

Sir Robert Menzies on Health Education and Housing Policy

Health Policy

“It has, I hope, been realized that any activity in which *choice and personal confidence* are essential is not an activity for which the socialist solution is appropriate... Our family doctor knows us, our history and our oddities, sees us as individuals, and evokes a high degree of frankness which is based upon mutual confidence. There is no substitute for the diagnosis and therapy so produced...I would hate to see, in my own country, any Government scheme which lowered the importance of the doctor-patient relationship.

So far, I may have a considerable body of support from medical men. ‘But, ‘some of them may say’, what has this to do with voluntary health or medical insurance?’

My answer is that, as we saw it, and as I see it still, something had to be done to cope with the sometimes terrifying problem of a major illness in a family, particularly an illness of the breadwinner, which could involve complete financial disaster. True, a completely nationalized medical and hospital service could in a sense avert these disasters; but the price to be paid involves another disaster, the nature of which I have been endeavouring to describe.

And in any event, all Government schemes have to be paid for by the people.

So, we thought, let us have a scheme under which people can pay a premium – fairly modest, all things considered – to an approved health or medical benefits association, with supplementary payments by Government; the total benefit covering the great bulk of medical expenses – to the great benefit and relief of the householder – while at the same time retaining complete freedom of choice and the remarkable benefits of the doctor-patient relationship.” R.G. Menzies, ‘National Health’, *Measure of the Years* (1970) 122-124.

“The pharmaceutical benefits legislated for by our predecessors had fallen into a state of disarray because, as I pointed out earlier, the Government had adopted methods of compulsion on the professions concerned and, in the case of the doctors, that compulsion had been found to be invalid. When we came in, our policy was to create a partnership between the community, the Government, the providers of medical and therapeutic services and voluntary organisations; supervision being secured by advisory committees nominated by the professional organisations concerned.

One of the first steps we took for the prevention and cure of disease was to provide for free life-saving drugs. We wanted to concentrate upon drugs which were designed to be life-saving and disease-preventing. The vast development of the antibiotic drugs in particular had, of course, made a powerful contribution to shortening periods of stay in hospitals and to the alleviation of human suffering. But many of them were very expensive, with the result that a great number of people who needed them could not afford them. There was also some tendency to prescribe such drugs too freely. We therefore required not only that they should be subject to the ordinary rules of professional prescription but that the committees set up should have authority to name the drugs and to supervise their use by the medical profession. In the course of time, the range of drugs to be provided was extended, as the public demand grew. Life-

saving drugs had, of course, been paid for by the Government and not by the patient. But, in later years, and as the list of drugs became enlarged, the demands upon this service became so great as to present a real problem to the Budget. It was, therefore, decided that a nominal charge of fifty cents should be collected for each dispensing of a prescribed drug. This measure helped to keep in check what was becoming an unexpectedly large burden.” R.G. Menzies, ‘New Social Services’, *Measure of the Years* (1970) 126-127.

Universities

“One of the significant things about this long period of office, one that I recall with great pride and satisfaction, is the dramatic development of the universities and of some aspects of secondary education.

Since my own student days at Melbourne, I had maintained my interest in university education. As time went on, particularly after I entered politics, I saw its growing community importance and occasionally chided many of my business and banking friends for not giving it greater encouragement and recognition.

As Attorney-General in the State Government of Victoria I had, in the early thirties, put through a bill for the appointment, for the first time, of a full-time Vice-Chancellor in the University of Melbourne. But this was at a time of relative stability in the university world; when student populations were comparatively small, and costs were low.

The Second World War brought about great social changes. In the eye of the future observer, the greatest may well prove to be in the field of higher education.

Before the Second World War, a university training had been regarded as a kind of privilege to be enjoyed by students of unusual talent or well-to-do or self-sacrificing parents, or of both. Scholarships were very scarce, and hotly contested.... When the war ended, the picture changed dramatically. The Commonwealth Government and Parliament of the day properly made provision, as part of the repatriation of ex-service men and women, for help towards a university education....

For a variety of reasons, the numbers of young men and women anxious to avail themselves of university training had increased beyond all anticipation. Student enrolments had doubled, and in some cases quadrupled, since before the war. The universities were naturally under great strain both in terms of capital resources and in terms of provided the necessary and adequate teaching facilities. State finances being considerably less flexible than those of the Commonwealth, which controlled the main sources of revenue like income-tax and customs and excise, it was, I thought, not reasonable that they alone should carry the university burden. Indeed, I did not see how they could!” R.G. Menzies, ‘Developments in Education’, *Measure of the Years* (1970) 84-85.

“I had a strong feeling that the Commonwealth must be the saviour of the universities, and was glad that in this legislation we had created a precedent. We passed subsequent Acts in 1953 and 1955. The actual payments made by the Commonwealth rose to £1,517,000 in 1954, and by 1957 had reached £2,335,000.

But, in spite of this help, the position of the universities was continuing to deteriorate. It became clear that we needed a basic and far-reaching inquiry. Clearly it had to be basic, for all the facts indicated that our remedies so far had been superficial and inadequate. Also, I wanted it to have international authority; for the more our universities achieve repute at home the more do they enter that international community of universities and scholars which is such a feature of the twentieth century.

So I decided to aim high. If I could get the Chairman of the British University Grants Committee, Sir Keith (now Lord) Murray, to preside, I would do well.” R.G. Menzies, ‘Developments in Education’, *Measure of the Years* (1970) 86.

“In brief I had in mind that the Committee might pay attention to what Australian Universities could reasonably be expected to do, how they might be organised to do this, and how their activities should be financed. Some of the specific topics which interest me include: numbers which should be kept in mind in determining whether a new University ought to be established, machinery for ensuring that the creation of new Faculties and Chairs is done in such a way that existing resources are used adequately and needless duplication does not occur, and an analysis of the adequacy of the Commonwealth Scholarship Scheme whereby some 3,000 new scholarships are available annually for students at tertiary institutions. These, of course, represent only a few of the large number of topics which could be listed, but I would prefer the Committee itself to retain a considerable measure of freedom in deciding which problems might be studied in detail to give the most useful type of advice.” R.G. Menzies, ‘Developments in Education’, *Measure of the Years* (1970) 87

“On 28 November 1957, I tabled [the Murray Report] in Parliament, and made a speech... I will venture to quote three passages.

The first is one which discloses my own emotions, which were deep and, for me, unforgettable.

Mr Speaker, if I may confess it, this is rather a special night in my political life.

The others are:

The social, scientific, economic and industrial complexities of Australia today are largely beyond the imagination of forty years ago. Great skill achieved after high training is no longer to be regarded as something to be admired in a few. We must, on a broad basis, become a more and more educated democracy if we are to raise our spiritual, intellectual, and material living standards. View in this way, our universities are to be regarded not as a home of privilege for a few, but as something essential to the lives of millions of people who may never enter their doors...

This new charter for the universities, as I believe it to be, should serve to open many doors and to give opportunity and advantage to many students. They will, I am sure, not forget that, under all the circumstances I have described, the community is accepting heavy burdens in order that, through the training

of university graduates, the community may be served. This represents a challenge to the whole future student body to take the fullest advantage of the chances which come to them; to see that future failure rates are not their fault; to realise more than ever that the contribution that they have to make to this great social effort is to be willingly and effectively made. A university may look to Governments, and perhaps primarily to Governments, for land and buildings and equipment. But its ultimate achievement will depend, as ever, upon the zeal and quality of its staff and of those who train under them.

The principal features of the Murray Report and our adoption of it can be stated quite briefly, though ... they had a dramatic effect upon the development of university education in Australia.” R.G. Menzies, ‘Developments in Education’, *Measure of the Years* (1970) 89-90

Assistance to non-Government schools

“My youth was lived in a period of Australian social history when there was much religious intolerance. Sectarianism was not engaged in solely by one side; but from my earliest days it nauseated me. The ecumenical movement had not been heard of (at least in my circle). There were bitter publications, masquerading as religious literature. Prelates and divines sought and obtained the courtesy of the Press to preach the gospel of love – with grave exceptions.

Even much later in my life, when I had become, in 1928, a member of the Legislative Council of Victoria, I remember vividly that, having attended the opening of a Roman Catholic church school in my electorate, I was rebuked by some of my older (and much-loved) relatives, and promptly replied that I represented in Parliament *all* of the electors of East Yarra, of all denominations or of no denominations, and not just some. I had no more family trouble, but the incident started in me a train of thought which was to contribute, during my Prime Ministership, to a quite revolutionary change in Government educational policy.” R.G. Menzies, ‘Developments in Education’, *Measure of the Years* (1970) 94

“I had, in my own student days, had an all-round experience: a small country state school, a larger provincial state school, a privately owned secondary school, and a great church public school in Melbourne. I had no doubt that a religious background was of the greatest education significance in the building of character.

In my declining years, witnessing a world in which moral values are treated with such complete contempt in some intellectual, or, more accurately, pseudo-intellectual circles, and in which the powerful influence of the Press seems to be, all too frequently, hostile to all received standards of social behaviours, I retain my belief in the ancient virtues, and value the services which the church schools and colleges render to them.

So it is that in going back over my long term of office I recall with pleasure other educational provisions made by my Government.

The first was a relatively small but quite important innovation in the income-tax assessment laws. In 1952 the Act was amended so as to make school fees up to an amount of fifty pounds in any one year an allowable deduction. This provision applied

to (*inter alia*) church and independent schools. The amount was quite small, and was increased in later years...

Now, my colleagues and I believed that the independent and church schools had a valuable part to play in the secondary-education field. We looked into the possibility of encouraging building gifts. The Commissioner of Taxation naturally could give no estimate of what a concession might cost the revenue; but we decided that, whatever risk was involved, real benefits to these schools would result.

So in 1954 an allowable deduction was introduced in relation to a 'public fund established and maintained exclusively for providing money for the acquisition, construction or maintenance of a building used or to be used as a school or college by a Government or public authority or by a society or association which is carried on otherwise than for the purposes of profit or gain to individual members of that society or association'...

The third great step was taken in early 1964, in performance of a promise made in my policy speech at the 1963 General Election. We provided an annual amount of £5 million for the provision of science buildings and equipment in secondary schools, Government or independent, without discrimination, and similar amounts of £5 million annually for State technical education. In each case the grants were made to the States, who had agreed to be the channels of distribution... At the same time we have statutory effect to another scheme for the provision by the Commonwealth of secondary-school scholarships." R.G. Menzies, 'Developments in Education', *Measure of the Years* (1970) 95-97

Housing Policy

"Housing is always a pressing problem in a growing country, and it has special financial implications in Australia, where over three-quarters of homes are owned or in process of acquisition by the occupiers. We dealt with two of the financial problems in my 1963 policy speech, in which we made two significant promises which in the new Parliament were performed. The first promise related to the special difficulty experienced by young married people, particularly in the age-group up to thirty-five, in financing the purchase of a dwelling. We dealt with this by providing a Commonwealth subsidy of one pound for every three (later two dollars for every six) which a person in this age group deposits or shall have deposited over a period of at least three years in an identifiable account at an approved institution, to be released upon or after marriage for home-building or purchasing purposes...

The other problem to which we directed our attention was becoming a very acute one. Many people found that, to fill the gap between available housing loans and the buying requirement of the purchaser, it was necessary for the purchaser to borrow money, frequently on oppressive terms. We therefore set up a system of housing-loans insurance, the insurance to be issued by a National Housing Insurance Corporation. The object of the scheme was to insure approved lenders against loss arising from the making of loans for housing. With the Government guarantee involved in this scheme, people would be able to borrow, as a single loan at a reasonable rate of interest, nearly all of the money they needed." R.G. Menzies, 'New Social Services', *Measure of the Years* (1970) 128-129.

