

The concept of Basic Income in Australia is at one level a recent arrival in this country at another level it can be seen to have evolved out of the Trade Union and welfare activists' struggles to improve upon the conditions of the working class. The division between the worthy and unworthy, integral to the British Poor Law system, has been part of the welfare traditions here since the earliest times. The British Trade Union tradition influenced the struggle here for an arbitration system which might provide increased security for workers from want, exploitation, and insecurity.

The construction of the Australian income support system

Initially the various States Governments of Australia, often in association with church charity agencies, provided forms of welfare in time of need. The first Federal social security payments were the Age and Invalid Pensions introduced in 1909. During the 1930s Depression unemployed people were forced to rely on the "susso" a system whereby relief was given in return for their labour- a work for the dole system. Asian Australians were not paid social security until the 1940s. Child Endowment in 1942 was paid, even in respect of Aboriginal children, not living on missions or settlements. By the late 1960s Aboriginal people living in the cities were paid social security and this was extended to include rural and remote Aborigines by the mid 1970s. Unemployment benefit is still not paid on many Aboriginal communities, instead a form of 'work for the dole', the Community Development Employment Program (CDEP), was installed in its place.

Throughout most of the 20th Century the system of welfare income provision became more widespread, generous and comprehensive. But with the exception of the 1947 consolidation of social security legislation, there was little effort made to conceive of it as a unified system of income support. The first serious attempt to cut back on the comprehensive nature of income support began under the Hawke Labor Government and has proceeded apace under the Howard Coalition Government.

Australian Income Guarantees.

Overseas writers have significantly influenced the development of the Basic Income debate in Australia. In particular the British Liberal economist Lady Rhys-Williams 1943 book called *Something to look forward to*. Lady Rhys-Williams' aim was "To provide a floor below which no one could fall without imposing a ceiling beyond which no one could rise." The economic fundamentalist writer Milton Friedman claims that year also as the time during which he developed his ideas on his form of income guarantee (the Negative Income Tax) but it took him a further 18 years before he published his ideas. Though there was some minor acknowledgement of Dennis Milner's (1920) important book on Basic Income his ideas have not until recent times received the attention of Australian researchers and then mainly due to Walter Van Trier's (1995) research.

In 1975 Professor Ronald Henderson in the Main Report of the Poverty Inquiry, borrowing heavily on Lady Rhys -Williams' ideas, advocated a Guaranteed Minimum Income for Australia. There had been some earlier articles written about the need for income guarantees in Australia which can be found on this site. Bill Hayden the Minister for Social Security and subsequently a Treasurer in the Whitlam Labor

Government essentially endorsed the idea put forward by Professor Henderson. Also in 1975, a group of Australian Finance and Treasury officials using the collective name, Priorities Review Staff, put up a counter proposal to Henderson. It was to the right wing economic fundamentalist Milton Friedman's Negative Income Tax model they turned. The dismissal of that Government effectively ended Federal Government support for generalised income guarantees.

Throughout the period 1975 to the present some social welfare activists and academics continued to advocate general income guarantees. Initially promoting a Guaranteed Minimum Income and subsequently a Basic Income [Watts (1984, 1995), Tomlinson (1989, 2001), McDonald (1995) VCOSS and Good Shepherd (1995)]. There have also been economists promoting Tax Credit and Negative Tax schemes such as 'The Five Economists letter to the Prime Minister, 28th October 1998' Dawkins (1999).

The major overseas academic influences impinging upon the history of income guarantees in recent years have been scholars associated with the Basic Income European Network BIEN, the Universal Basic Income New Zealand web sites: notably Van Parijs, Standing, Gortz and Goodin. The last of these authors is currently researching in Australia. There has also been some input from Learner, Clark and Needham (1999).

Now

In recent years there has been renewed interest in Basic Income. The idea has yet to blossom but the tree is alive and the buds have formed. The renewed interest may be substantially due to the intractability of widespread unemployment, the increasing casualised and precarious nature of work, the adoption of economic fundamentalist economic policy and the imposition of mutual obligation upon social security recipients. The last Labor and the present Liberal Governments have substantially reduced certainty in the social security system. Those in the Basic Income campaign want to see the introduction of a universal income guarantee and expanded social wage provisions. The Australian Government's prescription for what it terms "welfare reform" is enforced obligation, highly targeted benefits and tighter surveillance of recipients. The major point of difference is the degree to which each side wishes their income guarantee to ape the welfare income support system with its various categories of payment and means test or instead argue that income support should be in the form of a truly universal payment to all as a right of citizenship/permanent residence.

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