Abstract
The growing alarm in New Zealand over the development of a visible ‘underclass’ is underpinned by a wider concern in the face of the country’s dramatic relative decline in the postwar period. In the generation after 1945, New Zealand was said to have ‘full employment’, the third highest standard of living in the world and an enviable record in the area of free education to university level. According to a popular self-image, and a central plank of New Zealand national identity, the country was egalitarian and universally prosperous. The development of an underclass, by contrast, seems to indicate that this former British colony at the edge of empires could not protect itself against the tide of international neo-liberalism. However the view that an underclass has suddenly appeared does not take into account of factors which always prevailed against the notion of social equality and inclusiveness—that, for example, most married women were not in education, employment or training in New Zealand in 1950; or that the indigenous New Zealanders, the Maori, only began to enter paid employment in a systematic way as they urbanized. This article concentrates upon the shadow which New Zealand’s egalitarian reputation casts upon the terrain of labour historiography. For, a national identity based upon the idea of egalitarianism is now the most difficult issue New Zealand labour historians face.

New Zealand and its egalitarian reputation
During the nineteenth and early twentieth centuries, as the settler colony evolved into an infant nation, New Zealand gained the reputation as a ‘social laboratory’ where experimental, progressive policies were implemented for the western world to watch and emulate. The country’s reputation was global, influencing liberals and ‘the Left’ in the United States, Great Britain and elsewhere. The evolving application of social experimentation actually occurred in two distinct phases and periods. During the first of these, from 1890 to 1912, the farthest of Britain’s colonies was said to be leading the world in creating a modern, inclusivist liberal democracy. This initial foray into the manufacturing of a new politics occurred with a Liberal government at the helm.
The second phase, from 1939 to 1945, which was more emphatic, saw the first Labour government construct a political consensus around the ‘cradle to grave’ welfare state that was required to ensure the endurance of egalitarianism.

The nature of these two forward movements will readily bring to the minds of a British audience the comparisons with the exertions of British Liberal and Labour parties at about the same time. However, New Zealand led in both periods: in the first phase, constructing a skeletal social state, and in the second forging ahead in the development of a package of reforms that Britain would itself pursue from 1945-1950/1, under Clement Atlee’s first majority Labour government.5

New Zealanders, like Britons, saw connections between the two periods, although the reforming imperatives differed. Michael Joseph Savage, the first Labour Prime Minister, underscored the temporal link when he declared that his government ‘intend[ed] to begin where Richard John Seddon [Liberal Prime Minister 1893-1906] and his colleagues left off’; his aim was to create a prosperous ‘nation of free people in the southern seas’.6 In part, New Zealanders were trying to protect what they had; unlike in Britain, there was no crisis of ‘national efficiency’ or health, no reconsideration of the nation’s direction in the wake of a trying military struggle against a colonial people, to spark off the early Liberal reforms; or at least New Zealand had no such concerns within its white, settler (Pakeha) society.7 Since the period of mass settlement, New Zealand was often described as a ‘workers’ paradise’; its working people were said to be more wealthy per capita, and its social and political cultures more egalitarian, than Britain and the United States between 1893 and 1939. Much later, in 1953, it was said to have the third highest living standard in the world.8 Even though the population was small (816,000 in 1901 rising to 1,702,000 in 1945) its workers became affluent. No state has been completely egalitarian but New Zealand is said to have come closest, achieving social equality and classlessness on the basis of consensus and fairness.9

New Zealand’s record as a trend-setting centre of egalitarianism was publicized overseas in a number of ways. One key source was the government-produced New Zealand Official Year-Books. First published in 1893, these were widely distributed, with half of them—between 2000 and 3500—sent overseas. New Zealand’s colonists were proud and competitive; they did not publish material which would detract from the story of progress. Instead, they portrayed New Zealand as a closely-knit, settled and stable agrarian nation. Factors such as female suffrage
(1893), state-instituted compulsory conciliation and arbitration, state intervention in the promotion of settlement and modest land redistribution (1894) and an old age pension (1898) were all themes for emphasis. Up to 1914, the *Year-Books* stressed an impressive Liberal record.10

The social programmes of New Zealand were also sponsored, around the turn of the twentieth century, by a stream of foreign visitors.11 Sydney and Beatrice Webb being the first among many to visit the South Seas Utopia.12 Radical Britons such as James Keir Hardie, Tom Mann and Ben Tillett publicised their New Zealand visits.13 Visitors from the USA, such as Victor S. Clark, Henry Demarest Lloyd and Robert Rives La Monte, did the same.14 Governments also commissioned comparisons with New Zealand. The British Home Secretary commissioned Ernest Aves’ to report on New Zealand’s experimental legislation.15 Harris Weinstock was appointed to consider New Zealand, as a Special Labor Commissioner for California.16 The French Labor Bureau commissioned Albert Métin, later a Minister of Labour in the pre-war French government, to do the same.17 Leftist support for the idea of egalitarianism was crucial. A series of enthusiastic articles about New Zealand reform in Robert Blatchford’s *Clarion* helped to lure not only British labour leaders to New Zealand but also 190 ‘Clarionette’ settlers who formed branches of the New Zealand Socialist Party in 1901.18 New Zealand’s political and social reforms had made New Zealand a ‘socialist Canaan’. The inspiration behind the ‘Clarionettes’, William Ranstead, proclaimed that:

> Here there is no aristocracy, no snobbery. There are no very rich people and no poor. I’ve not met a beggar … or seen one destitute person. There are no slums here, no miserable starving women and no suffering children. Here no sober, industrious man need lack any of the comforts of life.19

New Zealanders based in the Old World played a role in promoting New Zealand’s standing, too. Foremost was William Pember Reeves, the first Minister of Labour, 1891 to 1896, and later Agent-General in London and Director of the London School of Economics. He popularised the term ‘social laboratory’ to describe New Zealand in a series of publications.20

New Zealand’s reputation in this regard continued to be publicized internationally in the later period. A new generation of ‘outside’ social commentators
concentrated upon New Zealanders’ relative equality and material prosperity. George Bernard Shaw regarded New Zealand as a place that was implementing the Fabian Socialist programme he and others advocated. Leslie Lipson was appointed to the inaugural chair in political science at Victoria University of Wellington in 1938 and just before he left nine years later, he published a sustained account of New Zealand as a country without the extremes of poverty and wealth, a high standard of living and fairly evenly-spread opportunities.

The state remained involved in the construction of the ideas about New Zealand’s egalitarian history under Labour. The Labour government established the New Zealand National Film Unit (1941), which began sending short feature films overseas, particularly to international film festivals. Postwar films were particularly strong on the government policy of assimilation and racial harmony. Reels like the ‘Meet New Zealand’ (1949) reinforced the idea of New Zealand as a good, safe and healthy place to raise children. It was a land of equality and opportunity under the Labour government’s social welfare system, particularly considering its education provisions which extended free education from primary to secondary school and then to university for any student who passed a university entrance examination. This message of inclusiveness and fairness was at the heart of the government publications around the 1940 centennial, including the *New Zealand Encyclopedia*, which the Second Labour government approved in 1959. Over 31,000 copies of which were sold were within three months of its publication in 1966. R.M. Burdon wrote the *Encyclopedia* entry on the ‘Characteristics of New Zealand Society’, arguing that, above all, it was a society with the egalitarian ideal at its centre which strove for equality of opportunity, particularly in its education system.

Egalitarianism, then, was a powerful notion in governing circles. It was no less influential upon historians. Yet the worker’s paradise, the ‘social laboratory’, sought out by many white settlers and social commentators in late nineteenth- and early twentieth-century society was also a place of evolving class hierarchies and of significant gender and racial divisions. Before unpacking the egalitarian myth, however, we must survey its impact on New Zealand’s historiography.

**The historiography of egalitarianism and its sudden demise**

Alongside the egalitarian ideal, it has become commonplace to believe that the term class had no place in New Zealand—that it was an inappropriate borrowing which
applied to other societies, but not New Zealand.25 Related to this, a dominant thread in country’s history has been the belief that urban, industrial, and class models of social organisation are irrelevant to New Zealand’s unique situation.26 Marxist industrial models were considered to belong to the most advanced capitalist societies; New Zealand was instead construed as provincial and egalitarian.27 This idea was underpinned by the fact that it had a high floor for the poor and a low ceiling for the wealthy. High levels of property ownership (limited political organization of a plutocracy), universal education (from 1877) and state intervention in industrial disputes (from 1894), and a culture of small workplaces (meaning limited industrialisation and capital accumulation) were all held to be more apposite to the New Zealand experience. Moreover, there were also high levels of transience (with people moving around in regular and rhythmic cycles) and mixed residential patterns. For these reasons New Zealand historians have emphasised social osmosis rather than social division.28 In so doing they have focused on the nineteenth and early twentieth centuries when the egalitarian society was forged. In the 1970s and 1980s, perhaps a dozen essays were written on this issue—a veritable debate by New Zealand standards—with the prevailing view that class was, perhaps, at most, pertinent to city life, a sub-culture but not a norm.29

For the most part, even in regard to its cities in the twentieth century, New Zealand historians have concentrated upon egalitarianism, or the pursuit of egalitarianism, with New Zealand’s political class held to have focused upon a consensual quest for social security. Left-inclined historians, from Pember Reeves to Keith Sinclair and Bill Sutch, together emphasized the two periods in which New Zealand was a progressive society, just as Savage, the Labour Prime Minister had done, in 1935.30 The Liberal-Labour government policy constituted New Zealand as a ‘social laboratory’ at the turn of the 20th century, while the first Labour government 1935-1949 instituted the welfare state.31 The common aim, as Erik Olssen, New Zealand’s premier Labour historian, suggested, was ‘stable employment, material security for all and to recreate a community’.32

The Industrial Conciliation and Arbitration (I C and A) Act (1894) was the crowning glory of the Liberal’s industrial policy. The Act established the Arbitration Court and a process resulting in legally-binding industrial awards. It established a system that lasted 100 years until replacement by the Employment Contracts Act (ECA) in 1991.33 Francis Castles has described the resulting New Zealand system
(and Australian, too, for all its governments adopted the same industrial legislation between 1895 and 1916) as a unique wage-earners’ state which embraced protective tariffs, centralised and compulsory wage-fixing, and promoted a residual welfare state unique among Western countries. Welfare measures were ‘residual’ (as opposed to ‘universal’) in that the compulsory wage-fixing system delivered social protection through a minimum living wage, a relatively compressed wage structure with a high degree of uniformity in wage increases, and a relatively high standard of living. Others have gone further to suggest not only a state-created system but a social contract developed upon the basis of a social consensus over continual progress, class harmony and egalitarianism.

Yet, even during the high age of egalitarianism there were constraints upon certain groups. For one thing, it was crucial to have a job in the wage-earners’ welfare state. The male breadwinner wage was the foundation stone of the wage system, both as a concrete institution and as an abstract concept. The Arbitration Court set a breadwinner wage to be paid to men on the assumption that they were supporting a wife and two or (after 1936) three children. Women were regarded as not having dependants; consequently it was considered acceptable to pay them less than men. Justice Henry Higgins of the Australian federal Arbitration Court gave the male breadwinner wage its most famous definition for all of Australasia in his 1907 ‘Harvester Judgement’: that the basic wage should be sufficient to support a family of five in frugal comfort. Full employment for white males was achieved through controlled immigration, import restrictions and tariff protections. Castles argues that the Australasian states afforded high wages, jobs for all men who wanted them, and economic and political stability up to the late 1960s, albeit with a blip during the Depression. Benefits were extended to some of those who could not be employed in jobs that were paid at the ‘decent’ arbitrated rates. Castles argues that the emphasis of male breadwinning was not merely the result of a strong labour movement ‘capturing’ Parliament, but, more importantly, because Labour’s ideals had broad popular support arising out of a colonial system in which wages were compressed at foundation with unskilled workers able to command high basic rates.

Another important issue, one tackled by a team of historians at Otago University, led by Erik Olssen, has been the importance of ‘handicraft’ production in society between 1880 and 1920. In the ‘Caversham project’ (named after the Dunedin
suburb which was the laboratory of investigation), the largest social and labour
history project ever undertaken in New Zealand, the central premise was that workers
performed skilled tasks and controlled the labour process. Production was local and
small-scale, with blurred lines (or no lines at all) between skilled and unskilled labour
and ownership. Craft ‘cut across the grain of class’, and mutual support was strong in
the resulting culture. Skilled men mobilised for political action from the Long
Depression of the late nineteenth century and the collapse of the trans-Tasman
Maritime Strike in 1890. They constructed an ideology centred on the dignity of
labour and on mutualism, around which a nation-wide political consensus eventually
developed. Pressure grew for the government to provide employment in ‘undiluted’
skilled trades (that is, trades from which women and the untrained were excluded),
and to guarantee regular work for men at rates of pay sufficient to support their
families. Skilled urban workers won political power in Caversham; then, after the
formation of the New Zealand Labour Party in 1916, they won support from the
whole country for the urban labour’s agenda in 1935.

Most historians have regarded the 1935 Labour Government as part of a
longer-term political, legislative or labour process. It succeeded in instituting social
protection and ‘cradle to grave’ welfare in the Indian summer of New Zealand’s
social laboratory. The stated object of the 1938 Social Security Act was to end
poverty in New Zealand by providing pensions, by ensuring a reasonable standard of
living for those not in paid employment and by providing free health system to all.
But the state also attended to employment and to wider economic security. The
government instituted compulsory unionism in 1936 with union membership
increasing threefold between 1935 and 1938, from 81,000 to 249,000. The
government played a key role in creating a peak union organization, the New Zealand
Federation of Labour in 1937. The 1936 Employment Promotion Act aimed to
provide ‘full-time’ employment and, at the same time, the government implemented
extensive public works and house-construction programmes. Between 1948 and 1955,
for instance, the average number of registered unemployed did not exceed 100
individuals, and significant unemployment did not re-emerge until after 1967.
However, 1935 was not a sudden turning point; most historians recently have
emphasized a gradualist approach in social provision.

The government’s education programme is a case in point. It was designed to
be universal and to promote opportunity and egalitarianism. Yet previous
governments had done much. The 1877 Education Act provided free, secular and compulsory primary education to all New Zealanders aged up to age thirteen. By 1900, fewer than ten per cent of New Zealand’s population went to secondary school. Seddonian Liberalism instituted technical education and the first free places at secondary school from 1903. But it was the 1935 Labour government which made secondary schooling free and compulsory. The stirring words attributed to Peter Fraser’s from the 1930s still resonate:

The Government’s objective, broadly expressed, is that every person, whatever his level of academic ability, whether he be rich or poor, whether he live in town or country, has a right, as a citizen, to a free education of the kind for which he is best suited and to the fullest extent of his powers.44

After making secondary school compulsory for students up to fifteen years of age in 1944, the numbers at such schools doubled: from 47134 to 111,441 over a fifteen-year period.45 Budgetary investment trebled: the first Labour Government’s education budget rose from £3.3 million in 1936; £4.2 in 1938-9, £5.6 million in 1940, and £11 million in 1949-50. Government expenditure on education made up 18 to 19.4 per cent of all government spending, second only to the outlay on defence and war in Labour’s administration.46

In the 1950s and 1960s New Zealand’s working class is said to have become affluent adopting middle-class values and lifestyles. New Zealand had the third highest standard of living in the world and the highest per capita number of cars, telephones and radios. New Zealand’s society was democratic, mobile and open. That is, governments which had aspired to delivering egalitarianism had succeeded. After World War II, according to Wolfgang Rosenberg, the country achieved the ‘miracle of continuous full employment’, and universality in many of its social security benefits, ‘particularly in superannuation and children’s allowances’.47 New Zealand became a relatively egalitarian country, according to Sutch and Lipson.48 New Zealand was relatively safe, peaceful, democratic and economically developed. Governments had popular support and there was a political consensus. However, the system could not be sustained.

Indeed, it was all downhill from the 1960s and 1970s. The world economy changed. The oil shocks shattered the New Zealand economy. Britain’s entry into the
EEC (1973), exerting a powerful, negative influence on the New Zealand agriculture economy which had grown used to feeding huge markets in the former imperial motherland. Unemployment and budget deficiencies began rising. There were also internal destabilizers too, and under the influence of neo-liberalism, the Fourth Labour government (1984-1990) floated the dollar, phased out import restrictions and generally deregulated the economy. A change of government, however, saw no change in policies. The ECA (1991) destroyed the century-old industrial system, and collective organization plummeted. Union density had been 50 per cent in the 1950s. During the 1990s the movement declined: from 35 per cent of wage and salary earners being union members in 1991 to just 21 per cent in 1999. Welfare cuts in 1991 and the removal of public housing subsidies left the poorest New Zealanders an estimated 20 to 25 per cent worse off. Living standards plummeted. New Zealand’s place on the economic rankings slipped from third place in 1954 to around 20th on GDP per capita by 1999. In 2006, New Zealand’s Prime Minister, Helen Clark, described New Zealand’s ‘modern history’ to the London School of Economics as

…one of relative decline. From the contentment and prosperity of the early 1950s, New Zealand failed to innovate and renew its economy and institutions. Change when it came from 1984 lacked balance, produced growing inequity, failed to deliver a turnabout, and lacked popular support.

Indeed, most commentators since the 1970s have concentrated upon the eclipse of New Zealand’s traditional equality. Sociologists have concentrated on ‘[t]he myth of classlessness’ as ‘one of New Zealand’s central myths about itself’ which needed to be revised. New Zealand ‘is, was and should be’ an egalitarian society, with high social mobility: in sum, a classless society. Micro-studies showed a mid-nineteenth century ‘model’ of ‘structural inequality and inter-personal egalitarianism’ which gave way to less egalitarianism and less occupational mobility after 1960s. A raft of studies about the wealth disparities in New Zealand appeared from the 1990s. Finally, lists of New Zealand’s wealthy and atlases of New Zealand’s deprived were published.

The popular media in particular set about unpicking the myths of egalitarianism, classlessness and consensus by focusing on the existence of an underclass. This underclass was first portrayed as an underclass of social welfare
recipients, and it was feminized when the spotlight was put on solo mothers and welfare dependency. In February Jenny Shipley’s government distributed 1.4 million copies of the public discussion document which focused on solo mothers and welfare dependency, *Towards a Code of Social and Family Responsibility*. This was one to every New Zealand householder. The New Zealand public made 94,000 formal responses. However it was John Key’s ‘State of the Nation Speech’ on 30 January 2007 that focused directly on a growing underclass and a ‘dangerous drift to social and economic exclusion’.57

Sometimes the New Zealand underclass has been portrayed as a group not so much poor and simply less affluent: for example, renters—those unable to buy a house.58 Recently the underclass has been described as more like its equivalent in larger, post-industrial societies: a hungry underclass, a variation of child poverty, a fundamental challenge to the myth that New Zealand is a great place to bring up children.59 But lurking within the discussion is a racial dimension, as the recent discussion of Maori boys’ lack of educational achievement suggests.60 Russell Bishop indicated that 53 per cent of Maori boys left school in 2005 without educational qualifications compared to 20 per cent of non-Maori boys. Maori were ‘under-educated, under-employed and underpaid’.61 Yet the media seems preoccupied with exposing the myth of New Zealand’s classless society by concentrating on the underclass in its many variations. The demythologizing has focused on contemporary society, or at least from the 1970s. New Zealand commentators have adopted the language of elsewhere.

For a New Zealand labour historian this discussion is ironic because, for so long class was regarded a foreign term unrelated to New Zealand’s reality. And while the reality has changed, the historians have been slow to follow suit. An article in the country’s leading journal recently observed that ‘class has [now] virtually disappeared from New Zealand historiography’. Instead, historians have noted that gender and race dominate.62 Moreover, work on gender rarely considers the relationship between gender and class.63 Of course one of the problems is that there are few labour historians, as one survey of labour history in New Zealand noted: ‘fashionable perspectives have tended to draw the historical academic away from labour history’ and ‘there are few practicing labour historians and they largely work in isolation’.64 As a result there are many gaps in New Zealand’s historiography.
New Zealand’s past egalitarianism is assumed in the recent studies on New Zealand’s underclass. More than that: the recent work on a New Zealand underclass has served more generally to make the pre-1970s period appear even more egalitarian. There is no classic New Zealand study to match Australia’s *Struggletown* which examines a working-class community from 1900 to 1965. Most of New Zealand’s labour historiography has concentrated on the period from the 1880s to the 1930s. It emphasizes the progressive development of New Zealand’s working class, its relative universal affluence and the egalitarian context. The present interest in class does not seem set to be applied to the past; it is a present concern only. In particular the brown and female underclass is assumed to be a recent invention. So the question is begged. Was the past so golden? Is the present so bleak? Was there consensus in the past where there is only contemporary debate and inequality?

**Three aspects of a ‘golden past’?**

By comparison with many settler societies, and most ‘Old World’ societies, New Zealand historical enjoyed greater equalities than most. Yet there were barriers to absolute equality, and these were not simply drunkenness, litigation, lack of initiative, depression, unemployment, atomization or the combination of such things discussed in Miles Fairburn path-breaking study, *The Ideal Society and its Enemies*. In more general terms, the taming of the frontier did not simply lead to a society of individuals of equal status. There was social inequality and lack of consensus and contentment at the very times that egalitarianism was said to be at its peak. There is no space here for an alternative history; but we must contradict the trend of labour historiography by stressing the limits of social equality, classlessness and consensus before the 1970s. These contradictions have been neglected in the egalitarian tradition. The Liberal’s democratic consensus, Labour’s popular full employment and the postwar social, political and economic homogeneity were all compromised. The 1913 Great Strike, family allowance (1926) and benefit (1946) and the post-war white-collar and professional revolutions revealed the extent of division and segmentation in society. Indeed, under-classes have long been part of the New Zealand which slipped through the nets of arbitration, welfare and employment systems.

**The social ‘laboratory’**
In reality, the Liberal social contract soon gave way to debate and criticism. The Great Strike (1913) is a case in point. Until recently the wave of strikes that struck New Zealand at this time have been seen as industrial disputes, albeit the most violent in New Zealand’s history whose origins are to be found in discontent with the Arbitration Court particularly from about 1906. Of course 1913 was an industrial dispute which the workers lost. In the process armed mounted specials, ‘Massey’s Cossacks’ (named after the then Prime Minister Bill Massey), were deployed for crowd control. The Great Strike was more than an industrial dispute. It was a battle over democracy, over the shape of civil society in the country; and this struggle, and the related dialogue, especially had to include workers. Groups engaged in the battle because they perceived growing inequality.

In political terms, New Zealand was ‘born modern’. It was ‘the last country in the world to be settled by humankind’ and ‘the first to introduce full democracy’. The suffrage milestones are easy to reel off: elected parliaments from 1856, secret ballot from 1870, adult male suffrage from 1881, payment of members from 1886, adult female suffrage, both Maori and Pakeha, 1893. But while ‘universal suffrage’ was granted in 1893 for Maori and Pakeha, women could not stand for parliament until 1919, Maori voted differently from Pakeha without secret ballot, and there was the country quota (a 28 per cent weighting to rural political seats) until 1945. In 1911 legislation added 50 per cent to the number eligible to vote in local ratepayer elections.

Amid these changes, people were thinking about representation, change and political society. As suffrage was extended there was a debate within the labour movement between strategies of democratic centralism and participant democracy and a range of views lying somewhere in between. That is, was parliamentary democracy ‘true democracy’? Would it not be better to have everyone organised into unions, or to have branches of One Big Union? New Zealand did not have a constitution. A broad range of questions of representation were widely raised, particularly proportional representation and referendum. There was a fluid and vibrant debate about the nature of society and its possibilities up to World War I.

In 1913, the general public repudiated both democratic centralism and the extreme right (and the latter is important). Ideas of democratic centralism were rejected as emphatically as was the militant unionism (the Industrial Workers of the World) or industrial—as opposed to political—unionism. The consensus was, for
varying reasons, to support parliamentary democracy. It was a pivotal moment in twentieth century New Zealand’s history when the consensus for the Liberal’s ‘social laboratory’ collapsed.

The year 1913 is a moment when, looking back, we can see evidence of class consciousness within the ‘social laboratory’. Class consciousness was expressed in spontaneous and organized support for the strike and there was a battle in the workplace around the turn of the twentieth century. New capitalism gave unskilled workers in larger workplaces a new strategic position. Transnational networks also came into play, promoted by the formation of political parties from the Socialist Party in 1901 and independent labour parties from 1904. At the same time working people’s opportunities were constrained as they found it harder to own the ‘small independencies’ (a business, a shop or a farm). Expectations were rising. There was, after all, a Royal Commission on the Cost of Living in 1912. A cohort of New Zealand-born (albeit that their leaders were often foreign-born) craft workers and international socialists came of age. These parochial workers united in ‘a reaction to negative referents’, racist and sexist ‘scapegoats helped unite the working class - Chinese immigrations and working women’. Certainly New Zealand went from being a social laboratory, ‘a country without strikes from 1890 to 1906’, to a world leader in the pursuance of a General Strike in less than a decade. Some young men working in unskilled jobs gained a vision of a new world that did not rate ‘the social laboratory’.

But how many felt, or acted, this way? Surely the majority were happy in the ‘social laboratory’? Was there not a political consensus despite the rise of the (minority) left or the (minority) right? The working class was certainly not united. The New Zealand working class was never monolithic. The militant unionists did not control or dominate the workers. The events of 1913 were as much about those who opposed industrial unionism as it is about the militants. The Independent Labourites and the liberal socialists were not moderate in their opposition to the militants or their ideas. And ideas are very important in 1913.

Jack McCullough, Workers’ Representative on the Arbitration Court (WRAC) in New Zealand (1908-1921), offers us a perspective on this issue. McCullough was a trade unionist, a founder of the Christchurch Socialist Church, a New Zealand Labour Party activist, a journalist who wrote a weekly column, a pacifist, a parliamentary candidate, and ultimately a Member of the New Zealand Legislative Council. We gain
a window into his world through the remarkable 250,000-word diary he kept from 1907, when he was elected the WRAC, until 1921, when he resigned his position. McCullough was the epitome of the skilled artisans of New Zealand whose subculture Olssen examined in his studies of Caversham. McCullough, and his ilk, offer essential insights into the politicisation of the New Zealand working-class as it founded trade unions, labour parties, and contributed to labour winning electoral power. But McCullough and his coterie certainly did not epitomize that class. The did not support the militants—at their peak, the militants or Red Feds constituted 15,000-17,000 mostly unskilled workers out of a total membership of 67,000 unionists, that is, a fifth to a quarter. McCullough was aware that international socialists were growing in number but were not (and might never become) a majority among New Zealand workers. Similarly he was a pacifist but realised that most workers were not and that conscription should take second place to wages in the Labour Representation Committee’s (LRC’s) platform. The diary is not only about the constant debate between the left-wing factions.

But the debate was not simply over a majority being for arbitration and a militant minority being against it, the Red Feds against the Liberals. One of the many hats that McCullough wore was that he was President of the Farm Labourers’ Union (FLU) before sitting on the bench of the Arbitration Court. He and Jim Thorn used to ride their bikes across the Canterbury Plains recruiting farm labourers to join the union, irritating the farmers in the process. They called it plough-chasing. The farm labourers had miserable working conditions. In 1908 the FLU took a case to the Arbitration Court, and lost. So, too, did the Domestic Servants. Both they, and others, found that the Liberal’s ‘Social Laboratory’ innovations were limited. Welfare was relatively tightly-drawn. The claim of breaking up of the large estates was exaggerated—although, ironically, the Liberals broke up the greatest estate of them all: Maori land. Everyone refers to the importance of the arbitration system in creating a minimum wage and equalising working conditions but it only applied to a minority of workers until 1936.

A study of McCullough’s diary shows the neglected importance of a wide ranging working-class associational life and it shows wide-ranging discontent with the ‘social laboratory’—its welfare, labour and land policies. His family shows further evidence. Jack’s brother, Jim, for instance, was a long-standing member of the Oddfellows. Fifteen per cent of adult males were friendly society members in 1901.
The bases of most of the New Zealand friendly societies were ideas of co-operative thrift mostly on the basis of Christian ideas. Friendly societies were an important stepping-stone towards the welfare state. They flourished during the period of the social laboratory: membership grew between 1887 and 1914 from just under 9 per cent to 22.5 per cent of adult males.78 Indeed, they more numerous than trade unionists.79 A working class signing up for private insurance is another indication of the dissatisfaction with the Liberal’s social laboratory and also meant that there was a privileged group within the working class who had access, especially to unemployment benefits that others did not. The central claim that the Liberals did more than other governments to promote egalitarianism is not at issue, but the extent of its success is.

The consensus over the male breadwinner wage country

Similarly, New Zealand’s egalitarianism under the First Labour Government was built upon a male breadwinner model, a structural inequality. Political citizenship did not ensure women’s equality in the economic order.80 Many commentators, especially feminist commentators would argue, paid employment is one of the major attributes of full citizenship in twentieth century society—Carole Pateman argues it is the most important attribute.81 She stresses the relationship between citizenship and the labour market. The New Zealand welfare state was built upon the idea of guaranteeing full male employment. Significantly women’s unequal economic citizenship was exposed under Labour and the challenge of providing for dependents outside the wage and equal pay undermined the male breadwinning consensus from 1946.

In the wake of World War II, there was full male employment throughout the western world.82 However, Australia and New Zealand were conspicuous in their post-war international advocacy of a male breadwinner system. It rested on a political pledge for full male employment.83 Clause 35 of the Australian-New Zealand Agreement (1944) included a resolution to co-operate ‘in achieving full employment in Australia and New Zealand’ (Australian-New Zealand Agreement, 1944). The two countries also declared they would co-operate in propagating the policy internationally—indeed it was their main ‘article of faith’.84 And true to their word, Prime Minister Peter Fraser, and his deputy Walter Nash, for New Zealand and External Minister H.V. Evatt for Australia, advocated the full employment policy in post-war international forums. Their advocacy was part of the reason was the
objective of full [male] employment was written into the United Nations’ (UN) Charter, the International Labour Organisation Charter and the Monetary and Financial Conference (Bretton Woods) Agreement of 1944. Fraser chaired the UN Economic and Social Council in 1944 and moved the full employment clause. He declared that ‘for the average man the right to live depended on the right to work’.

Most importantly, Australasia was seen to practice what its politicians preached. The extent of rehabilitation for returned servicemen was among the highest in the allied countries after the war. Returned soldiers had preference of employment and full employment became government policy. The New Zealand government’s Employment Act 1945 established a National Employment Service ‘for the purpose of promoting and maintaining full employment’ and this carried over to the Labour Department Act 1954. Australia and New Zealand were not the only countries urging a post-war full employment world. However many believe that New Zealand and Australia came as close as any western countries to achieving ‘pure’ family-wage or male breadwinning systems in the post-war years. New Zealand had an unemployment rate which did not exceed 0.15 per cent in the 1950s and just 9.7 per cent of married women were in paid employment in 1951, which was less than half the 21.4 per cent for Britain and 23.2 per cent for the United States in 1951 and 1950 respectively. The government pursued a range of pro-natalist policies in housing, family allowance and the lack of childcare for working mothers. Indeed, John Gould argued that of all advanced capitalist countries, postwar New Zealand ‘kept its women the most rigidly bound to house and to children’.

The New Zealand Labour government was conservative-socialist in character. Members of the Labour government referred explicitly to their social conservatism. In 1944, Finance Minister Walter Nash made his famous statement that he was a socialist in the sense that he believed ‘a major responsibility of government [was] to provide collectively for the economic welfare and security of the individual’, but that he was a conservative in that he looked ‘upon the family as the foundation of the nation’. It was a vision that assumed men were the breadwinners and women the home-makers. Labour sought to create the economic conditions that would guarantee to the New Zealand worker that ‘[h]e and his family can have a home and a home life with all that those terms imply’. The government’s social conservatism was expressed over women’s position, housing policies, and the position of Maori. Similarly, in 1959 Keith Sinclair concluded that there was ‘a certain sameness’ about
New Zealanders, before adding: ‘if we ignore the Maoris’. His comments on state education excluded Catholics. His comments on many developments excluded women. These exclusions add up.

Married women began entering paid employment even within Nash’s time. Women went back to the kitchen but did not stay long. One of the election issues of 1949 was that, due to the economic circumstances and the higher cost of living, married women were entering paid employment. Despite one of the highest standards of living in the world, the post-war state’s ‘family welfare’ policies included the rehabilitation of returned servicemen, pro-natalism, housing, family benefits and the lack of childcare, women entered paid employment rising from 7.7 per cent in 1945, 9.7 per cent in 1951, 12.9 in 1956 and 16 per cent in 1961. However, there was increasing social commentary upon these trends.

How did this structural inequality come about? The government never saw itself as bound by any social contract over the male breadwinner wage. It has its own interests that meant that it was not coherent in its support for male breadwinner society or the traditional family wage. The state was a self-interested actor as the largest single employer in labour markets experiencing serious labour shortage in the postwar period. New Zealand was desperate for labour but the state also needed labour itself, particularly female workers, as it expanded social security provision. Numbers of state-employed clerks, teachers and nurses, all were regarded as ‘women’s jobs’, grew enormously. As a consequence, the state was prepared to jettison its role as an upholder of traditional familial ideology in the process in two ways. First, it undermined the male breadwinner wage. The state had accidentally undermined the male breadwinner wage in 1926 with the Family Allowance. The allowance was a device to avoid an enquiry into the adequacy of the Basic Wage and in 1946 the Family Benefit was made universal. This undermined, unwittingly, the male breadwinner wage as dependents were being supported in ways other than through wages. The state deliberately sanctioned its own female employees having equal pay in 1960, a dozen years before private sector won it in 1972. It did so in order to recruit and retain staff. Women public servants in New Zealand made up 20 per cent of women workers who were relatively privileged.

The state, secondly, sought other labour markets, not just a floating or temporary reserve army of labour but permanent new sources of labour to solve the postwar labour shortage. The state promoted Maori urbanization, Pacific Island
immigration and married women employees. Politicians were passing legislation to promote women’s maternal role and supporting Plunket or the Royal New Zealand Society for the Health of Women and Children, a government-subsidised infant welfare organization which catered for nearly 90 per cent of all babies in the late 1950s and promoted women’s home role. At the same time, other state agents, such as the Health Department, was enticing married women into the workforce to be nurses. Recruitment campaigns asked married women if their time was ‘fully occupied’? The state then is not only self-interested but it is not a single entity; it is a set of institutions- a complex ensemble of disparate parts that can and so conflict with each other, as occurred in postwar New Zealand over women. Overall the state put a higher priority on maintaining labour market than it is did over discriminating against women in workforce.

The Labour government was said to have implemented policies designed to ensure the material well-being of the traditional family and, in the process, to ‘uphold the ideal of the nuclear family with a full-time mother and a male breadwinner’. But the male breadwinner wage society began to fracture during the Labour government’s watches 1935-1949 and 1957-1960, exposing differentials between males and females. A conservative socialist government established its welfare state and, at the same time, initiated a struggle over domesticity, unwittingly drawing attention to a female underclass that was not treated as well as men.

**The traditional working class**

Clearly the provision of education increased but this was not a vehicle for egalitarianism: it underwrote segmentation in the workforce. The numbers of women in paid employment dramatically increased over the course of the twentieth century. But work changed and occupational profiles altered in other ways. Over the twentieth century, the labour supply to domestic service declined as women joined the paid labour force in other, better-paid, work. There was an increase in the proportion of women in paid employment in every census from the 1870s except during World War One, just after World War Two and with the specific exception of Maori women’s participation in the interwar period. By 2005 women made up 47 per cent or nearly half the workforce. The experience of paid work became normal for young single women between the 1870s and 1939. In 1870, most young women were not in paid employment; by the time of the Second World War, most were. On the other hand,
the paid employment of married women ‘became normal’ after 1939. The proportion of blue-collar male workers seems to have been in slow-moving decline. At the same time there was an increase in white-collar workers in general and female white-collar jobs in particular. By the 1970s, women made up 70 per cent of clerical workers and New Zealand had become a ‘white-collar society’. But women remained disproportionately in the lower echelons of white-collar employment and men disproportionately represented in management.

The expansion of professional work was the second most significant occupational development of the late twentieth century and it too involved processes of segmentation. The proportion of New Zealanders in the workforce recorded as clerks, sales and service workers had grown to over 28 per cent by 2001. At the same time, the number of ‘professionals’ had also quietly but more sharply grown. By 2001, 14.5 per cent of those in paid employment were professionals (not counting ‘legislators, administrators and managers’, many of whom would describe themselves as professionals). In addition a relatively new category ‘associated professionals’ or ‘semi-professionals’ emerged. It is estimated that semi-professionals made up 6.7 per cent of the urban occupational structure in 1901. By 2001 nearly 12 per cent of all those in employment were associate professionals. Arguably, by the end of the twentieth century, nearly one-in-three workers was a professional ‘aspiring professional’, as society in general became more professional. Professional hierarchies emerged in places spanning from top to bottom of society, as more occupations became subject to specialized training. To some extent, professional hierarchies subsumed some white-collar workers, too. For instance, a medical hierarchy included administrators, professionals like doctors, emerging or semi-professionals like nurses and midwives, as well as white-collar clerks. Relations between groups of professions became more important. For instance, the ‘state of modern medicine has more to do with the state of modern nursing, pharmacy, law and accounting’, and the relations between these groups in a hierarchy, than with that of nineteenth-century doctors or medicine.

Professionalization was not evenly experienced by women, Maori or by people from different regions. The proportion of professionals who were women grew within a century from one per cent to fifty per cent. However, today, women ‘remain significantly under-represented in leadership positions and over-represented in lower-paid professional jobs’. This phenomenon, known as the ‘glass ceiling’, is
accentuated because women are generally relegated to the bottom of professional hierarchies as clerks and support staff, too, with important exceptions. But Maori were not as well-placed as women. By 2001, the proportion of Maori working as ‘legislators, administrators and managers’, professionals, or technicians and associate professionals only increased from 6.7 per cent in 1991 to 7.6 per cent in 2001. Three times as many Pacific Islanders as Maori were employed in these occupations in 2001 (18 per cent of Pacific males and 27 per cent of Pacific women). Professionals were less likely to be in rural areas while among the urban areas: Wellington the capital was the most professionalized city in New Zealand.

So the traditional working class was once dominated by skilled and unskilled male Pakeha workers. It diversified and changed out of sight in a process beginning at least in the nineteenth-century. New Zealand labour history has concentrated upon the period 1880s to 1930s, blue-collar workers, working-class communities and equalitarianism. There has been too little focus on how the traditional working class and urban worlds changed over time. It is not just that labour history is weak for the period from the 1940s but also economic and political history. The transition to more complex late twentieth-century labour markets appears sudden because so little work has traced the longer-time processes. Importantly, a small Maori middle class and a growing female middle class have emerged to complicate the picture. Up until the 1970s many Maori and women were an ‘underclass’, without educational and employment opportunities, indeed, outside paid employment. Upward social mobility of any women or Maori is not part of the New Zealand’s egalitarian narrative.

Conclusion: relative egalitarianism and international comparisons
Countries exude powerful self-images; New Zealand’s particular attachment has been to an ideal of its own egalitarianism and consensus. Also typically, this particular New Zealand image draws upon a rich amalgam of truth and myth. Yet the realities have changed. Over the past century inequality has grown, and a new nostrum might now apply: once egalitarian does not mean always egalitarian. From the dramatic pressures placed upon Maori society, to the inequality between wage workers, and in the gaps between men and women, divisions have expressed themselves in demographic and socio-economic indices such as life expectancy and wealth. The ‘decline’ was long and involved. If we take class, race and gender into account,
questions have to be asked about the universality of the social laboratory, consensus and equalitarianism in the first instance.

The myth is easier to establish than the reality. A. A. Congalton and R. J. Havighurst discovered that ‘any attempt to enquire into the existence of social distinctions within the community invariably roused resentment’. Congalton’s 1946 survey of Wellington boys’ secondary school attitudes, particularly in regard to class consciousness, was described by the Truth newspaper as ‘improper’, ‘snobbish and undemocratic’, ‘a new snooping level in its pernicious probe into the private affairs of the people’. Others noted that New Zealanders were ‘shocked and resentful’ when their attention was drawn to social differences. The 1960 Hunn report which pointed to racial disparities in housing, educational attainment, criminal convictions and employment and income was glossed over. Popular literature noted the extent of conformity, ‘everybody moved in the same direction’ and the social structure version pointed to a very small gap between rich and poor, Maori or Pakeha or at least narrowing. All contrary evidence was censored. The best example of this is the censoring of the Ans Westra’s photos of poor living conditions of Maori in the School Journal in 1964. The New Zealand Department of Education withdrew and destroyed 38,000 copies of Washday at the Pa, at the request of the Maori Women’s Welfare League. The booklet, illustrated by Westra’s photos, revealed a loving family living in poverty without running water or electricity. This past reluctance to record any inequality is compounded by the systematic destruction of census data and the politics of counting which saw women and Maori often under-estimated even after World War Two.

Above all there remains a sneaking suspicion that, despite all challenges, surely New Zealand was relatively egalitarian? Until the 1970s, it was felt, the country had a more equitable social structure than most other societies. Neville Kirk’s comparative point about the national imprint of workers and their organizations on state structures and national culture is salient (even if he does fall into the usual trap of lumping New Zealand and Australia together). More broadly, New Zealand historians have just begun to engage with the exceptionalist debate. Labour history once emphasised differences between countries emphasizing the ‘exceptional’ nature of each. Every nation and its labour history was distinct. Recently labour historians have returned to the ‘exceptionalist debate’ to emphasise similarities globally and transnationalism. But only certain themes are being
compared especially in New Zealand’s case, arcadian and progressive utopianisms.\textsuperscript{115} The egalitarian narrative involving social equality, classlessness and consensus has been central to the New Zealand people’s sense of themselves and how others have viewed New Zealand. Recently commentators have concentrated upon inequality. However, the earlier concentration on egalitarianism, combined with comparisons within the Empire have been pervasive and blind historians still to the distinctions within New Zealand’s society, particularly from 1935 to 1975.\textsuperscript{116}

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\textsuperscript{1} I would like to thank the editors and an anonymous reader for their helpful comments on an earlier draft.


\textsuperscript{3} Most recently New Zealand has a reputation for neo-liberal experimentation but nobody argues that this has contributed to egalitarianism. F.G. Castles, R. Gerritsen and J. Vowles, (eds.), \textit{The Great Experiment. Labour Parties and Public Policy Transformation in Australia and New Zealand}, Auckland, Auckland University Press, 1996.


\textsuperscript{7} For a discussion of the lack of reforming imperative for the earlier period, see J.E. Martin, ‘English Models and Antipodean Conditions: the origins and development of protective factory legislation in New Zealand’, \textit{Labour History}, 73, November, 1997, pp. 53-75.

Olssen argues that there were inequalities of income, wealth and status ‘but old men, widows and deserted wives with families bore the brunt’ and egalitarianism was a reality for other New Zealanders, Building the New World. Work, Politics and Society in Caversham 1880s-1920s, Auckland, Auckland University Press, 1995, pp. 246-253 & 261.


H. Weinstock, Special Labor Report on Remedies for Strikes and Lockouts, Sacramento, Labor Bureau, 1910. For his views on compulsory arbitration, see H.

17 A. Métin, *Socialism Without Doctrine*.

18 W.R. Edge, *Clarion Settlers Per ‘Kumara’, ‘Wakanu’, ‘Paparoa’ & ‘Rakaia’ in 1900*, Auckland, Self-published, 1974, suggests that there were 1000 ‘Clarion settlers’ around 1901 including the original 190. See also K.A. Taylor, ‘Worker’s Vanguard or People’s Voice?: The Communist Party of New Zealand from origins to 1946’, unpublished PhD thesis, Victoria University of Wellington, 1994, ch 1, for the ideological background to the New Zealand Communist Party.


21 L. Monin, *From the Writer’s notebook: Around New Zealand with 80 Authors*, Auckland, Reed, 2006.


See, for example, Olssen, ‘God’s Own Country 1900-1906’, pp. 253-54.


F. G. Castles, *The Working Class and Welfare*, pp. 82-8. See also W. H. Oliver, ‘Social Policy in the Liberal Period’, *New Zealand Journal of History*, 13, April 1979, pp. 32-3. Oliver argues that economic policy (industrial conditions and relations, unemployment and public works) was social (welfare) policy.


40 Olssen, *Building the New World*, p. 69, but chs 3 and 9 for general discussions.
41 Ibid, p.224.
51 H. Clark, Prime Minister’s Address to the London School of Economics, http://www.beehive.govt.nz. My thanks to Peter Franks for drawing this speech to my attention.
53 Wilkes, ‘Class’ p. 67.
54 Pitt, ‘Are there Social Classes in New Zealand?’, p. 5.
56 See, for instance, ‘Our Labour market underclass’, *Dominion Post*, 4 September 2006, C3; ‘How to Save Kiwis from Poverty trap’, *Dominion Post*, 2 November 2004,


58 A. Gibson, New Zealand Herald, 29 October 2006, quoted New Zealand census data showing dropping home ownership rates (rose from from 51 per cent in 1951 to 59 per cent by 1959 and peaked about 80 per cent in the 74 per cent in 1991; 67.8 per cent in 2001 Census; 66.8 per cent in 2006).


60 R. Bishop’s analysis which was reported in New Zealand Herald, 12 and 13 February 2007, indicated that 53 per cent of Maori boys left school in 2005 without educational qualifications compared to 20 per cent of non-Maori boys.


70 ‘Country quota’ in McLintock, (ed.), An Encyclopaedia of New Zealand, 1 p. 861.
There were more than 100,000 friendly society members when labour won the election in 1935, compared with 81,000 trade union members and 33,114 New Zealand Labour Party members. 80,929 members of trade unions registered under the IC and A Act at 31 December 1935, Roth, Trade Unions in New Zealand, p. 169. 103,612 members of friendly societies registered under the Act at 31 December 1935, Annual Report by the Registrar Friendly Societies, AJHR, 1936.


A number of commentators have distinguished between formal status as equal citizens and capacity to enter civil society, sell labour power and attain full citizenship. See T.H. Marshall, Citizenship and Social Class and Other Essays, Cambridge, Cambridge University Press, 1950, pp.28-9 ff.


93 In terms of housing, see B. Schrader, *We Call it Home: A History of State Housing in New Zealand*, Auckland, Reed, 2005, who argues that the labour government’s housing policy argues that the first Labour government’s state housing programme was not a radical piece of social engineering; rather that it was conservative, encouraging stable, nuclear families and the existing social order.
95 *Standard*, 6 December 1950.
113 Epitomised in K. Sinclair, ‘Why are Race Relations in New Zealand better than in South Africa, South Australia or South Dakota?’*, *New Zealand Journal of History*, 5, October 1971, pp.121- 27.
New World Political and Economic Order established. Churchill and Stalin Divide the world. Series of meetings between Churchill Stalin, and Roosevelt. United Nations. Bretton Woods Conference. NATO and Warsaw Pact. Decolonization of Asia and Africa. According to Rawls, no one in the original position would agree to be a part of a utilitarian society as their interest might be the one that would be sacrificed. He says: "... no one has a reason to acquiesce in an enduring loss for himself in order to bring about a greater net balance of satisfaction... Thus it seems that the principle of utility is incompatible with the conception of social cooperation among equals for mutual advantage." Consider the following distribution Request PDF | 'The Reality and Myth of New Zealand Egalitarianism: Explaining the Pattern of a Labour Historiography at the Edge Of Empires' | The growing alarm in New Zealand over the development of a visible 'underclass' is underpinned by a wider concern in the face of the country's dramatic relative decline in the postwar period. In the..."