I

IDRIESS, Ion Llewellyn (1889–1979), author, wrote more than 40 books, many about the Australian outback. He spent his early years as a seaman, rouseabout, rabbiter and miner and served in World War I at Gallipoli. His books, including *Flynn of the inland* (1932) and *Isles of despair* (1947), were based on his own experiences with some fictional construction. He was appointed OBE in 1968.

IFOULD, William Herbert (1877–1969), librarian, entered the Public Library, Museum and Art Gallery of SA as a cadet in 1892 and became its principal librarian in 1905. In the same capacity he moved to the Public Library of NSW in 1912, and proceeded over the next 30 years to make it Australia's foremost library, building up the resources and staff, and developing the country reference and research sections. He also instituted staff training and the first library school, which was established in 1939.

IMMIGRATION More than most countries, Australia has depended on immigration for existence as well as for growth. Aborigines, the original settlers, arrived from southeast Asia at least 40 000 years ago; roughly 300 000 were settled throughout the continent at the beginning of European settlement in 1788. Before 1830 most white immigrants came as convicts (63 000 of a population of 77 000); but free immigrants arrived in small numbers from 1793, attracted by grants of land under a government policy that favoured capitalists rather than labourers.

This emphasis was changed to accommodate the colonies' need for labour, particularly skilled labour, and for single women. In 1831 the Goderich regulations, influenced by E.G. Wakefield's scheme for systematic colonisation, provided for planned immigration financed by the sale of colonial lands. The first ship carrying government immigrants, all single women, left England in 1832. Despite the suspension of assisted immigration during the recession of the 1840s, the proportion of free immigrants to convicts rose from 56 per cent in the 1830s to 77 per cent in the following decade. By 1850 about 146 000 convicts and 187 000 free settlers had arrived. This substantial addition to the working population significantly influenced political activity, notably in the anti-transportation movement and the formation of a trade protection society in NSW. Most of the free migrants were English, but about one-quarter were Irish and one-seventh Scottish. In eastern Australia the number of foreign born did not exceed 3500, but in SA about 10 000 Germans had settled by mid-century.

The gold rushes attracted an influx of over 601 000 immigrants between 1851 and 1860, mainly from the United Kingdom, but including other Europeans and some 38 000 Chinese. About 230 000 of the British immigrants received assistance from colonial governments, which maintained assisted passage schemes in order to meet the severe labour shortage, to facilitate the reunion of families, and to redress the imbalance of the sexes by importing single women. Many migrants left as the goldfields were worked out, but by the end of the decade the Australian population had increased to over a million, with three-quarters of the increase due to net immigration (the excess of arrivals over departures).

After the gold rushes, Australian immigration assumed its characteristic wavelike pattern, with crests in the 1880s, immediately before World War I, again in the 1920s, between 1949 and 1951 and again between 1969 and 1971, corresponding to times of economic prosperity and extensive assistance. Not until after World War I was there a co-ordinated Australian immigration policy. Having gained control of the financing of migration with self-government, each separate colony pursued its own interests as it perceived them. Policies were influenced by such issues as land legislation, labour markets, the burgeoning trade union movement's opposition to government assistance and, in Qld, by labour laws dealing with Kanakas. The provision of assisted passage remained a prominent feature of Australian immigration. A high degree of government supervision was exercised through the activity of colonial agents-general based in London, and immigration agents in the

colonies. Between 1861 and 1900, the net population gain through immigration for Australia as a whole was 766 000, with assisted immigrants contributing half the total. Qld's statistics in particular displayed the results of more or less continuous government assistance, and a vigorous campaign of publicity and recruitment. Table 1 illustrates the extent of Australian governments' reliance on assisted immigration programs.

By far the greatest part of the total immigration was drawn from the UK. Australian governments praised the quality of continental immigrants and favoured their introduction for the benefit of certain industries, but the clear objective was 'to settle an English country with English people'. It was considered desirable to regulate the numbers of English, Scottish and Irish immigrants according to their proportions in the UK. Despite occasional concern in the colonies that Irish immigration was becoming unduly preponderant, this distribution was substantially maintained until the decline in the number of Irish immigrants in the 1890s and early 1900s. The direction of the various immigration regulations was remarkably consistent in its rural bias and its promotion of Australia as a nation of yeoman farmers. Along with the ideal of the immigrant farm worker who would take his place in the labour market for a few years before selecting land himself, Australian governments cherished the image of the independent settler with sufficient capital to begin farming immediately. Hence the principle, obscured by the large influxes of the 1880s but afterwards revived, that immigration should be linked

Table 1		
ASSISTED AND NET IMMIGRATION 1861–1900		
Colony	Assisted	Net immigration
NSW	77 400	330 900
Vic	52 100	28 100
Qld	200 200	256 300
SA	46 400	18 200
WA	7100	133 800
Tas	5100	-1300
	388 300	766 000

with land settlement. Among the circumstances which combined to defeat this yeoman ideal, the origins of the nineteenth-century immigrants must be considered. With the exception of the Irish, most came from the heavily populated industrial counties of Great Britain. True to their urban origins, the majority chose to remain in Australian cities and towns near the coast. Despite the talk of rural settlement, the practical objective and result of immigrant recruitment was the expansion of the labour market.

By 1901 the population of Australia was 3 773 801, of whom 77 per cent were Australian born. The 680 000 British and Irish account for 79 per cent of the overseas born. Nineteenth-century migrant settlement in Australia followed a much more open pattern

Circular Quay, Sydney: immigrants landing, *watercolour by Conrad Martens, c1855.*
DIXSON LIBRARY

than in the United States. There were areas in which their cultural cohesiveness gave greater prominence to particular national groups, such as the Irish and Germans, and the settlement of northern England miners in Newcastle and Cornish in SA are notable examples of regional English concentrations. But even in the central areas of Melbourne, Sydney and Brisbane, where Irish Catholics tended to converge, there was relatively little segregation and no sharply defined 'ethnic enclaves' among European settlers.

The third largest national group after the British and Germans was the Chinese (29 907). Reaction to the large Chinese immigration of the 1850s and opposition to the introduction of Kanaka labourers in Qld made the restriction of non-European immigration an important issue at the time of Federation. Colonial legislation enforcing the so-called 'white Australia' policy was incorporated in the Immigration Restriction Act passed by the commonwealth parliament in 1901. Minor concessions were later extracted by the Japanese government, but the 'white Australia' policy effectively excluded Asians for over fifty years. The effects of nineteenth-century immigration can be seen in table 2.

Early in the twentieth century assisted immigration schemes were revived as the Australian economy recovered from depression, but lapsed during World War I. The commonwealth government assumed control of the machinery for recruiting and selecting immigrants in 1901. Plans for large-scale British immigration with the co-operation of the imperial government were initiated with a scheme to benefit British ex-servicemen, and extended under the Empire Settlement Act. Assisted immigration ceased with the Great Depression, and the outbreak of World War II put an end to a brief revival of the empire settlement scheme.

A notable development of the 1920s and 1930s was the increased intake of southern Europeans, who came without assisted passages. These non-British immigrants were drawn mainly from specific regions of Lombardy and Venetia, Calabria and Sicily, Ithaca and other Greek islands, Catalonia, Dalmatia, Albania and Malta. They followed patterns of chain migration established in the late nineteenth and early twentieth centuries. In the interwar years over 80 per cent of southern European migrants were concentrated in ethnic groups, established mainly in rural areas. The other significant non-British group comprised Jewish settlers, many of them refugees from central and eastern Europe, who tended to live in inner-city areas of Sydney and Melbourne before moving to the more prosperous eastern suburbs.

Fears of invasion during World War II buttressed the familiar economic arguments in favour of a significant increase in the Australian population. The 2 per cent concept—a yearly growth of 1 per cent through natural increase and 1 per cent through immigration—provided a yardstick for government planning until 1972. A separate commonwealth department of immigration was established in 1945, and an advisory committee toured Europe to review migrant

Table 2

AUSTRALIAN POPULATION 1891

Birthplace	Total	Percentage of total population
Total population	3 173 101	100.0
Born in Australia	2 158 975	68.1
Other British born	851 566	26.8
Non-British European born		
France	4 261	0.1
Germany	45 570	1.5
Norway, Sweden	10 112	0.3
Denmark	6 400	0.2
Italy	3 890	0.1
Others	9 760	0.3
Total	79 993	2.5
Chinese	32 525	1.0
Others	50 042	1.6

prospects. For the first time in Australia's history, government initiated a drive for large-scale non-British immigration. The broadening of migrant sources was explained partly on humanitarian grounds of compassion for European refugees. But despite the revival of assisted passage schemes and immigration minister Arthur Calwell's expressed hope that British immigrants would outnumber non-British by ten to one, it was clear that the UK could no longer supply Australia's population needs.

Between 1947 and 1951, about half a million migrants reached Australia, 60 per cent from non-English speaking backgrounds, including about 200 000 'displaced persons'. A minor recession in 1952–53 slowed immigrant recruitment, but substantial Italian and Greek minorities were built up in the 1950s: at one-third of the total intake, net migration of southern Europeans was approximately equal to British migration. Dutch and German migrants were also prominent in the decade following the early 1950s. The period 1950 to 1961 saw the arrival of some 70 000 refugees, including 30 000 Italians and Yugoslavians, 14 000 Hungarians after the uprising of 1956, and 7000 white Russians from China. From 1952, government policy encouraged the migration of families, particularly from Britain, and the wives and dependants of non-British men.

In the late 1950s and early 1960s, the ethnic focus of immigration shifted again. The recruitment of 'guest workers' from southern Europe to meet labour demands in western European countries reduced the number of migrants from these sources to Australia. The British again dominated the immigrant stream, averaging 56 000 a year between 1961 and 1966, and 73 000 a year between 1966 and 1971. The UK,

These Georgic immigrants from the British Isles would soon experience the difficulties of resettlement. Photograph, 1949.
MAGAZINE PROMOTIONS

Canada and New Zealand contributed over half the migrant intake of the 1960s. In 1968–69 a strenuous recruitment effort and the conclusion of migration agreements with Turkey and Yugoslavia introduced a large number of settlers. By the 1970s immigrants including refugees were arriving from south and central America.

Table 3 outlines migration in terms of ethnic origin and percentages receiving government assistance between 1947 and 1971. The statistics indicate that by far the highest levels of assistance were received by immigrants from the UK and northern Europe, with Greeks and Italians bearing the heaviest burden of the passage costs. Most southern European immigrants were forced to borrow money for fares, and arrived in debt, without their families and under the obligation of earning enough money to support dependants and eventually to repay their travel costs. The necessity for these largely unskilled immigrants to take cheap housing close to their places of employment led to the concentration of Greek and Italian communities in Australian capital cities. British, Dutch and German immigrants brought with them a generally higher level of industrial skills: their earning power tended to be greater and consequently their settlement patterns were much more dispersed than those of southern Europeans.

A significant postwar development was the progressive liberalisation from 1956 of the restricted entry

Table 3
IMMIGRATION 1947–1971

Ethnic origin	Numbers arriving	Percentage assisted
British Isles	1 106 562	86.2
Netherlands	142 096	55.7
Germany	124 864	78.6
Other	83 070	80.5
Total northern European	350 030	73.6
Yugoslavia	161 676	64.1
Poland	87 560	78.6
Other	137 294	76.4
Total eastern European	386 530	70.6
Italy	346 160	15.7
Greece, Cyprus	214 484	32.7
Malta	67 412	59.7
Other	28 624	64.6
Total southern European	656 680	29.3
Americas	65 708	47.6
Asia	156 222	18.8
Other	133 746	51.6
Total	2 865 182	

policy towards non-Europeans. By the mid-1960s the 'highly qualified and distinguished' Asians who might be granted permanent residence included such categories as teachers and technicians. Migrants from Asian sources averaged 6500 a year from 1966 to 1970. Between 1969 and 1971 the stream of Asian migration had reached 10 000 a year.

A steady increase in the number of settlers leaving the country impeded Australia's efforts to stimulate population growth by immigration. In the decade 1961–71, emigration averaged 34 000 a year for former settlers and 16 000 for native Australians, some of whom were children of departing settlers. The ethnic groups (British and northern European) which had received the greatest percentage of government assistance showed the highest departure rates. This substantial settler loss featured in criticism of the immigration program, together with arguments that large-scale immigration contributed to inflation, strained welfare and education resources and encouraged the growth of inefficient industries through cheap migrant labour. The Labor government elected in November 1972 abandoned the 1 per cent target and began a reduction in the level of migrant intakes. Arrivals declined from 170 000 in 1970–71 to 52 500 in 1975–76, the lowest intake since World War II. The Liberal–National government again raised the target of net immigration, but limited the assistance programs to refugees. Selection for residence was limited to the highest skilled workers in trades and professions, and to immediate dependent relatives; the latter category was gradually widened. Since its election in March 1983 the Labor government has again reduced the stream of immigration. Selection priorities have moved from the 'skilled worker' category to the grounds of family reunion and refugee entry.

From 1973, Australia has had a declared selection policy of non-discrimination on the grounds of race, nationality or religion. Together with the emphasis on family reunion and the more liberal refugee policy, this has produced a shift in areas of origin from northern and southern Europe towards western Asia, southeast Asia and Latin America. Immigration from the UK and NZ has remained substantial. While the postwar immigration has considerably diversified Australia's ethnic composition, it has not drastically changed its basic Anglo-Celtic character. Three-quarters of the population is still of Anglo-Celtic descent. Immigration rhetoric has undergone considerable change. Official policy on the absorption of immigrants now favours a multiculturalism which encourages ethnic groups to retain cultural traditions and identity as part of a richly diverse Australia. Migrants are no longer expected to assimilate as quickly as possible to a 'standard Australian way of life' firmly based on the British model.   MARY PESCOTT

Further reading F. Milne and P. Shergold (eds), *The great immigration debate*, Sydney 1984; C. A. Price (ed), *Australian immigration: a bibliography and digest*, Canberra 1979; G. Sherington, *Australia's immigrants*, Sydney 1980; J. Wilton and R. Bosworth, *Old worlds and new Australia*, Melbourne 1984.

Table 4

AUSTRALIAN POPULATION 1981

Birthplace	Numbers	Percentage of total
Australia		
(Aboriginal)	160 000	1.10
(non-Aboriginal)	11 412 000	78.29
Total Aust born	11 572 000	79.39
New Zealand	177 000	1.21
United Kingdom & Ireland	1 135 000	7.79
Western & northern Europe	280 000	1.92
Southern Europe	657 000	4.51
Eastern Europe	163 000	1.12
Middle East	92 000	0.63
Southeast Asia	132 000	0.90
South America	39 000	0.27
Other	329 000	2.26
Total overseas born	3 004 000	20.61
Total population	14 576 000	

IMMIGRATION REFORM GROUP A number of Melbourne academics, led by Kenneth Rivett and J.A.C. Mackie, formed this group in 1959, with the objective of changing public opinion and political parties' policies concerning Australia's race relations. The group asserted that the 'white Australia' policy fostered racial prejudice, and acted against Australia's best interests by discouraging close ties with Asia, thus depriving Australians of the opportunity for cultural enrichment through interaction with other races. A later development was the establishment of Associations for Immigration Reform, with branches in all mainland states.

IMPERIAL CONFERENCES, at first called colonial conferences, were conferences of the self-governing colonies (later dominions) held at first in London and later in other capitals, to discuss matters of common interest—especially imperial trade, foreign policy and defence, as well as the relations of the dominions with the mother country. The first two were held at Queen Victoria's jubilees (1887 and 1897), but then regularly until 1937. Perhaps the two most important were those of 1926 in London, which adopted the Balfour declaration defining dominion status and led to the enactment of the Statute of Westminster in 1931, and the Ottawa Conference in 1932, which resulted in agreements on Imperial Preference.   A.G.L. SHAW

IMPERIAL FEDERATION Originating in England in the late 1860s, the movement broadly proposed the amalgamation of the political, social and economic interests of all British colonies in a relationship directed towards the maintenance of a dominant British

Empire. The spearhead of the movement, the Imperial Federation League, was organised in London in 1884 and the first Colonial Conference (1887) was expected to give credence to the proposal, but a federation was not formalised.

An Australian branch of the league was formed in Melbourne in June 1885, and thereafter in some other colonies, mainly supported by royalists and wealthy empire loyalists. The decline of these branches in the 1890s coincided with emerging strong nationalist feelings. A political union was impractical and unacceptable but the Australian colonies willingly operated as dependent allies within a British framework of defence and commerce.

Thus, while the Australian Natives' Association (ANA), the *Bulletin* and others took an 'Australia for the Australians' stance, they were still prepared to tie the colonies to Britain. The reconstitution of the movement after Federation saw Alfred Deakin, an ardent ANA member, as leader in 1905. There was now less emphasis on the idea of an imperial parliament. A federated Australia managed to reconcile her wish for independent status with a dependence on Britain for defence, foreign affairs and economic matters until after World War II.

Further reading C.S. Blackton, 'Australian nationality and nationalism: the imperial federationist interlude 1885–1901', *Historical studies* 7, 25, 1955; G. Serle, *The rush to be rich*, Melbourne 1971.

IMPERIAL PREFERENCE was a radical tariff policy that provided a commercially arranged system of preferential rates (that is, rates below the general level of the tariff) to operate between the constituent units of the British Empire.

The agreements, introduced in 1932 for a period of five years, were based on the principle, 'home producers first, empire producers second, and foreign producers last'. They continued after 1937, but without formal renewal. The policy gradually lapsed during the 1940s.

INDUSTRIAL CONCILIATION AND ARBITRATION Systems of compulsory conciliation and arbitration have been the distinctive characteristic of Australian industrial relations throughout this century. With the exception of New Zealand, no other country has adopted similar machinery. Because of these systems, the law has been much more pervasive in Australian industrial relations than in other countries. This affects not only relations between employers and employees, but the size, structure and administration of the organisations which represent them. In particular the internal management of Australian trade unions has been subject to more legal regulation than occurs in any other democratic country.

In the late nineteenth century Australian politicians, employers and union officials discussed the theory and experience of arbitration in industrial relations in Britain, France and the United States. In 1882 G.R. Dibbs introduced a voluntary conciliation and arbitration scheme in the NSW parliament, but this and a similar bill in 1887 came to nothing. The damaging strikes in several colonies between 1890 and 1894 aroused real interest in the subject, and support for the idea that such systems should be compulsory. The first to take legislative shape was the New Zealand Industrial Conciliation and Arbitration Act (1894), which then served as a model for Australian legislation, providing for special courts to deal with industrial disputes, penalties for breaches of decisions of these courts, and opportunities for either party to invoke this machinery against the opposition of the other.

The Commonwealth Conciliation and Arbitration Act (1904) followed this general model, as did legislation in NSW, Qld, SA and WA. Vic and Tas established and retained systems of a less formal and judicial character. Relations between the commonwealth and the state systems have always been difficult and uncertain. Although the state systems, combined, have covered more employees than the commonwealth system, the latter has increasingly become dominant. Because of constitutional limitations on the powers of the commonwealth parliament, the conciliation and arbitration tribunal exercises authority in areas that are beyond the scope of the parliament itself.

Following the decision of the high court in the boilermakers' case in 1956, the Commonwealth Court of Conciliation and Arbitration was replaced by the Conciliation and Arbitration Commission, which is not a court, although some of its members still have judicial titles. Both before and after this change, the tribunal had great difficulty imposing penalties on trade unions which would not follow its decisions, and the attempt to do so has been virtually abandoned by both commonwealth and state authorities. Although the arbitration system has thus departed from the model of the courts that its founders had in mind, its activities remain of great importance. In the past its chief critics were usually supporters of trade unions, who argued that it subordinated unions to the capitalist system. More recently most criticism has come from some employers and their supporters, who have argued that the system results in over-generous and inflexible conditions of employment, and who have favoured decentralised collective bargaining as found in the US and elsewhere.

DON RAWSON

INDUSTRIAL RELATIONS attract public interest and controversy in many countries, perhaps more so in Australia than elsewhere, because for the last century Australia has been more strike-prone than most other developed capitalist economies. Yet for nearly all of this time there have been compulsory conciliation and arbitration systems which were intended to prevent strikes and lockouts or, when necessary, suppress them.

With the development of trade unionism and the appearance of employers' associations from the 1870s, industrial relations gradually became more formal and organised. Although conditions of employment were subject to some legal regulation, especially under colonial masters and servants acts, relations

Labour Days either celebrated the anniversary of workers' achieving the eight-hour day or expressed solidarity with workers of the world on May Day. Etching by C. Marquet in the Vanguard, *3 Oct 1910.*
ANU ARCHIVES OF BUSINESS AND LABOUR

between unions and employers developed freely and without severe conflict until the end of the 1880s. Increasing unemployment and falling wages caused a series of severe strikes and lockouts in several colonies between 1890 and 1894. Although these resulted in the adoption of a series of conciliation and arbitration acts, Australia has since been a country marked by antagonistic relations between employers and unions and a high level of strikes.

The level of disputes has varied with economic circumstances, tending to drop during periods of high unemployment (especially during the 1930s) but to rise with the return of prosperity. The highest levels of disputes occurred in the periods 1917–19, 1928–29, 1947–50 and 1974. These were all the closing years of periods of boom and, in most cases, also times of inflation, though other factors were involved. An unusually low level of disputes after 1982 accompanied an 'acccord' between the Australian Council of Trade Unions and the federal Labor government, which sought to limit wage claims by unions in return for favourable government policies on matters such as taxation, social services and the structure of industries.

There is general agreement that Australian industrial relations have been unimpressive, though there is no agreement as to what can be done about this. The attitude expressed in the 'accord' is that a system marked by centralised bargaining and strong trade unions should be retained, but that all those involved should be more prepared to accept compromise and seek consensus. The contrary view, which gained

support from the mid-1970s, is that conditions of employment should become much more flexible and be decided with more regard to conditions in particular industries and enterprises. In practice this would involve a weakening of trade unions. It seems likely that if the first of these attitudes is seen to have failed, there is likely to be an attempt to apply the second, rather than a mere return to the conditions of the past.
DON RAWSON

INDUSTRIAL WORKERS OF THE WORLD (IWW or 'Wobblies') was a revolutionary socialist movement aiming to overthrow capitalism by use of 'one big union' of workers and a general strike. Violence and sabotage were accepted tactics. Founded in Chicago in 1905, it came to Australia in 1907 and was active in Sydney, especially during World War I when Thomas Barker, the editor of its journal *Direct action*, was gaoled. Declared illegal in August 1917, the IWW had been the centre of political controversy since the first conscription referendum in 1916, when twelve members had been charged with conspiracy to commit arson, release Barker and excite sedition. They were found guilty, a decision confirmed by a 1918 royal commission but modified by another royal commission in 1920.

INDUSTRIES ASSISTANCE COMMISSION— TARIFF BOARD The idea of a government body to review tariff protection was first mooted in federal parliament in 1909, and was supported by the Liberal party in the 1913 elections. In 1921 the Tariff Board was established to inquire into protection for secondary industry, replacing the cumbersome machinery of inquiry by a high court judge. Originally with a temporary existence of two years, the board was made permanent in 1924. A report of the Tariff Board was a condition of ministerial action to change customs and excise tariffs, though the minister was not bound to accept its advice. In its early years the board made reports regarded as favourable to protection, though in 1932–36 its investigations led to the reduction of many tariff levels. In the 1950s and 1960s its recommendations became increasingly *ad hoc* and it was accused of favouring primary industry under the influence of the Country party. The board did not conduct a general review of the tariff until 1971. With the accession of the Whitlam government the Tariff Board was reconstituted as the Industries Assistance Commission, an independent statutory authority with the task of rationalising assistance to all industries. It began operating in 1974. The onset of economic recession made its proposals, which often involved reducing protection, unpopular among businessmen, and it was criticised as dogmatic, bureaucratic and out of touch. The new structure has, however, strengthened consultation and involvement. In 1978 an amendment required the IAC to take account of any loss of employment that may arise from its reports.

INSTITUTE OF PUBLIC AFFAIRS Launched in Melbourne in 1943, the institute's declared objectives were to raise the level of economic literacy, improve

industrial relations and defend private enterprise as the means to promote welfare capitalism as a counter to socialism. Its supporters were engaged in finance capital, mining and large retail corporations. The *IPA review* commenced publication in 1947.

INSURANCE   Insurance offices first opened in Australia in the 1830s. The earliest business was marine, for vessels engaged in whaling and trade between Sydney, Hobart and New Zealand. Fire and life insurance followed. All three types of insurance then involved high risks. Life and commerce was more hazardous in earlier colonial years than subsequently, and a number of the early firms failed as a result.

An important step in the development of the Australian insurance industry was the formation of the first of the indigenous 'mutual' life insurance firms, those operating as co-operatives, which returned their profits to policy holders in the form of bonuses. The first was the Australian Mutual Provident Society (AMP), which eventually became one of the country's most successful business enterprises. Founded in Sydney in 1849, the AMP had representatives appointed to country districts and the Port Phillip area the same year. It was incorporated under its own act in 1857, by which time a branch had opened in NZ (1854). A London branch opened in 1908. In 1950 it began diversifying into general insurance, and later entered the short-term money market. By 1981 it controlled Australia's largest share portfolio, owning 4 per cent of total market capitalisation of all Australian listed companies; it was a major owner of office, retail and industrial real estate; and it sponsored developments in the pastoral, communications, and mining industries.

A further important development was the establishment during the twentieth century of government-owned insurance corporations in all states. In some states the government insurance offices were competing with the private and mutual firms in both life and general insurance by the 1980s. In others the government offices were confined to general insurance, or to workers' compensation and compulsory third-party motor insurance. Parallel to this development was the growth of a comprehensive range of insurance services offered by motorists' associations. Organisations like the National Roads and Motorists' Association of NSW and the Royal Automobile Club of Vic had begun by offering accident damage and third-party insurance, but by the 1980s had branched out into life and other forms of general business, in which fields they were among the most competitive.

Despite the success of the motorists' associations, the government insurance offices, the AMP and other indigenous mutual insurance corporations, the insurance industry in Australia had always been one with a high proportion of foreign ownership. In 1982, 33 out of 44 major life insurance firms registered under Australian legislation were incorporated overseas or were subsidiaries of overseas companies. The indigenous life insurance firms contracted most of the business, however, annually taking more than four-fifths of life insurance premiums. The reason for the greater success of the locally owned firms lay in the great popularity among Australians of the mutual insurance principle. In general insurance, where mutuality was not such an important consideration, the foreign-controlled firms had a larger share of the business—slightly less than one-half of premiums annually.   IAN HOWIE-WILLIS

Further reading M. Esler and C.A. Parkes, *Introduction to insurance in Australia and New Zealand*, Sydney 1970; *Annual Reports* of the insurance commissioner and life insurance commissioner.

Insurance company buildings have long been prominent on capital city skylines. This illustration of the Prudential Building in Martin Place, Sydney, emphasised the company's solidity. Detail from an advertisement in Australia to-day, *26 Oct 1940.*

INTERCOLONIAL CONFERENCES In 1860 the Australian colonies joined together to hold the first of a series of conferences to discuss issues requiring concerted action. The conferences were attended by various delegates, often ministers of the crown, of the colonial governments. Discussions covered a wide range of matters of common interest, including tariffs, defence, non-white immigration, attitudes to the Pacific region, communication, navigation, railways, naturalisation of aliens, health, animal diseases, patents and the legal system. Though held irregularly at various locations, the conferences were a significant development in the step towards Federation. Since

Federation, they have been replaced by a variety of interstate conferences, notably the Premiers' Conference.

Further reading S. Bennett, *The making of the commonwealth*, Melbourne 1971; R. Norris, *The emergent commonwealth*, Melbourne 1975.

INTERNMENT In both world wars the Australian government has believed it important to protect itself and its people from possible hostile acts of 'enemy aliens'. Enemy aliens have been variously defined but the term has generally meant those born in territories or with parents born in territories at war with the crown. Because of the substantial numbers of people of German origin in SA and southern Qld during World War I it was not possible to intern them all. Registration by police of enemy aliens was required, and some surveillance was undertaken. But people came to the notice of authorities through reports by other citizens, many of them exaggerated or fictitious in the prevailing anti-German atmosphere. By March 1915 the authorities had interned 1930 enemy aliens in various camps, the largest of which was at Holsworthy, NSW. The conditions in almost all camps were harsh, often barbaric. By October 1918, 3135 internees were held, many of whom were expelled from Australia at the end of the war. Anti-German feeling was not nearly as strong during World War II, although there were demonstrations against Italians, who were much more numerous than the Germans. All Japanese residents in Australia were interned. By mid-1942 internments had reached a peak, with 3836 Italians, 4022 Japanese and 2661 Germans in custody. A small number of Australians were also interned, for alleged treasonable behaviour. Most prominent among these were the members of the 'Australia First' movement. During World War II Australia also received internees from other countries, including 2542 (mostly Germans) from Britain.

IRISH EXILES Between 1800 and 1806, 300 to 500 exiles were sent to NSW for their part in Irish insurrections that occurred between 1798 and 1803. Seven members of the Young Ireland Movement were later sent to Van Diemen's Land in 1848. Four escaped, and three received conditional pardons in 1854. Sixty Fenians were sent to WA in 1867. In May 1869, 45 of the civilian prisoners were pardoned. In April 1876, six of the remaining prisoners escaped aboard the *Catalpa*.

IRRIGATION The artificial watering of crops and pastures in Australia began on a large scale in the 1870s, when farmers in northern Vic began pumping river water on to their lands to sustain production during dry seasons.

Government sponsorship of irrigation dates to the early 1880s when, following the drought of 1877–81, the Vic and NSW governments in 1884 appointed commissions to investigate water conservation and irrigation. Vic's minister for lands and public works, Alfred Deakin, chaired the commission there. He investigated irrigation schemes in India and the United States, and his 1885 report formed the basis of Vic's irrigation act of 1886. This established government ownership of all waterways and empowered local trusts to levy rates for water distributed. Though irrigation schemes sponsored by trusts were later developed on the Goulburn, Campaspe and Loddon rivers, Vic's first scheme began in 1887 at Mildura. George and William Chaffey, whom Deakin had persuaded to come from California to establish an irrigation settlement, were granted 20 000 hectares of land there. Through a second agreement with the SA government, the Chaffeys also established a settlement at Renmark. The Chaffey company was forced into liquidation in 1895, however, because of problems with low river levels and poor transport facilities for the crops.

Most other early irrigation schemes were initially unsuccessful, often because peak demand for water came in the summer months when river flow was lowest. The solution to variable flow was to build weirs across the rivers. The first of these, on the Goulburn at Nagambie, was finished in 1891. As weir construction proceeded, Vic's irrigation trusts fell into financial difficulties. The capital works required to ensure the success of irrigation were of such large scale that only governments could afford to undertake them. The Vic government accordingly took direct control of the various schemes via the Rivers and Water Supply Commission it established in 1905. The commission embarked on a vigorous program of reservoir construction; and many water storages, some with hydro-electric generating capacity, were subsequently built. By the early 1980s 577 000 hectares were under irrigation in Vic.

In NSW the evolution towards state sponsorship of irrigation was similar to that in Vic. Following the NSW inquiry into irrigation (1884–87), the municipal councils of Wentworth, Hay and Balranald were authorised to be irrigation trusts in the early 1890s; the government assumed ownership of all waterways in 1896; and in 1913 it set up a water conservation and irrigation commission through which it took direct control of the irrigation schemes that had developed along the Murrumbidgee and Murray. By the 1980s the state had the largest area under irrigation in Australia—746 000 hectares. Irrigation schemes on the Murrumbidgee comprised the largest proportion (37 per cent) of this. Waters diverted into the Murrumbidgee from the Snowy Mountains hydro-electricity scheme from the 1960s were important in the expansion of irrigation in the Riverina district. A number of the storages developed on the Murrumbidgee and other NSW rivers had multiple purposes including flood mitigation, town water supply and recreation.

In SA irrigation schemes began with that of the Chaffeys at Renmark. By the 1980s the state had 80 000 hectares under irrigation, most of this supplied by the Murray, though high-quality groundwater supplied one scheme in the Mount Gambier district. Qld enacted its first irrigation legislation in 1922, the first scheme under this beginning in 1923 near Theodore on the Dawson River. By the 1980s the state had
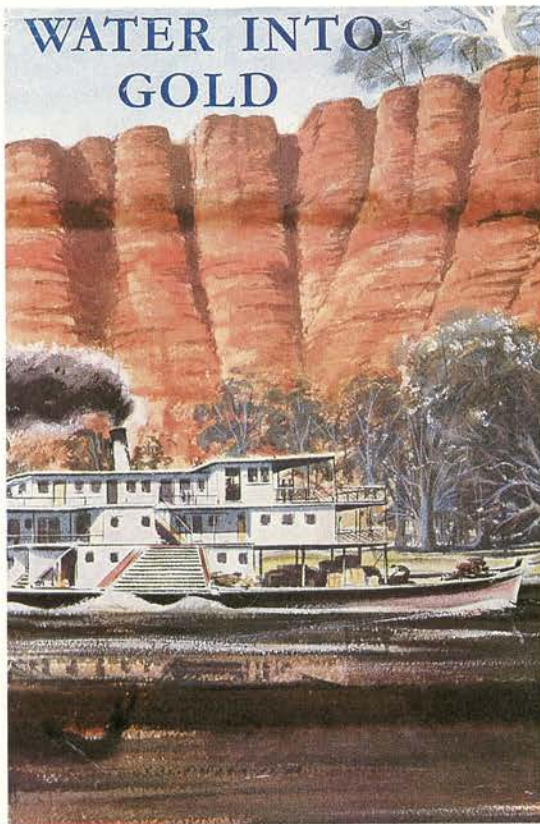
WATER INTO GOLD

First published in 1937, Ernestine Hill's Water into Gold, *as its 1958 dustjacket suggests, celebrated life on the river and the benefits of irrigation. Robertson and Mullens, Melbourne.*

some 255 000 hectares under irrigation, about half that area supplied from groundwater, and most developed since the establishment of an irrigation and water supply commission in 1947.

Irrigation development in WA, Tas and the NT was minor by comparison with that in other states. By the 1980s WA had 25 000 hectares under irrigation, mostly in schemes in the Bunbury–Collie region. In addition the state had several tropical irrigation schemes, most notable of which was the ill-starred Ord River project. Although Tas had progressively harnessed its rivers for hydro-electricity, only 23 000 hectares were being irrigated by the 1980s, mostly by private irrigators. The state's rainfall is generally higher, more reliable and more evenly distributed than on the mainland, and so there was less impetus for developing irrigation schemes. In the NT several small local schemes had developed over a wide area, using both ground and surface water.

From the 1960s irrigation became a controversial issue. By then it was accounting for about four-fifths of stored water in Australia, the remainder being kept mainly for urban and industrial purposes. Some economists opposed its continued expansion, claiming the costs far exceeded benefits. Large storage dams are necessary in Australia to ensure a stable

irrigation cycle because river flow is so variable. The capital costs are thus so high that irrigation is only practicable if governments bear the cost burden, in effect providing massive subsidies to producers using irrigation. The critics also argued that the value of irrigated farm production did not justify the cost of irrigation development. The funds so used, it was said, would have been better spent on dry land farming. Finally, the so-called dearth of water in Australia was illusory: were it not for the huge volume diverted into uneconomic irrigation schemes there would be ample for urban and industrial use.

Advocates of irrigation maintained that the expense of development was justified if state revenues from the increased production exceeded the total annual cost to the state. This, it was maintained, had generally occurred, and so irrigation was contributing to the nation's prosperity. Irrigation, moreover, had made decentralisation and closer settlement possible, had reduced national dependence on the import of specialised crops (cotton, oilseeds, rice, citrus and grapes, for instance), had helped stabilise food and fodder production during periods of severe drought, and its water storages provided inland areas with important recreational and tourist attractions.

Whatever its benefits, irrigation had led to serious problems in some areas. In parts of the Murray–Darling river basin, which by the 1980s contained 70 per cent of the nation's total irrigated area, irrigation helped raise soil salinity, destroying up to 25 per cent of agricultural land in some districts. Saline solutions from irrigated areas also percolated into the river system, increasing its overall salinity and posing an increasingly serious threat to both farmers downstream and to Adelaide's water supply. Rising levels of salinity in the Murray–Darling and also in the south of WA were becoming major national disasters, according to some observers.

Irrigation had also caused other unforeseen problems. Where soils had low permeability irrigation often made them water-logged, unworkable and unproductive. Distance from markets and various technical problems also restricted the potential of some schemes. The Ord River project in WA demonstrated this notably. Intended to promote highly productive mixed agriculture, it was soon reduced to a cotton monoculture so heavily dependent on government support that by 1974, twelve years after its inception, subsidies amounted to $30 000 per farmer annually. Cotton production ceased that year because of escalating costs arising from the increasing difficulty of controlling the insect pest *Heliothus armigera*. Ten years later only 3000 hectares out of the scheme's potential 72 000 were being irrigated.

Despite such failures, irrigation remained important to Australian agriculture, contributing one-third of the total value of crop production and one-eighth of pastoral output in the early 1980s. Its extension had become an article of faith among primary producers and politicians from rural electorates. The public did not generally question the claims made for it, for the

idea of a vast arid inland which would produce abundantly if watered had long held strong emotional appeal for Australians. Indeed, so fundamental had it become to public perceptions about the nation's resources that the serious problems it was causing were not fully appreciated.   IAN HOWIE-WILLIS

Further reading B.R. Davidson, *Australia wet or dry? The physical and economic limits to the expansion of irrigation*, Melbourne 1969; C.H. Munro, *Australian water resources and their development*, Sydney 1974.

ISAACS, Sir Isaac Alfred (1855–1948), barrister, politician, judge and governor-general, was born in Melbourne. Educated at Yackandandah, and at grammar school at Beechworth, he became a pupil-teacher, then, while working as a government clerk, studied law part-time at the University of Melbourne. An excellent student, he graduated with first class honours in 1880 and became a barrister in 1882. In 1888 he married Deborah Jacobs; they had two daughters.

Isaacs was soon a successful lawyer, becoming a Queen's Counsel in 1899. In 1892 he had been elected to the Vic legislative assembly as member for Bogong. A brilliant, sharp-tongued debater, next year he was briefly solicitor-general in J.B. Patterson's ministry. He was attorney-general in George Turner's cabinet from 1894 to 1899, achieving important reform in company law, and again from 1900 until he entered federal parliament.

Isaacs strongly supported the federation movement and was a prominent and energetic delegate to the 1897–98 convention which drafted the Australian constitution. Though he might have become premier, Isaacs chose to enter federal parliament and won the seat of Indi in 1901 as a Protectionist. He was close to, but never a member of the Labor party. In July 1905 he became attorney-general in Alfred Deakin's second ministry. Prodigiously hard working, 'By day he carried on the biggest practice of the Victorian Bar: by night he did full justice to the duties of Attorney-General'. After a productive legislative program he resigned in October 1906 when appointed a justice of the high court.

A 'relentless advocate of an expanding national power', Isaacs was eventually a powerful influence on the high court's interpretation of the Australian constitution. At first consistently in the minority in asserting the constitutional dominance of the commonwealth over the states, his view came to prevail,

Sir Isaac Isaacs, son of a Polish-born Jewish tailor, resplendent in the robes of governor-general. Oil by Sir John Longstaff.
HISTORIC MEMORIALS COLLECTION

most notably in the Engineers' case of 1920. From 1930 he was chief justice.

In 1928 Isaacs had been appointed KCMG. In January 1931 he took office as governor-general, the first native-born Australian to occupy that position. The appointment, by the Scullin Labor government, caused much controversy. Even the King, George V, opposed the selection of Isaacs as his representative in Australia. But Isaacs's term was restrained, successful and otherwise uncontroversial. He retired in 1936.

In retirement Isaacs continued to take a prominent part in public affairs. In particular he argued for constitutional reform and opposed the establishment of a Jewish state in Palestine.   CHRIS CUNNEEN

Further reading Z. Cowen, *Isaac Isaacs*, Melbourne 1967.