

(b) the probable greater efficiency of the bureaux in the main centres, to which places new immigrants in the main came.

Concern about this had been expressed in 1902 when the problem was raised of an influx of moneyless people from Australia. Ward (Acting Premier at the time) made the Government's policy on such entry severely clear:

> "It was not the intention of the Government to introduce any legislation to operate against the coming into the colony of British subjects, even if unfortunately, they were unemployed from other parts of the world, so long as they were British. Fluctuations of employment in British countries, as in others, were bound to occur in consequence of the variations of trade in different parts of the world, and as a British colony .... it would be improper to attempt to bar the way to any fellow British subject who might be in trouble elsewhere."(2)

Nevertheless, on arrival in New Zealand, it does not seem to have been Government policy to treat new arrivals more favourably

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(1) See Table 14, Chapter 4.
(2) N.Z.P.D., 1902, pp.14-15.

than local residents. Answering a complaint about Australians being sent to co-operative works in Taranaki while there were local men without jobs, the Acting Minister of Labour, Hall-Jones, stated:

> "Where it was a question of New Zealanders against new arrivals the New Zealanders should certainly have the preference."(1)

But in the eyes of some, at least, the problems were caused by the ability of, in particular, Australians to enter freely. The working class concern with the employment effects of immigration has been a constant factor in New Zealand politics. The same flow of Australians were also causing concern in Auckland. According to Mr Napier, one of their M.P.'s:

> "It was many years since the people of Auckland had been troubled with an 'unemployed' difficulty. He might say that the fact that there were a number of men out of employment was not owing to any diminution in the prosperity of Auckland, or to any falling off in its commercial or industrial progress or in its public works. It was mainly due to an influx of unskilled labour from Australia and from other parts of the colony, owing to the attraction of extensive public works...."(2)

Investigations by the Minister of Public Works found an element of truth in these assertions, and Hall-Jones noted the existence of "a few agitators", a few people who had come from Australia, and a few young men who had come in from the country as they usually did to the large centres during the winter months.

> "If they placed all the recent arrivals from Australia on their works they would soon have as many others arriving to fill their places. In taking men onto the public works he should certainly give preference to our own colonists and the sons of our colonists."

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(1) N.Z.P.D., 1902, pp.460-461.
(2) N.Z.P.D., 1902, p.466.

The reports of the local agent of the Department take particular note for 1901-1903 of the numbers of men from country districts coming into Auckland for the winter months.

(ii) Travelling in Search of Work

Travelling in search of employment remained an important aspect of the employment market in New Zealand, indeed the operations of the Labour Department encouraged it, as an alternative to unemployed workers congregating in the towns and agitating for relief.

As Gibbons notes, "it was ascertained that while the larger towns were plus the labouring classes, the smaller towns and various districts were minus the labour required, even to perform the seasonal requisite work..."(1) And while this is an oversimplified view, it is true that one of the Departments main functions was to regulate the aimless drifting in search of work from district to district of the colony which was beginning in the 1880's and 1890's to become a major part of the labour market.

The swaggie has become an important part of New Zealand folk-lore, and many aspects of life on the swag are well known. The monthly reports of the local agents of the Department of Labour, are perhaps the most important source of detail on the importance of the phenomenon. The most common areas for swaggies seem to have been the eastern plains of the South Island and the lower half of the

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(1) Gibbons, op.cit., p.34, quoting Lewis, Labour Bureau in New Zealand, p.1.

North Island. The following extracts from Department of Labour journals illustrate this movement of labour over a number of months in 1897.

May 1897

Napier: a large number of men are coming to the town in anticipation of getting some work that will have to be undertaken in consequence of the late flood.

Hastings: a large number of swaggers have arrived, but many of them are idle.

Ormondville: there are a good many local men idle, and swaggers are to be seen travelling the roads looking for work.

Pahiatua: a good many local men have been out of employment.. .. several swaggers have passed through making towards Hawkes Bay.

Tenui: several swaggers passed through but failed to get employment.

Wellington: A fair number of applicants have been passing through from South and have gone on to the country districts.

June 1897

Napier: a considerable number of men have made their way into Hawkes Bay, thinking work would be plentiful

after the recent floods, but as local men have been principally employed many are in consequence idle.

Ormondville: most of the local men are at work. The number of swaggers, however, is on the increase.

Woodville: there is a considerable increase of swaggers this month, many of whom are really anxious to procure employment.

Palmerston North: the number of swaggers are now on the increase although there are few local men idle.

Patea: a number of swaggers passed up and down the coast during the month.

Hunterville: very few men on the roads.

Pahiatua: several swaggers have passed.

Eketahuna: a number of swaggers on the road seeking work.

Blenheim: there are a number of swaggers on the roads. Rabbit poisoning will commence next month, which will, to a certain extent, find employment for those now out.

Christchurch: the numbers of unemployed are on the increase, consequent on the finish of potato digging.

July 1897

Wairoa, Ohingaiti, Patea, and Pahiatua note swaggers.

August 1897

Auckland: men are arriving daily from the goldfields and elsewhere seeking work.

Woodville: swaggers are rather numerous, but some of them are of the class that do not like work.

Palmerston North: swaggers are increasing.

Pahiatua: many of the local residents, more especially the single men, have gone into the back country seeking work at bushfelling.

Tenui: several men from the South Island have found employment in the district during the month. A few swaggers on the roads.

Otaki: there are a few men on the roads looking for work, but all those able to use an axe can, as a rule, find work.

These brief extracts from a few monthly reports of local agents illustrate the nature of the itinerant work-seeking process. The seasonality, frustration, long distances, and recourse to perhaps unaccustomed work, which in the main the operations of the Department regulated rather than eliminated, are all amply portrayed.

The Department assisted the "employment shifting" process in two main ways:

(a) geographical: by providing better information with regard to employment conditions in the various districts, and even

finding firm jobs in other districts for unemployed workers. Some problems remained, as the extracts above have shown, in regard to the sometimes erroneous nature of information provided.

(b) inter-trade: while an effort was made to find skilled jobs for skilled workmen on the private market, most often skilled workers assisted by the Department were found jobs of an unskilled variety. As Gibbons described this process:

> "skilled tradesmen whose occupation was undergoing rationalisation, mechanisation or just plain depression, were assisted by the department towards the unskilled field."(1)

This does not reflect badly on the Department itself. Skilled tradesmen were more likely to be unionised and consequently have access to the benefits of the union employment book and other agencies. If recourse was had to the services of the Labour Department, other than in the smaller centres, such a move reflected the serious nature of the employment conditions for that trade. While the Department could, through the Public Works Department, make employment available, it could not so easily provide work in the particular trade desired.

(c) seasonal: by giving access to government works more easily in the winter months when casual employment was more difficult to find.

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(1) P. Gibbons, op.cit., p.33.

Travelling in search of work was not, as one might expect, uniformly popular amongst the unemployed, especially amongst married men with children who received the highest priority for Government assistance. The Department had recognised reluctance to travel long distances for work as a rigidity factor in the labour market, from its very inception, and this was one of the rigidities it tried hardest to overcome. In 1893, in assessing the national employment situation as "fairly good" it was noted:

> "There are, no doubt, many men out of employment in the large cities, but that is the case even in times of exceptional prosperity. There are some men who will not leave the towns and go into the country; others who are physically incapable of doing so; therefore, it must not be concluded that because these men are idle there is no work to be obtained."(1)

Many of these reluctant men were married, who, if they travelled any distance to seek employment would have to leave their wives and families behind. In some cases theDepartment did send families with men to jobs which they had secured and certainly Tregear felt that they ought to be compelled to go with the men.(2)

But it would be grossly mistaken to portray the Labour Department, or indeed Government policy as a whole, as being geared primarily to overcome unemployment. Soon after the debate on the Labour Department which prompted the digression above, concern was again raised at the numbers of unemployed in the North Island. A Masterton member claimed that employment was being denied to men because of a downturn in public works activity.

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(1) Journal of the Department of Labour, 1893, p.31.
(2) Journal of the Department of Labour, 1894, April, pp.1,5; P. Gibbons, op.cit., p.39.

Seddon replied in normal fashion by questioning the extent of unemployment, blaming indigent Australians, and making Government policy on provision of unemployment as clear as possible:

> "As far as the Government were concerned, he would at once speak plainly, and say that he should not deem it sufficient to warrant a large public works expenditure on any given work because there were a large number of men out of employment. If that was held to be a sufficient ground for putting an extra number of men on the works, then it would be a very bad one."(1)

Reliance for employment would remain on private enterprise, assisted by Labour Department regulations and local body works in cases of emergency.

Unemployment became subject of newspaper and popular debate when conditions became very difficult, as in Wellington in the winter of 1907. The Evening Post files are traced through briefly here, to reinforce the argument concerning attitudes to unemployment and also to establish the point that Labour Department activities were by no means all that was necessary for effective treatment of the problems posed by unemployment.

Scarcity of work emerged in a number of trades early in the year. A meeting of the Bricklayers Union late in January drew attention to the number of their members who were jobless despite a Journal of the Department of Labour note to the contrary. On any day, it was said, twenty bricklayers were out of work in Wellington.(2) Other trades were in a similar position, and as the middle of winter approached, applications for assistance to charitable bodies became more numerous. Part of this was a continuing problem of poverty,

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(1) N.Z.P.D., 1903, p.424.
(2) Evening Post, January 29th, 1907.

such as the yearly problems faced by the District Nursing Guild of the St. John Ambulance Association.(1)

> "For the next two months, the resources of the district nurses will be taxed to the uttermost, but when the worst of the winter is over, it is hoped the work will slacken down, and life become a little easier for the sick poor."

But unemployment remained a significant factor in poverty. Also in July, a woman applicant for relief from the Wellington Benevolent Institution explained that her husband was an unemployed drainlayer. She received little sympathy, the Trustees feeling that her husband should seek some other type of work. One, arguing for a return to "our old rules", noted:

> "When we used to send a man up to dig in the garden at Ohiro(2) he didn't come back for a second lot, he always used to get a job after one day of that."(3)

But the Chairman, Rev. W.A. Evans, remained of the opinion that nearly all the cases of destitute persons receiving aid were deserving: "They are, largely, a decent set of people".(4)

At a later meeting, Evans noted that the number of poor was greater than in the previous year, and that "the poverty is deeper, more distressing". He produced statistics comparing relief returns for the months of April, May and June, over a three year period.(5)

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(1) Evening Post, July 2nd, 1907.
(2) The site of the W.B.I. Home housing about 100 destitute men and women in 1907.
(3) Evening Post, July 3rd, 1907.
(4) Evening Post, July 17th, 1907.
(5) Evening Post, July 29th, 1907.

TABLE ONE

Year	Rations Given
1905	11,844
1906	8,969
1907	13,629

This major relief role remained necessary despite the employment activities of the Department, and the insistence of many that unemployed were merely loafers.

Unemployment again became a matter of significant Parliamentary debate in 1909 when estimates as high as any for the whole period were made as to the numbers of men without work. But some were fatalistic regarding unemployment:

> "The question seems to me to be one something like that of the farmer and his crop. The farmer has a seed-time and a harvest. The seed-time of the unemployed seems to run over most of the year, and the harvest seems to come without fail annually when Parliament meets."(1)

Such attitudes reflect the unchanged attitudes of many in power towards the unemployed; quite late in our period, unemployment was still seen as the creation of slothfulness.(2) Others were of more sympathetic inclination, however, noting the difficulties faced by many men on relief work.(3)

In the 1909 debates centring ostensibly around whether or not New Zealand should be represented at the Imperial Conference,

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(1) N.Z.P.D., June 11th, 1909, pp.18-19.
(2) See e.g. Evening Post, August 10th, 1907.
(3) N.Z.P.D., June 11th, 1909, p.68.

explanations given for the continuing problem posed by unemployment ranged from restrictions on returns to capital and private enterprise in general, to the equally hoary cry of land monopoly:

> "The reason we have so much unemployment in this country is because the land is not properly distributed .... There is plenty of food for the people in this country. We have a fertile soil; we have a good climate. Out of a few acres of our bush land any man with health, and strength, and energy can easily carve an excellent home for himself and his family."(1)

This continuing myth of the "settler", bedevilled debate on serious social questions, as so many leading figures in public debate ignored the reality not merely of people's wishes, but of the emerging class structure around them. People, very often, neither wanted, nor were equipped, nor were able to settle the land.(2)

And those who did settle the land, of course, had manfully to shoulder the burden:

> "... many of the country settlers were put to heavy expense in maintaining these unemployed men."(3)

Nor, of course, did shifting the men out of town into the country, remove the problem, particularly when government works were so liable to end suddenly. As one M.P. claimed:

> "During the last few months I have seen more men carrying swags in the country districts than at any other time during the last twenty years. What is the cause of this? The administration of Government - because in my district during the last two or three weeks, on the Stratford-Ongarue Railway line, they have dismissed some two hundred men from the co-operative works, and on the co-operative roadworks in the Patea and Waitotara counties nearly every man has been dismissed."(4)

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(1) N.Z.P.D., June 12th, 1909, p.103.
(2) See, in this connection, P. Harris, "Mythology and Society", Political Science, 27:1, December 1975, pp.25-39.
(3) N.Z.P.D., June 12th, 1909, p.105.
(4) N.Z.P.D., June 12th, 1909, p.119.

The figures used were subsequently refuted by the Minister of Works,(1) but that fluctuation in government works employment was a significant factor in throwing men onto the labour market, often in inappropriate places, is certain.

One member, Mr McLaren, who had close trade union contacts, was able to make a valuable contribution to the debate. In his speech McLaren surveys most districts of the country, noting particular problems in each. One detailed investigation had been made in Christchurch of 199 unemployed men. Most of these men were married, and even some single men had dependents, but the survey revealed some severe problems in length of unemployment:

One month	50
Two months	72
Three months	45
Four months	20
Five months	12

McLaren commented, "throughout those who have been out the longest period are mostly men who have arrived in this country as immigrants, and they have never got into proper employment at all.(2)

In another debate in the same year, McLaren was to advance the argument further, claiming a thousand men in Wellington alone were out of work, and causing a problem of definition:

> "As to men who are working on one day of the week, or who are earning on an average 10s to £1 a week, are they employed or unemployed? In my judgement they are unemployed and they form part of the unemployed problem which this as well as other countries have to face."(3)

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(1) N.Z.P.D., June 12th, 1909, p.120.
(2) N.Z.P.D., June 13th, 1909, p.122.
(3) N.Z.P.D., Appendix, 1909, p.51.

The spokesman who saw themselves in the role of defenders of Labour, dwelt frequently, during 1909, on unemployment. In the Council, Mr Paul in a lengthy appeal noted:

> "The thing that amazes me is that Parliaments never seem to realise the gravity of this question unless some of the unemployed promote a demonstration and people start breaking things."(1)

Paul was of the opinion that unemployment was a periodically recurring rather than a constant problem. It was also a problem which could be solved, given unemployment insurance, a perfecting of the labour bureaux, and "facilities for bringing the men and the land together".

The introduction of unemployment insurance was not proposed as a solution on its own:

> "If Parliament were to introduce unemployed insurance with the object of permanently settling the unemployed problem, as I have said, it would make a mistake, although at the same time I admit it would be a helpful palliative."(2)

And indeed there was little danger of Parliament rushing to introduce any such scheme. Mr McLaren took the issue up in the House about a year after the Paul proposal, asking the Prime Minister whether such a scheme would be introduced for those in skilled trades. He also advocated reserves of land for unemployed men to work on, and "any scheme for the regulation of employment in seasonal and other trades, so as to secure greater regularity of employment throughout the year and the prevention of stagnation during the winter months."(3)

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(1) N.Z.P.D., October 19th, 1909, p.258.
(2) idem.
(3) N.Z.P.D., October 26th, 1910, p.41.

Ward was at that time considering various unemployment insurance schemes operative in Europe but would give no definite commitment. Such a scheme was finally announced in the 1911 Budget. Finally the recognition was made that public works and an employment policy were not reaching the whole problem. However insurance was not seen as ending the old policy.

> "We have a large number of public works going on, and if unemployment is acute we send the unemployed to the works which are carried on in that way. That has been really our safety-valve for the unemployed difficulty."(1)

Co-incident with the suggestion of unemployment insurance in the limited form envisaged, was the announcement of a commission to investigate changes in the cost of living.

There is a thesis on the development of unemployment insurance by J.K. Chilwell.(2) Though unemployment insurance was discussed often enough after 1911, nothing was done to introduce it.

Ward had been very impressed by the unemployment insurance scheme introduced by Lloyd George,(3) and noted in his Financial Statement:

> "I am of the opinion that the time has arrived when a practical scheme of insurance against unemployment and sickness should be established in this country, and to enable it to be carried out on effective lines, I propose to set up a Commission of representatives of employers and employees of the Dominion to examine into the scheme submitted to the British Parliament ... in order to adapt it to our circumstances, and to make provision for relief on a scale that will meet the circumstances of those who whether from sickness, incapacity or other causes find themselves unable to obtain or avail themselves of work."(4)

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(1) N.Z.P.D., September 14th, 1911, p.583.
(2) J.K. Chilwell, Unemployment Insurance in New Zealand, 1883-1929, Victoria, Thesis, 1949.
(3) See Chilwell, op.cit. p.8; Otago Daily Times, May 8th, 1911.
(4) A.J.H.R., 1911, B.6, p.28.

The scheme envisaged by Ward would have worked through the friendly societies, but, as it happened. it was not until Ward was again made Prime Minister in 1928, that a committee of enquiry did meet.

In the 1911 elections Massey too leapt onto the idea of unemployment insurance, and Chilwell(1) quotes his election policy in this regard:

> "(We are) ... quite willing to take the lead and place a scheme on the Statute Book to provide for insurance against sickness as far as the workmen were concerned; and for employment as far as it was possible."

But no moves were made by the 1911-1914 Government to move along these lines, though Massey again used the promise in the next election, saying that their delay was in order to let the British scheme have "a fair trial".

For the press discussion of these proposals, and the developments in this field in later years, the reader is referred to Chilwell's thesis. The press discussion, in particular, amplifies many of the points made in this and preceding chapters.

The debate on unemployment and the public understanding of the causes and consequences of it, advanced remarkably little after the late 1880's and the formation of various labour bureaux. So far from being inclined towards far-sighted policy formation in this area, Government, other parties and the press, remained defensive and cautious.

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(1) J.K. Chilwell, op.cit., p.9 (emphasis added).

The pattern of unemployment generation had not changed - rather small and weak industry, seasonality, fluctuating works programmes, combined to maintain a certain level of men without work. Cyclical fluctuations which added tradesmen to the job queues, would continue to present a problem. In the concluding chapter some of the more theoretical aspects of the problem are examined, and the detail of statistic and debate, set in a context.

CHAPTER SEVEN

Concluding Note

(i) Unemployment Policy

These days, the proponents of an "active employment policy" are prominent in debate on the New Zealand labour market. A recent paper by Prof. F.J.L. Young, discusses the idea of an "active employment policy" in modern New Zealand.(1) It is not the present concern to discuss the applicability of these ideas today, but a lengthy quotation will serve well to introduce our present discussion.

> "Traces of active employment policy are evident in the measures taken by the Vogel Ministry to create jobs. They became still more apparent in the policies pursued by Reeves and Tregear in promoting labour legislation in the 1890's and early 1900's. Factory and safety legislation underlined the community's insistence that work must be performed only under acceptable conditions. The machinery developed for industrial conciliation and arbitration sought to bring order and equity into labour/management relations. Representatives of employers and workers were required to organise and accept certain restraints on private activity...."

> "A common thread running through all these measures is the desire for stability of expectation: the certainty of a job with acceptable terms of employment and fair treatment. Indeed the early developments were inextricably involved with the combatting of unemployment and the establishment and maintenance of community standards. The emergence of the Labour Department was closely associated with these needs. Even before it appeared, the Labour Bureau established by the Ballance Government of 1890 had set up around 200 agencies throughout New Zealand. Their task was essentially that of a modern employment service: the collection of information concerning unemployment and job vacancies and, in some circumstances, the provision of free railway travel for unemployed persons going to distant jobs. Such measures and the later growth of an effective factory inspectorate indicate concern for matters falling into the area of what is now termed active employment policy."(2)

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(1) F.J.L. Young, "Active Employment Policy. The Challenge of Full Employment in a Changing Society", Occasional Papers in Industrial Relations, No. 15, 1975.

(2) F.J.L. Young, op.cit.

This may be stretching the point too far, but nevertheless the action of the state entering the labour market in a positive way, as an alternative to welfare activity, is the significant policy point to emerge from this study. It has been pointed out that the "employment policy" was by no means completely effective. To understand this we have to go back, to categorise the unemployment and to discuss its development.

In one sense, we are seeing a problem of underemployment rather than unemployment, if the workforce is seen as a whole over a span of a year or more. This is strongly suggested by the short period of unemployment experienced by most of the men assisted by the Department of Labour.

What accounts for the "intermittent unemployment and underemployment"(1) which was a constant feature of the colonial economy? Economists identify a number of "types" of unemployment:

Cyclical Unemployment: affecting many trades and industries due to a slump in general trade or production;

Seasonal Unemployment: annually recurring unemployment of workers from seasonal industries where no alternative employment is available in the "off" season;

Structural Unemployment: arising from technological change or some other factor which permanently leaves an industry with an unemployment problem;

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(1) F.J.L. Young, op.cit., p.4.

Frictional Unemployment: temporary unemployment in transferring from old jobs to new, usually ascribed to lack of mobility or retraining. One could also identify an "unemployable" element in any work-force, or more properly, a section of the workforce whose intellectual, physical, or psychological state means that special provision is required for their employment.

The failure of this thesis to develop an acceptable index of unemployment has prevented the identification of a definite cyclical influence of trade on employment levels. Nevertheless, one can point to a general trade depression affecting employment levels in most of the 1880's, and in isolated years after that.

But there was also a nagging frictional problem concerned with the adjustment of new immigrants to the colonial employment structure. Sustained and determined efforts were attempted in the 1870's and later by way of orders to the Agent-General in London.(1) But these efforts to get a match between the skills required in the labour market and the skills possessed by new arrivals were by no means completely successful.

One might also see as frictional unemployment, that section which arose largely from unwillingness or inability to perform hard manual work in a distant rural environment.

Equally clearly, we can identify a seasonal element in employment. Harvesting, shearing and similar work was available in all but the worst years of absorbing surplus labour from nearby

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(1) See R. Dalziell, The Origins of New Zealand Diplomacy, Wellington, 1975.

towns. But whether the unemployed townsman in the depths of winter was an agricultural labourer in search of winter work, or an unemployed city worker who, frustrated in his search for work went to the countryside for harvest labour, cannot be answered definitely. Perhaps he was both.

The actions of the Department of Labour were clearly designed to cope with the frictional and seasonal elements in the employment situation. Moving men around the country, or at least regulating their movement around the country, and identifying jobs for them, were faltering steps in this direction.

The second area of entry into the labour market was in the provision of employment for workless men. No government in the period, central or local, was clearly and unambiguously in favour of providing work as a means of combatting unemployment. It has been suggested that the co-operative works system cannot be considered purely as a relief work mechanism. Nevertheless part of its function was seen to be the provision of a "buffer" for male unemployment.

What emerges from the study of government action in this area is the determined effort to <u>avoid</u> welfare payments. In this aspect government administration can be set apart from the later Labour approach. Much government activity was directed at keeping people out of the perceived danger of "pauperism", first by "test work" and the like, but later by entering the labour market in a positive way, attempting to avoid the possible problems.

It is interesting also to note, that despite the continuing

cry on the part of many commentators that "getting the man onto the land" was the means of overcoming unemployment, at no point after the Village Settlements scheme was a determined effort made by Government to achieve this. Seddon was inclined on occasion to suggest that men working on co-operative works would be able to earn enough to settle near the roads they had built.

There was a good deal of small-scale land settlement in lots of 5 to 20 acres in the vicinity of road making and also near to larger farms where clearing and fencing jobs would be available. The Lands for Settlement Schemes were also not insignificant and may have provided an outlet for many men who might otherwise have been condemned to casual labouring or unemployment. There is, nevertheless not any significant evidence that most co-operative workmen, as such, were able to settle land very extensively. The Annual Reports of the Land Department show some of the areas of success.(1)

Part of the problem was the men themselves. Historical research is making it abundantly clear that the New Zealander of the 1880's and 1890's was a very reluctant settler. There was a tendency to congregate in towns - this was after all the life to which many were accustomed. This was bound to cause unemployment problems, and most could doubtless have been solved by a more vigorous settlement process. But it was never true, as often asserted, that men had only to strike out into the country to find work. For if work was found, it might last a few weeks, perhaps a

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(1) Annual Report of the Lands Department, A.J.H.R., C 1, 1890-1906.

day, and then the trudge began again. This meant the creation of a small sub-class of men who travelled in search of work, and many of whom kept travelling long after the initial reason for their ramblings had gone. We can once again use John A. Lee to illustrate this:

> "We decided to spend some of our last few shillings and go by train to Masterton, where we were told we would find work, but when we reached Masterton the freezing works were closing down and unemployed were plentiful..."
>
> And so the tramp began again.

The organised labour movement never coped with unemployment - indeed they remained ill-equipped to do so as late as the 1930's. Their organising problems were acute enough without attempting to do more than keep a book of their unemployed members, and in any case, they seem to have shared the rather fatalistic attitude of many others in public life. If unemployment occurred every year there was, perhaps little to do, but ask for relief work, assist with raising relief money, and hope for better times.

In 1891 a deputation of the Trades and Labour Council in Wellington, accompanied by two members of the House of Representatives, met the Prime Minister to discuss rising unemployment in the city. "It was", said G. Fisher M.H.R., "a very pitiable business, but he wished to say on behalf of the men that they had no desire, having regard to the welfare of the country and the difficulties of the government, to magnify the question." It was estimated that there were 300 unemployed, perhaps 500, in Wellington city alone.

The Trades and Labour Council, in 1891, represented only men

employed in the various skilled trades, and the Premier's reply is illustrative:

> "He considered that it was the duty of the Trades Council to take the lead in this matter and ascertain how many were out of employment, and even if there were only twenty, to make an earnest attempt to get them employment."

The Government, however, did not see itself as in a position to afford suitable employment to skilled workers.

Government works, as subsequently developed, did provide some such opportunities for tradesmen, but more often such workers had to accept labouring work. When Government entered into regulation of the labour market, it did not do so on the basis of providing relief, but of fitting the men to the jobs that were available or could reasonably be made available. Work, not welfare, was the aim.

Unemployment was not merely a problem of depression of the 1880's, 1920's and 1930's, but was a constant if fluctuating aspect of economic life. For working class people, in years of poor union protection, often high immigration, and fickle internal business conditions, periodic unemployment was always possible, and for many it was a way of life.

The tone of this policy is more punitive than protective, however. The basis for it seems to be a belief not "that everyone has a right to a job", but rather "that everyone should work".

It can therefore be misleading to view developments such as those of the Labour Department considered in this thesis, as an embryo of the welfare state, still less of socialism, with or

without doctrine. The policies developed were, in a meaningful sense, pragmatic: men were out of work, but work, though it may not suit some of the men, was there to be done. If unemployment was met by relief payments, working class people would become dependent on them, congregate in towns, and unemployment would become even more of a problem. Given this problem, there were two broad possibilities: settlement on the land, and government assistance to find work, or perhaps provide work.

There is no sharp break in the ideology of Government action in unemployment from that evident during the 1880's, however both legislation and administration moved a good deal.

(ii) Unemployment and Society

There is always a danger for the researcher, that in concentrating on one aspect of an economy or society, the small will be magnified, and the insignificant made to seem of great importance. While historians have not made a sustained examination of unemployment in the period treated here most have noted the existence of unemployment.

An area where employment policy has, it seems, been somewhat overlooked, is in discussion of the activities of the Labour Department. Undoubtedly pensions, factory legislation and the Industrial Conciliation and Arbitration machinery were of greater long term importance, but at the time the immediate problem of employment was as absorbing of time and effort as many individual aspects of the social legislation. The attention paid to the

matter by the Department of Labour Journal reflects more than the personal concerns of its editor. The unemployment policy required no complex legislation, no bitter debate, nor was it either a brilliant success or failure. But it remains important to an understanding of how government administration worked, and responded to the demands of economy and society in colonial New Zealand.

Hopefully this thesis will draw attention to the importance of unemployment in this period of our history.

BIBLIOGRAPHY

The Bibliography is divided into a number of sections. The division is made as follows:

(i) Primary sources from National archives;
(ii) Official Reports and Publications;
(iii) Contemporary publications;
(iv) Newspapers;
(v) Theses;
(vi) Periodical Articles;
(vii) Historical and Economic Books.

(i) Primary Sources from National Archives

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1882	B22	Charitable Aid Distributed in the Colony (Return of, for the Year Ended 31st March 1882).
1882	G9	Destitute Natives Receiving Aid from Government in Middle Island (List of Names of).
1883	H23	Distribution of Charitable Aid (Return Showing).
1884(2)	B12	Charitable Aid, Relief of the Destitute (Return Showing Amounts Paid For, During Year Ended 31st March 1884).
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1889	D9	Men Employed on Relief Works (Return Showing Number Of).
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