

## INTRODUCTION

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# Unforeseen Directions

AFTER 1945

*Should you wish to erect a factory, import materials or manufactures from overseas, or send money abroad, you must obtain the state's permission . . . If you are a farmer, it offers the assistance of its agricultural experts, buys certain of your products at prices it guarantees, and markets them . . . It plants timber at its own sawmill, and sells it . . . Whenever you visit a doctor, it contributes a portion of the medical fees: and if you are unemployed, widowed, orphaned, aged or totally invalided it pays you a benefit . . . Leviathan in New Zealand is a well-nigh universal provider.*

— Leslie Lipson, 1948<sup>1</sup>

During World War II, Leslie Lipson, an American professor of political science employed at Victoria University College in Wellington, began work on a study of New Zealand democracy. Published in 1948, *The Politics of Equality* described a small, geographically remote country and the society that had coalesced there after little more than a hundred years of formal European settlement. New Zealand, in Lipson's view, was fiercely loyal to Britain, ethnically homogenous and socially conservative. As a political community its most notable characteristics were a reputation for advanced social legislation and an unusually pronounced expectation that the state would provide. In fact, the country was 'one of the most elaborately governed democracies in the world.'<sup>2</sup>

Since the late nineteenth century, numerous foreign observers had extolled the degree of state intervention that Lipson found so remarkable. New Zealanders wore this distinction as a badge of national pride. Between 1939 and 1946, when Lipson lived and worked in the country, the exigencies of war prompted the state to widen its already extensive embrace. While continuing to furnish citizens with myriad protections and benefits — from insurance, to farming advice, to dental clinics — the first Labour government imposed rationing and set in place firm controls on the economy.

Lipson admired the country's 'equalitarianism', a neologism he coined to describe the state's 'levelling down and levelling up.' Yet he warned that a tendency in the national identity toward the flattening of social differences might see talent sacrificed to 'the worship of averages' and encourage dull conformity. 'In their thinking, as in their methods of living,' Lipson wrote, 'New Zealanders tend to conform to type. The same convictions, prejudices and stock symbols predominate throughout the country. There is not enough internal diversity to produce a clash of opinion.'<sup>3</sup> While New Zealand society held fairness and equality at a premium, he feared too tight an embrace of these very values could stifle talent, initiative and originality.

From 1946, the New Zealand state continued on its interventionist path, shaping and directing not only the economic but also, to a considerable degree, the social and cultural life of the nation. Labour and National, the major political parties, continued to accept the state's central role in managing the economy and providing social services.<sup>4</sup> The post-war dream of healthy, well-housed, hard-working parents, whose children flourished in a green suburban idyll, answered a need for security. This public longing for stability was not unique to New Zealand. After 1945, war-weary people and governments around the globe looked hopefully forward rather than back. New Zealanders were keen to usher in a less tumultuous and more prosperous world despite, or perhaps as a way of coping with, pronounced fears of a new economic depression and escalating geopolitical conflict in the shape of the Cold War. Having experienced so much tragedy and upheaval, New Zealand citizens, like those of other advanced democracies, warmed to a vision of ordered, comfortable domesticity.<sup>5</sup>

Governments in post-war Britain and Western Europe, as in New Zealand, introduced welfare benefits and social services designed to assist young couples with children. Both in terms of national defence and economic capabilities, policy-makers believed it made sense to invest in the future and in youth.<sup>6</sup> As an industrialising new nation rich in marketable primary produce, New

Zealand's living standards had rivalled or exceeded those of Western Europe since the late nineteenth century. Geographical isolation and American intervention, moreover, had shielded the country from the physical and economic devastation the Second World War visited on Europe. But the conflict in the Pacific increased New Zealand's awareness of its defence vulnerability. Nurturing a growing population of healthy, hard-working citizens (and potential military recruits) made eminent sense. Post-war governments saw security and prosperity for young families as an investment in future defence and economic growth.

In many respects, the New Zealand government's vision of a post-war suburban idyll was realised in the 1950s and early 1960s. The country basked in a long spell of 'golden weather,'<sup>7</sup> with full employment, economic prosperity and a high standard of living. The government maintained a protectionist economic policy (import controls introduced during the war remained in place until the mid-1980s) that was costly and resulted in high taxes. Economic growth in terms of real per capita income was slow by international standards. By 1950, state spending accounted for nearly 30 per cent of the country's gross domestic product (GDP) each year. But most New Zealanders appreciated both the fairness and the security provided by an insulated economy and generous public welfare provisions.<sup>8</sup>

Over time, however, the apparent certainties of this vision of post-war progress, articulated by politicians and held dear by ordinary New Zealanders, began to erode. Some of the causes were international. New Zealand's loyalty to the Mother Country remained strong during and after the war. As the writer John Mulgan observed: 'The kind of loyalty that New Zealanders possess is stupid, irrational, and, in some melancholy way, satisfying to the heart.'<sup>9</sup> But Britain's weakened post-war status necessitated new defence and trading alliances, which introduced New Zealand to unfamiliar markets and cultural influences. Eventually, those new alliances would undermine the post-war foreign policy consensus as New Zealanders argued over involvement in the Vietnam War. Although international ideas and events had long played a crucial role in the country's history, global influences on ordinary New Zealanders increased rapidly after the war as new technology lessened geographical distance and facilitated faster and more frequent travel.

Other transformations were domestic in origin. The post-war proliferation of young families, encouraged by government policies, sowed the seeds of weakening government control. Urbanisation, consumerism, the advent of teen culture, wives leaving the domestic sphere to resume paid work, Maori

and Pacific Islanders migrating to cities in search of greater opportunities: all had unforeseen long-term impacts that transformed New Zealand life. Paradoxically, state policy, driven by economic imperatives, encouraged many of the developments that ultimately proved most corrosive to the post-war domestic ideology.

By the late twentieth century, most of what Lipson perceived as the country's key characteristics — its remarkable state paternalism, its cultural and ethnic homogeneity, its loyal dependence on the Mother Country — had, if not vanished altogether, altered beyond recognition. New Zealand had moved away from its former dependence on Britain and developed a more independent national identity — albeit one deeply indebted to overseas ideas, events and movements. As the rest of this book attests, the process of transformation from the complacent, statist, socially conservative and loyal dominion that Lipson observed in the late 1940s into New Zealand's present incarnation was not without pain and conflict. Nor was it some Whiggish progression, moving inexorably away from dependence toward national identity and a later transnational 'independence': there was considerable loss along the way. New Zealanders no longer enjoy the security bestowed 'from the cradle to the grave' by a generous state. Lipson, in the concluding pages of his study, expressed the hope that a future New Zealand would 'continue to build on those foundations that are well and truly laid — on its hatred of privilege, its passion for social justice, and its eradication of poverty'.<sup>10</sup> But a recent OECD report suggests that in fact New Zealand's once relatively narrow income gap is widening faster than that of any other country in the developed world.<sup>11</sup> As the Global Financial Crisis made clear, the country's open economy is vulnerable to international forces beyond its control.

In 1945, the altered balance of power after the war forced New Zealand's leaders, albeit with initial reluctance, to emerge from the 'insulated cocoon' of empire.<sup>12</sup> This book examines the key events and beliefs that propelled the country's economic and cultural transformations, from the wake of the Second World War to the beginning of the twenty-first century. In doing so, it measures the distance and traces the continuities that separate and link the inhabitants of New Zealand in 1945 with those of the present day. It also assesses the degree to which identity — national, community and individual — was shaped and altered by overseas influences. While the country's trajectory shared strong similarities with those of other developed countries around the globe, its experiences were filtered through a unique set of economic, political and cultural circumstances.

The book's twelve chapters, which are arranged both chronologically and thematically, span the early post-war period to the present day, and engage with the key themes, ideas, people, places and events that forged the history of New Zealand in the second half of the twentieth century. In the course of our research, we were struck by the multitude of voices we were able to recover from the written record. Where possible, we have attempted to frame the story using the experiences and views of New Zealanders themselves — from the push of those advocating change, to the pull of those striving for continuity.

## CHAPTER ONE

# On an Even Keel?

## PEACE, PROSPERITY, CONSENSUS

*If the old world ends now with this war, as well it may, I have had visions and dreamed dreams of another New Zealand that might grow into the future on the foundations of the old. This country would have more people to share it. They would be hard-working peasants from Europe that know good land, craftsmen that love making things with their own hands, and all men who want the freedom that comes from an ordered, just community. There would be more children in the sands and sunshine, more small farms, gardens and cottages. Girls would wear bright dresses, men would talk quietly together. Few would be rich, none would be poor. They would fill the land and make it a nation. — John Mulgan, 1945<sup>1</sup>*

*You get up at a regular hour, go to work, you marry and have a family, a house and a garden, and you live on an even keel till you draw a pension and they bury you decently. The New Zealand way of life is ordained but who ordains it?  
— Bill Pearson, 1952<sup>2</sup>*

On 8 May 1945, New Zealanders greeted the news of the Allies' victory in Europe with jubilation. People danced in the streets, embraced passing strangers and gathered happily in pubs to toast the historic occasion. Newspapers praised the Mother Country's fortitude and stressed the urgency of ensuring that 'never again will the world be plunged into the maelstrom of total war'.<sup>3</sup>

Celebrations continued for days. In Wellington, on 9 May, residents woke to screaming sirens and pealing bells, and poured into the city for the official ceremonies, promenading with patriotic streamers and rosettes. No buses or trams ran during the national thanksgiving service at noon, or the citizen's service in the afternoon. Later, 'laughing, cheering crowds took complete charge of the streets. Bands played in relays. People danced to their music and generally behaved with good humoured but unrestrained exuberance' as 'a spirit of increasing abandon' took hold, culminating in 'scenes of revelry unprecedented in the history of the city'.<sup>4</sup> In New Plymouth:

pent-up feelings after 5½ years of war were let loose when it was decided to 'lift the lid' and let the people give spontaneous expression to their feelings of thankfulness . . . And when the sirens gave the symbol, bells and whistles took up the great chorus of rejoicing, and every noise-making device, designed and improvised, was brought into play and pandemonium, which reigned for some minutes, broke out again spasmodically at intervals afterwards.<sup>5</sup>

These revelries, which occurred on a smaller but no less enthusiastic scale in rural towns and communities throughout the country, marked the end of the European conflict. The war in the Pacific continued for another three months. Only after the Japanese surrender on 15 August could Prime Minister Peter Fraser finally announce that 'six long anxious, worrying, dangerous, tragic years' were over.<sup>6</sup>

The logistics of getting thousands of troops home meant that many loved ones did not return before late 1945 or 1946. Homecomings brought joy but frequently also sadness. Some families welcomed sons and brothers down the gangplank; others remained at home, attempting to come to terms with grief. A total of 11,928 New Zealanders lost their lives in the conflict.<sup>7</sup> For Flo Small, whose American husband died in the war:

It didn't worry me that the war was over — war meant nothing to me then. It just became a thing, like you had three meals a day. I had no interest in war because everyone said we were going to win in any case. But I thought the cost was too great.

The war changed our family. Somehow it changed from a nice happy family to a kind of remorseful family. There wasn't the happiness. There wasn't the laughter. There wasn't the birthday parties. When we, the family all got together, uncles, and aunts and everybody, there were too many cousins missing. Too many friends missing.<sup>8</sup>

Feelings of happiness and pride, but also of loss, accompanied the ceremonies to welcome home the 800-strong 28th (Maori) Battalion to Wellington on 23 January 1946. Chiefs, elders and other tribal representatives assembled in a purpose-built marae on Aotea Quay, where a feast for 1500 guests awaited. The *Dominion* newspaper described the scene:

For six hours the people waited, and at last, just before 2 o'clock in the afternoon, the men of the Maori Battalion appeared . . . At the gate of the marae they were met and challenged by Sergeant Anania Te Amohau, brother of the paramount chief of the Arawa tribe . . .

The wero completed . . . they were admitted to the marae. The kuias, the elderly women, greeted the men with the karanga, crying in unison in the traditional manner. Then the maidens and young warriors gave the powhiri, or welcome, and for some time afterward there followed the most solemn part of the ceremony, the tangihanga, or wailing for the soldiers who did not return but lay dead in other lands.<sup>9</sup>

Mihipeka Edwards, who attended this event, later recalled:

I gazed at the serious men, no longer boys. I wondered to myself what terrible tragedies they had locked away in their minds. I looked at the sorrow, the tears, and the pain of many kuia, women, girls, wives, mothers, and sweethearts. They wept for sons, husbands and mokopuna who would never return to them. They mourned, broken and racked with pain. I saw young mothers with one or two little children clinging to their skirts. Maybe they would be the lucky ones, there to meet their daddies. But I looked at a lot of the others, and my heart filled with sorrow because they would have no one coming home to them.<sup>10</sup>

The New Zealand soldiers fortunate enough to return home needed to reacquaint themselves with wives and children, and vice versa. The process was not always easy; the shadow of war darkened relationships and lives. Many men suffered physical disabilities, ranging from minor ailments to amputation and paralysis; others returned home physically unharmed but with invisible injuries. Some veterans readjusted quickly to civilian life; others found returning to the daily round of work and family responsibilities painful and fraught. Many ex-soldiers simply never talked about their emotional or psychological problems, even with their wives. As the author and war veteran Les Cleveland later observed: 'The problem is that the stiff upper lip business and the manliness

and all that prevents you from facing up to this difficulty. So you don't go around airing your problems or asking anybody for assistance.'<sup>11</sup> Alcohol provided an 'emotional anaesthetic', but drinking frequently exacerbated marital strains and had a negative impact on family life. Some veterans suffered years of depression and withdrawal, and many found it impossible to cope with working life. By 1985, 10,070 New Zealand World War II veterans received pensions for psychiatric disorders.<sup>12</sup> During the hopeful, expansive post-war years, when individuals and governments looked determinedly forward, making plans for an era of peace and prosperity, a great many veterans and their families were still fighting the physical and psychic legacies of a debilitating war, engaged in a daily struggle to pretend that things were 'normal'.

Tank driver Tom May, for example, suffered numerous small breakdowns which he initially hid from medical authorities. Following a major breakdown, however, he was hospitalised. Feeling hopeless and suicidal, he 'couldn't explain to anybody what it was. I just went down to it properly. Of course you turn on your best friend. I turned on my wife with a lot of verbal abuse. And I couldn't explain it to myself, but I know very well it was the after-effects of the war.' Nightmares continued to plague him 50 years later. His wife Toni found it increasingly difficult to wake him from these persistent, terrifying dreams: 'The other night . . . he starts to scream. I had him by both shoulders shaking him and yelling back. And he gives one big yell, and then another one, and he gets louder and louder and louder until he's really at screaming point, quite piercing . . . It's very disturbing and I think, gosh, at seventy-two and you're still having these horrible things.'<sup>13</sup>

Medical orderly Peter Fairlie was sent home in 1944 due to uncontrollable anxiety. After his return, his first marriage failed because of continuing anxiety and unpredictable outbursts of anger and irritability. Beth Fairlie, his second wife, whom he married in 1965, although angry and bitter at his irrational treatment of her and their daughter, was powerless to stop it: 'all of a sudden he'll go off pop about something he's just thought of . . . anything out of the blue. He'd start bellowing about something perhaps [that] happened a week before.' Peter, aware of the negative effect his behaviour had, could not control it: 'You open up and then you realise what a mistake you've made. And once you've done the damage you have a job to repair it . . . you think well, I won't do that again. But, it goes on and on and on, each day.'<sup>14</sup>

Although for many veterans these sorts of problems made adjusting to peacetime far from peaceful, either for themselves or their families, from a practical perspective, state support helped to ease the transition to civilian



life. The New Zealand government planned and worked hard to ensure that its positive vision for the future — wage-earning fathers and comfortably housed stay-at-home mothers and children — became a reality. Aware that returned soldiers deserved particular care and assistance, politicians lost no time introducing a raft of policies designed to help veterans enjoy a prosperous, productive post-war lifestyle.

### *Rehabilitation*

After World War I, many New Zealand soldiers had returned from active service only to face unemployment and financial hardship.<sup>15</sup> To prevent this from reoccurring, state planning began shortly after the outbreak of war. A newly created Rehabilitation Department aimed to match manpower and training with national needs. In 1941, anticipating the demand for houses, it set up training schools for carpentry. By 1948, 24 New Zealand towns and cities contained training centres, which now taught other skills such as bricklaying, joinery, painting and plastering.

The Rehabilitation Department also offered loans for houses, tools, businesses, farms and education. By March 1946, it had helped 1640 ex-servicemen and women into small and medium-sized businesses. The Department allocated 50 per cent of all state rental houses to returned servicemen, or lent money at 2 per cent to help them buy an existing state house or build a new one. By 1948, 8242 ex-servicemen lived in state houses, but 14,137 remained on the waiting list. By March 1955, 17,905 ex-servicemen were settled in state houses; 27,225 had received loans for purchase, and another 21,960 for building.<sup>16</sup>

Many New Zealand veterans had struggled after World War I to farm marginal, often useless, land acquired through government loans. The Rehabilitation Department, determined not to repeat this scenario, granted suitable land and offered ongoing advice and assistance. It also stipulated that those who took up the offer to farm must have some knowledge of farm life or training.<sup>17</sup> By 1955, the Department had settled 12,236 ex-soldiers on farms, and 1464 remained on the waiting list.<sup>18</sup> When the journalist Nell Hartley visited a new farm settlement for former servicemen at Whangapoua in the Coromandel in the early 1950s, she found that:

The 12 ex-servicemen and their families could not believe their luck . . . The balloted farms had been carved out of 2000 acres of scrubland, previously owned by three local farmers. Properties varied from a 111 acre dairy holding to a 350 acre mixed farm . . . the settlers looked out onto gentle undulating land that sloped to

the distant Whangapoua Harbour. Each valley, although still rough at the edges, was alive with industry . . . while families watched the progress from temporary pre-fabricated huts.<sup>19</sup>

When she returned several years later, the bush was gone and:

The valleys running back to the range were now shiny green, like fresh paint. For all I knew, Whangapoua could have been the most fertile spot in New Zealand. The farmhouses which had replaced the prefabs suggested it was. They were substantial, middle-class dwellings, the earlier ones having been demolished or refurbished for farm hands.<sup>20</sup>

Although the combined impact of various government policies made the rehabilitation effort after World War II a success, returning to a comfortable life of plenty was not immediate, for either veterans or the general populace. Contrary to expectations, controls introduced during the war remained on almost everything — imports, foreign exchange, land sales, rents, retail prices, marketing, building and petrol.<sup>21</sup> Shortages continued; electricity was rationed, as was clothing, sugar, tea, meat, butter and cream. Houses continued to be in short supply. In 1941 the state curtailed house building to divert building resources to the war effort. In 1944, when construction recommenced, 47,000 applications for state houses remained unsatisfied; 15,000 in Auckland alone, including more than 2000 from returned servicemen supposedly receiving priority.<sup>22</sup> Consequently these people crowded into substandard central-city housing in slum conditions, or were housed in transit camps in Victoria Park and the Domain.

By the late 1940s, the public's post-war optimism had given way to disillusionment. Consumer goods remained scarce and retail prices rose. Unions, disgruntled with economic stabilisation and compulsory arbitration, undertook seemingly endless stoppages and go-slows. The public, disenchanted with the industrial unrest, accused the Labour government of prevaricating and kowtowing to unions' ceaseless demands. As the global Cold War grew warmer, Prime Minister Peter Fraser's fear of the threat posed by communist Russia caused him to reintroduce conscription in 1949.<sup>23</sup> The peace so joyously welcomed in 1945 looked shaky and possibly short-lived. National's election slogan: 'Make the pound go further'<sup>24</sup> attracted voters alienated by Labour's austere policies. National promised to increase freedom of choice, lift restrictions and import controls, reduce bureaucracy and state interference, tame

militant unions and end compulsory unionism. This agenda obviously struck a responsive chord as the party won a twelve-seat majority in 1949.<sup>25</sup> For the next 35 years (with the exception of two brief three-year intervals) National dominated New Zealand politics.

Despite the rhetoric, there was little difference between the two parties. Ormond Wilson, a former Labour MP, joked in 1953 about the parties' respective leaders: 'Q. What is the difference between Walter and Sid? A. Sid is a paler pink.'<sup>26</sup> Both parties formed governments that were essentially conservative in the business of 'managing the economy'.<sup>27</sup> National accused Labour of socialism when it introduced social welfare and vowed to reduce it, but once in power accepted and even added to it. Similarly, National won the 1949 election with promises of lifting controls and regulations. It did indeed start to deregulate, but reality (in the form of balance of payments deficits, inflation and the incipient threat of economic woes) saw it pull back and quickly reimpose some controls and taxes. Both National and Labour kept a tight grip on production and distribution. Keith Sinclair has noted that 'Under National, New Zealand was not noticeably nearer to free enterprise; the benefits of competition were not much in evidence . . .'<sup>28</sup> Most National politicians extolled 'free enterprise' on the hustings but were no less prepared to bestow the state's largesse on those they deemed deserving. Farmers and businessmen, for example, received help from the successive National ministries of Massey, Coates, Holyoake and Muldoon, all of which continued with state ownership and management of the many trading enterprises they inherited.<sup>29</sup>

Both parties espoused the ideology of the nuclear family with a stay-at-home mother and breadwinning father and enacted legislation to ensure the ideal. Early in its colonial history, the economic and social intervention of the New Zealand state took an upward trajectory: although state spending as a proportion of GDP grew slowly at first — in 1924 it made up 14 per cent — by the end of World War II this figure had doubled, to 28 per cent. The role of the state in almost every aspect of life, from social welfare, to media, to regulation of production, was immense and growing throughout the late 1940s and 1950s, a time when New Zealanders put great faith in the state's ability to improve people's lives. During elections, the two major parties engaged in rival bidding, each trying to outdo the other with promises about how they would spend taxpayers' money.<sup>30</sup>

The man who became the country's new National Prime Minister following the 1949 election was Sidney Holland, a tough decisive leader, who advocated a minimum of bureaucratic intervention, government restrictions and

regulations.<sup>31</sup> One senior official described him as 'an Empire man' who 'shaked [sic] with patriotic fervour every time he got within 50 miles of Buckingham Palace'.<sup>32</sup> But he also prized his New Zealandness, and aimed to build a 'new and distinguished thing' — namely, 'the New Zealand way of life'.<sup>33</sup>

True to its election promises, National immediately started lifting restrictions — freeing up petrol and food prices, gradually relaxing some import controls, lifting controls on the sale of land and housing, and encouraging home ownership by the sale of state houses to tenants and making cheap loans available. But despite their rhetoric, National politicians quickly realised that to maintain full employment and a stable prosperous economy, certain controls had to remain — namely price controls, import licensing and fair rents.<sup>34</sup>

National's huge majority decreased in the 1954 election, as the electorate began to feel the effects of rising living costs. During this election the Social Credit Political League (a party representing small farming and business interests and advocating credit reform) first emerged as a political force, winning 122,573 votes or 11 per cent of the total count, but no seats. For the next few years, inflation continued to plague the economy. National battled it by cutting government expenditure, raising interest rates, tightening the supply of credit and reinstating some import controls.<sup>35</sup> Overseas prices for butter, wool and cheese started to collapse after the boom years of the Korean War, while domestic food prices rose.

In 1957, illness forced Holland to resign just ten weeks before the election. His successor Keith Holyoake was virtually unknown to most electors, particularly the crucial urban electorate: 'Many voters did not have time to see beyond the short, stout physical appearance and what one journalist described as "the mannered facade, the fruity voice, the booming bonhomie"'.<sup>36</sup> A relatively unknown and underestimated leader, combined with a tightening economic climate and Labour's promises of more generous family benefits, easier access to housing finance, increased pensions and free schoolbooks, and a proposed £100 rebate on the new PAYE tax, all contributed to a National defeat. The most critical factor in Labour's favour, however, was Walter Nash.

Aged 75 when he became Prime Minister, Nash was a deeply Christian humanitarian and pacifist, with a long and accomplished political career behind him. As Minister of Finance during the first Labour government (1935–49), he was largely responsible for restimulating the economy. As Minister of Social Security, he implemented the popular and comprehensive Social Security Act of 1938. From 1942, he served as New Zealand's first ambassador in the United States. After the war, and during his time as Prime

Minister, he continued to travel extensively, his greatest political interest now being international affairs.<sup>37</sup>

The new government faced a massive balance of payments deficit caused by falling export prices — a grim situation National had successfully concealed from the electorate.<sup>38</sup> Labour quickly reimposed import controls but at the same time honoured its election promises by making money available for housing at 3 per cent, and introducing a tax rebate of £100. These measures further fuelled inflation.<sup>39</sup> In an attempt to control the situation, in June 1958 the Minister of Finance, Arnold Nordmeyer, produced what was quickly dubbed the ‘Black Budget’. This substantially increased income tax, doubled duties on beer, spirits, tobacco and cars, and increased taxes on petrol along with gift and estate duties. Some positive aspects of the budget — namely, larger benefits and pensions — went unnoticed due to the voluble public outcry over the tax hikes. National had a heyday, branding Nordmeyer as a smash-and-grab axeman who ‘taxed high, taxed hard and taxed savagely.’<sup>40</sup> Although the ‘Black Budget’ helped to restore economic equilibrium, it was a political disaster. Labour resoundingly lost the 1960 election. For the next twelve years, National ran the country: for eleven and a half of them, Keith Holyoake was Prime Minister.

Holyoake, born in 1904, first entered politics in 1931 when he became MP for Motueka. He lost that seat in 1938 but returned to Parliament in 1943 as the member for Pahiatua. From 1949 until 1957, as Minister of Agriculture and Marketing, he successfully negotiated minimum prices for New Zealand primary produce into Britain, winning a reputation as ‘the most successful Minister of Agriculture in the country’s history.’<sup>41</sup> He became deputy leader and then leader of National in 1957. Politically and personally conservative, he was a skilful consensus politician who worked hard to avoid dissension within the party. He disliked radical policies, or rapid change, preferring moderation and gradual progress.<sup>42</sup> According to the political scientist Robert Chapman, ‘his greatest feat as a Prime Minister was the slowing down of every process which, if speedily dealt with, might have represented change and political harm.’<sup>43</sup> His biographer Barry Gustafson summarised his aims: ‘to advance his personal career, keep the National party in office, maintain New Zealand’s security and prosperity and growth and gradually improve its economy and society.’<sup>44</sup> In keeping with a 1963 National campaign slogan, Holyoake had a ‘Steady Does It’ approach to politics.<sup>45</sup> Holyoake was also ‘this country’s first self-consciously and openly nationalist Prime Minister’, believing firmly that New Zealanders should retain the means of production, distribution, exchange and communications: ‘New Zealanders should have adequate opportunity to run their own affairs . . . I do not want to see

New Zealand continue to grow as an appendage or satellite of Britain, Australia or the United States. We are growing up . . . New Zealand should not be the plaything of multimillionaires from overseas.’<sup>46</sup> Determined that New Zealand should retain control of its national media, in 1965, when Lord Thomson was trying to take over Wellington’s *Dominion* newspaper, Holyoake legislated against overseas media ownership. Ralph Hanan, the Minister of Justice, initiated and pushed into law much of the social liberalisation that occurred during this quintessentially conservative Prime Minister’s rule. Under Hanan’s guiding hand, National abolished the death penalty in 1961, liberalised divorce law, gave rights to illegitimate children and created both the office of Ombudsman in 1962 (the first in the Commonwealth) and the Indecent Publications Tribunal, which liberalised book censorship, in 1963.

### *Dissension*

The great 1951 strike/lockout, which lasted 151 days, rocked the nation and threatened to upset the status quo and the continuing existence of a harmonious, consensual New Zealand. In April 1950, the Watersiders, along with several other unions, split from the moderate Federation of Labour (FOL) to form the more radical Trade Union Congress (TUC). The latter opposed compulsory arbitration and was committed to ‘practical militancy.’<sup>47</sup> From May onwards, stoppages, overtime bans, wage claims and strikes on the wharves multiplied, alienating the public and pushing the government toward confrontation.<sup>48</sup> This came in February 1951 over a wage dispute between the Watersiders and their employers. To combat rising prices and inflation, the Arbitration Court had in January awarded a 15 per cent general pay increase. The employers offered the Watersiders 9 per cent, and argued they could work overtime to make up the extra. In response, the Watersiders stopped working overtime and were locked out. Government stepped in, declared a state of emergency, suspended civil liberties (such as free speech and a free press), deregistered the union and sent troops to load and unload the boats. The strike spread. Miners, freezing workers, harbour board employees, seamen and some hydro-construction workers joined. Railway men and most drivers refused to handle goods unloaded by non-union labour. At its height, 20,000 workers were on strike or locked out.<sup>49</sup>

New Zealand became a virtual police state — newspapers could not print the Watersiders’ story, nor was radio allowed to air speeches critical of government. The government prohibited the display of posters and placards sympathetic to the workers. Offenders, as well as anybody involved in picketing,



could be arrested without warrant. The police, their powers almost unlimited, raided underground presses and wielded batons against street marchers. Offering assistance to the Watersiders (supplying food to their families, for example) was banned. Many ignored this last injunction and organised a relief network. With wives now the sole breadwinners, numerous families struggled and grew more desperate as the dispute dragged on. Doreen Hewitt, whose husband Jim was a Watersider, remembered:

We lived in a flat, upstairs from Jim's parents. I would walk up Collingwood Street, to the top, get a tram to Upper Queen Street, another tram to Newmarket, where I worked in a factory. I would return home exhausted . . . Later I got sick and lost the baby I was carrying. When I got out of hospital I went back to work. I thought the blue would never end.<sup>50</sup>

The Watersiders enjoyed little apparent public support outside of union circles, but whether this is because government controlled the media and precluded any pro-Watersider views from appearing is unclear. The press and government portrayed the strikers as part of a left-wing communist-inspired conspiracy, even as agents of the Cominform.<sup>51</sup> Newspapers throughout the land labelled strikers traitors to their country, and denounced them as pawns controlled by foreign communist powers.

Prime Minister Holland declared the Watersiders to be 'the enemies within'. The communist at home was 'just as unscrupulous, poisonous, treacherous and unyielding as the enemy without. He works day and night; he never lets up. He gnaws away at the very vitals of our economy just as the codlin moth enters and gnaws away at the "innards" of an apple while everything on the outside looks shiny and rosy. This government is alive to the danger that besets us and is determined to ensure that he does not succeed.'<sup>52</sup> The strike was 'a very determined effort . . . to overthrow orderly government by force'<sup>53</sup> and the work of foreign agents: 'This is part and parcel of the desperate cold war which has come to our shores in which life and limb are now constantly in danger.'<sup>54</sup> Minister of Labour Bill Sullivan described the dispute as 'part of the cold war, engineered by Communists to advance their cause and the cause of Russia', and asked: 'Can we tolerate law-breaking by an organization dominated by Communist international instructions, or do we stand firm in our belief in genuine differences of opinion under our democratic way of life?'<sup>55</sup> Jock Barnes, head of the Watersiders' Union and the TUC, was accused of being a 'puppet of the communist-controlled World Federation of Trade Unions.'<sup>56</sup>

In fact, neither Barnes, nor the Watersiders' Union secretary Toby Hill, had any communist affiliations. Under headlines such as 'Reign of Terror grips the whole of New Zealand', the press inveighed against 'a communist inspired wages strike [where] dock workers have begun a campaign of unrestricted violence, dynamiting railway installations, threatening to blow up the homes of cabinet Ministers and battering into insensibility men who have gone back to work.'<sup>57</sup>

The strikers for their part maintained that the Prime Minister was an American puppet and that the whole dispute was orchestrated from America as part of the war against communism.<sup>58</sup> They dubbed Holland 'the senator for Fendalton' and Auckland strikers composed a special song in his honour:

Sing a song of Holland  
Pockets full of cash  
All in Yankee dollars,  
Out to cut a dash,  
When he got his orders,  
Sid began to yell:  
'Bash the dirty workers,  
Give the bastards hell.'<sup>59</sup>

By the end of March, the Watersiders were isolated. A crucial turning point occurred when the FOL entered the dispute on the government's side and persuaded the other unions to go back to work. As Holland's successor Keith Holyoake acknowledged some years later: 'the National party . . . was fortunate in that the Federation of Labour, the responsible workers' leaders, stood firmly with the Government. The task would have been impossible without the Federation's aid.'<sup>60</sup> The FOL leader Fintan Patrick Walsh, a ruthless ex-communist turned government supporter (once described as 'the nearest thing to an American-style industrial gangster that New Zealand has seen'),<sup>61</sup> used the strike to get rid of the rival TUC. By May, he had appealed to the government for more intensive retributions against wreckers and lawbreakers 'menacing the public.'<sup>62</sup>

Without the support of other unions, the Watersiders fought a losing battle. On 11 July, after 151 days, they called off the strike. Their once powerful national union was smashed, replaced by 26 small separate unions in each port in the country. With militant unionism crushed, industrial relations remained relatively calm until the late 1960s.

Holland, capitalising on the massive public support for his government's stance against the union, called a snap election for 1 September. The party's promotional material during the election campaign depicted the recent struggles as 'the People versus the Wreckers'.<sup>63</sup> Voters who wanted to keep the communist menace at bay were exhorted to vote National. That party returned to power with an overwhelming majority (which included an extra four seats in port electorates). While Holland was seen as a preserver of law and order who cracked down on a pernicious communist influence, Labour's Walter Nash was criticised for being either a fence sitter or a supporter of 'the enemy within'.

National, riding a wave of popularity, promptly introduced new repressive legislation. The Industrial Conciliation and Arbitration Act, amended on 12 October 1951, redefined strikes and lockouts by making picketing illegal, forced unions to hold secret ballots before going on strike, imposed the election of union officials by secret ballot and set tough penalties for breaking any of the provisions. The Police Offences Amendment Bill, introduced in the same year, was so draconian that there was a widespread outcry from the press and public. Nevertheless, after amendments, it passed on 5 December 1951. This legislation widened the definition of sedition, introduced summary trial without jury, and outlawed street marches, demonstrations and poster displays during strikes. Nash described it as 'a complete negation of the basic principles of democracy',<sup>64</sup> and promptly repealed it during Labour's brief return to power in 1957.<sup>65</sup>

### *Enhancing the family*

The ideal of the nuclear family — dear to politicians regardless of their party affiliation — was underpinned by the introduction of affordable state housing, universal benefits and free maternity care along with wage policies. Free maternity care, introduced in 1939, covered both ante- and post-natal treatment. From 1946, the universal family benefit, paid directly to mothers, covered every child from newborn to sixteen years, and went to 485,000 children in the first year, out of a total population of less than two million.<sup>66</sup> At 10 shillings per week per child, it was extremely generous, boosting the average net income in a three-child family by one third (its impact was eroded by inflation, however, from 1958).<sup>67</sup> Hilda Ross, National's Minister for the Welfare of Women and Children, noted approvingly: 'A well man in an everyday job, and with the child benefit of 10s per week per child, should be able to keep his wife in her home so that she may look after their children.'<sup>68</sup> Many New Zealand women

greatly valued the independence the family benefit offered. As one recipient later recalled:

The big thing was that women had an income — we were the last generation that didn't work. I was fortunate, and able to save it. For my cousin, it was her saviour: they had five children and things weren't easy at all: she had money of her own she could spend on herself and the children. Men drink in a lot of families and mothers are left without much. It gave mothers money!<sup>69</sup>

New Zealand, in common with many other countries after the war, experienced a massive baby boom. Although this growth was an international phenomenon, New Zealand's population explosion — from 1.7 million in 1945 to just over 3 million by 1975 — was one of the most spectacular in the western world. In 1946, the Pakeha birth rate rose to over 26 per thousand (up from 16 per thousand in the mid-1930s) and the average family size doubled from two to four children — a level sustained until 1961.<sup>70</sup> The Maori birth rate expanded at an even greater rate, to just over 46 per thousand in 1961 — a rise related to falls in infant mortality.<sup>71</sup> Pakeha families grew larger, but remained smaller than those of Maori. Marriages and births delayed by the Depression and world war resulted in the initial burst of births. There were 20,000 weddings in 1946 — a number only surpassed again in 1964.<sup>72</sup> The economy grew, as did the number of jobs. These factors fostered a sense of security and enabled more people to marry younger. The average age at marriage fell from 25 to 21 between 1945 and 1971.<sup>73</sup> Couples also produced children straight away: 45 per cent of babies were born during the first twelve months of marriage and the average age at a woman's first birth decreased from nearly 26 years in 1948 to 24 years in 1958.<sup>74</sup> Expanding numbers of children led to an explosion in the number and size of all educational institutions from pre-school through to tertiary. By the end of the 1960s, primary school rolls had doubled while, because of the increase in the school-leaving age, secondary school numbers more than trebled. At the same time, spending on education doubled. Since Holyoake, who had regretted not going to university himself, believed that 'everybody must have the right to go to university if they wished', high priority was given to universities. Consequently, encouraged by numerous grants, bursaries and scholarships, the numbers attending tertiary institutions exploded from 'just under 20,000 to over 50,000'.<sup>75</sup>

Politicians realised that the ideal of the comfortable nuclear family could only become reality through the provision of affordable secure housing.

A sound home meant a contented family. Nash looked upon the family ‘as the foundation of the nation’ and believed that ‘no nation can prosper or progress whose people lack the conditions of a “home” or “home life” . . . It is by the toil of their hands that men live, and the strength of the family that the race will continue.’<sup>76</sup> The journalist and author Mary Ratley, writing in the late 1950s, endorsed the view that home was central to family health and happiness: ‘It is difficult to express what this word “home” really means but it conjures up thoughts of security, protection, comfort, beach, happy family relationships and activities. Perhaps it is best described as a background and setting for happy family life.’<sup>77</sup>

During the war, Labour formulated a comprehensive state housing policy. Although 37,000 houses had been built by 1949,<sup>78</sup> the housing shortage remained acute with 45,370 outstanding applicants for state houses in 1950. Applicants with children were favoured. By 1948, the number of one-bedroom units being built decreased from 5.8 per cent of all state units to less than 1 per cent, in favour of three-bedroom houses to accommodate larger families.<sup>79</sup> The government’s preferred tenants consisted of the conventional nuclear family, keen to embrace a particular way of suburban life. They did not include single people, young or old, single-parent families, or families not considered respectable.

Because the housing policy was geared to single nuclear families and the belief that a green suburban open environment was best for children, the government did not opt for flats and apartments in problematic inner-city neighbourhoods. Instead it built houses in garden suburbs with planned shops, community centres and schools. Rationalising this policy, the Labour MP Mark Fagan explained that

flats do not provide sufficient light or sufficient ventilation, and, generally speaking, they are undesirable for the housing of growing families. I much prefer the method of the Government building houses in the outer suburbs where a family has some privacy, where the father can have a garden and grow some vegetables, and where the children can play, instead of having to play on city streets or remain indoors all day long as they have to when living in flats.<sup>80</sup>

With increased car ownership, enhanced public transport and the opportunity to leave crowded inner-city tenements, families rushed to fill the new state house suburbs mushrooming in Wellington’s Hutt Valley and around Auckland. These communities, so full of young families, were soon collectively dubbed ‘Nappy Valley’.

The new National government of 1949 preferred home ownership to state rentals, and so started to encourage families to buy, providing inexpensive loans and long-term mortgages. At the same time, it offered cheap loans for house construction.<sup>81</sup> According to Prime Minister Sid Holland, home ownership was both a panacea and a sound basis for social stability: ‘home building and home ownership develop initiative, self-reliance, thrift, and other good qualities which go to make up the moral strength of the nation . . . Above all, home ownership promotes responsible citizenship. To the community it gives stability, and to the home owner it gives a constant sense of security, pride, and well-being.’<sup>82</sup> This was certainly the case with F. W. Carr of One Tree Hill in Auckland who proclaimed: ‘For the first time in my life since I’ve been married, I am independent, and I like it. Buying my state house was the best thing I have done and I can recommend anyone to do the same. Anyone will be a more substantial citizen because of it.’<sup>83</sup>

Eligibility for a state house became limited to those on low incomes, and tenants were given the opportunity to purchase. The second Labour government of 1957–60 continued National’s policy, allowing families to capitalise their family allowance in order to get the deposit, and introduced 3 per cent loans for those earning less than £1,000 a year. The number of houses financed by state loans consequently rose to 33.6 per cent of all new construction by 1954, up from 19 per cent in 1950. By 1961, 52 per cent of all residential buildings were funded by the state.<sup>84</sup> As a result of these policies, home ownership burgeoned from 56 per cent to 71 per cent of householders between 1945 and 1971.<sup>85</sup> Previously, home ownership seemed unattainable for many: now it was possible. According to Gael Ferguson, ‘between 1950 and 1970 the symbol of the family home in the suburbs became thoroughly entrenched in the minds of New Zealanders as people took advantage of the state’s generous lending programmes.’<sup>86</sup>

### *Suburban harmony?*

Cities throughout the country soon began to grow around the periphery as new suburbs, often made up of a mix of state and private housing, took root and flourished. Urban growth was not a new phenomenon in New Zealand: the proportion of the population resident in cities and boroughs (as opposed to counties) was 58.3 per cent in 1926, 62.9 per cent by 1945 and 68.6 per cent by 1966.<sup>87</sup> After World War II, towns and cities continued to attract those seeking work in the growing manufacturing sector, new service industries and various white-collar occupations. The North Island experienced the major urban

increase, with provincial centres such as Hamilton, Whangarei, Rotorua and Tauranga expanding into big towns or cities. In 1954, the *New Zealand Herald* wrote: ‘An astonishing commercial boom, bigger than anything it has known before, has brought Tauranga 7,500 new residents in the past five years, increasing the population by over 60 percent.’<sup>88</sup>

The phenomenal growth of Auckland, which expanded from 329,000 people in 1951 to 548,300 in 1966 and to more than three quarters of a million by the end of 1975, overshadowed even this however.<sup>89</sup> The city’s increase of 200 per cent was more than twice the rate of growth (81 per cent) of the total New Zealand population in the same period and almost twice that of the urban population (108 per cent).<sup>90</sup> New suburbs sprang up everywhere as housing gobbled up farmland. Auckland became a sprawling metropolis — a conglomeration of small centres that by the early 1970s stretched some ‘40 kilometres south from Torbay to Papakura, and some 25 kilometres east from Massey to Howick.’<sup>91</sup> The nature of the city’s expansion was affected by the decision to make motorways its core means of transport. These were constructed to facilitate connections between suburbs; Point Chevalier was linked to Henderson by motorway, for example, and Mt Wellington to Wiri.

‘Outward sprawl’, the distinctive feature of urban growth in the 1950s and early 1960s, involved moving away from central-city areas to the new outer suburbs; a trend encouraged by cheap state loans and affordable state rental properties. The government planned and built whole new suburban communities. The towns of Naenae and Taita in the Hutt Valley near Wellington, for example, were intended as model suburbs, housing 20,000 people, and including all the necessary community facilities. But housing shortages after 1945 meant facilities had to wait. New residents were often startled by the barren environment and lack of basic amenities. Shirley Redpath, who shifted with her family to a new state house in Naenae aged twelve, remembered: ‘My first impression of Naenae as we drove up the main street, Seddon Street, was one of shock and disbelief, hardly a tree, shrub, plant, lawn in sight, no footpaths even! What had we come to? The car pulled up at No. 61 and we all stepped out onto slightly muddy ground.’<sup>92</sup> The absence of footpaths and unpaved streets meant dust got everywhere, soiling the washing drying on the line. Front gardens remained unfenced and unsafe for children, while public transport was sporadic, with crowded buses and drivers who could (and did) refuse to carry prams after four o’clock.<sup>93</sup>

Instead of facilitating a suburban idyll, as intended, many of the new housing communities’ lack of services and amenities proved problematic. In 1955,

Professor Kenneth Cumberland warned of future problems when he told a group of architecture students: ‘It is proposed to build more Tamakis at Otara and Mangere Central — to condemn rich market gardens and smiling dairy lands and to replace them with more treeless deserts of tiles — inadequately roaded, sewered and lighted and unprovided with community services . . . At one and the same time, we are creating slums of different kinds both at the heart, and on the ever-expanding outer periphery of the metropolitan area.’<sup>94</sup> Indeed, Cumberland’s prediction did eventuate in some new outer suburbs. Because low-income and young families received first priority for state houses in suburbs such as Otara and Mangere in Auckland, and Porirua in Wellington, mainly low-income families moved there. Many of these families were hit by the rising unemployment of the 1970s and 1980s. Consequently, social problems, gang violence and racism increased, a situation that provoked ‘white flight’. When Otara was first developed, 66 per cent of residents were Pakeha families. In 2006, only 15 per cent remained.<sup>95</sup> Despite ongoing problems of violence, poverty and unemployment, and despite outsiders’ perceptions of dysfunction, strong urban-based Maori and Pacific Islands communities have developed in Otara, along with numerous thriving community cultural and health facilities — churches, urban marae, sports clubs, and health clinics.<sup>96</sup>

Porirua suffered the same problems — white flight, large Maori and Polynesian families crowding into small state houses, gangs and violence. The largest single state housing community in the country, this new suburb was an ambitious government project that initially included plans for community centres and shopping malls.<sup>97</sup> These facilities lagged well behind the building of houses however. Janet Tomuri, who lived in Cannons Creek in Porirua East throughout the 1960s, remembered: ‘There was nothing in Porirua in those days for kids so you made your own fun. We used to go shopping at the tip, we’d look for pram wheels so we could make trolleys and race them down our street.’<sup>98</sup> Rob Olsen, editor of the *Kapi-Mana News*, who grew up in Porirua at the same time, described it as ‘a huge version of Nappy Valley, heaps of young kids, no entertainment, no halls, no theatres, and as a consequence you had a whole lot of people stuck out here, some kilometres from Wellington, wandering around aimlessly looking for things to do.’<sup>99</sup> In ‘Living on the Fringe’, a 1966 radio documentary about Porirua East, the poet Peter Bland condemned the absence of community feeling: ‘[The] houses are built on the idea of everybody having their own half acre of three-bedroom independence, you see. There’s no communal sense. One’s left with this terrible feeling of human poverty; of human monotony.’<sup>100</sup>



As unemployment escalated in the 1970s, parts of Porirua, in particular Cannons Creek, were beset by gang and racial problems. Rob Olsen recalls: ‘There were parts of the community that were completely off limits, when we were kids we wouldn’t even walk through Cannons Creek because of the gangs.’<sup>101</sup> As in Otara and Mangere, white flight increased: in the early 1960s Porirua was a largely Pakeha, blue-collar community, but large numbers of Maori and Pacific Islanders moved in to fill jobs in local factories, so that by 1991 their numbers exceeded those of Pakeha.<sup>102</sup> Cliff Irving, a Pakeha who moved to a house in Porirua East in the early 1970s, found it a fraught experience: ‘We were there a short miserable time. Our eldest daughter had just started school and was picked on something terribly by other pupils and both my wife and I felt ostracised by the fact that we were the only “whites” in the street. My wife’s health deteriorated rapidly and so did my daughter’s school work. We had to get out.’<sup>103</sup> Although in ensuing decades unemployment in Porirua remained high and social problems persisted, as in Otara and Mangere, the community has a rich foundation of cultural and community networks, and enjoys a neighbourliness not often found in wealthier suburbs.<sup>104</sup>

When new state house tenants were able to integrate into an already established community the social situation was both less uncomfortable and less alienating. For example, Johnsonville, a prosperous small town not far from Wellington with a population of about 1800, was transformed between 1938 and 1956 by the construction of 329 state houses in the area. The population suddenly jumped to 3000, as young families occupied most of the new state houses. Existing voluntary and sporting associations flourished while new ones proliferated.<sup>105</sup> In some state housing communities, locals took matters into their own hands and formed progressive associations to push for better facilities. Auckland’s Meadowbank Progressive Association, for example, proactively petitioned government for a community hall in 1946, and received an ex-army building. Local men then volunteered their services on weekends, doing plumbing, roofing and painting, while women provided afternoon teas and organised fundraising drives. The resulting community facility became a much-used centre of community life.<sup>106</sup>

The proliferation of new suburbs on the outer peripheries of urban centres had an impact on city centres. In Auckland, for example, Maori started migrating towards cities in large numbers during and following World War II, and initially concentrated in inexpensive inner-city areas such as Freemans Bay. But by the early 1960s, they were moving into newly developed, largely state housing suburbs such as Mangere and Otara in South Auckland. The

number of people living in inner-city suburbs throughout the country declined as outward sprawl continued. In Wellington, the number of residents in the central city fell while Taita, Naenae and later Porirua experienced explosive growth. The Hutt Valley area almost doubled, from 55,786 in 1945 to 98,988 in 1961; Porirua went from a township of about 500 people in the 1930s to a large town in the early 1960s with 2800 new houses, a shopping centre, light industry and transport networks, and a population of over 20,000, and over 50,000 by the 1990s.<sup>107</sup> Greater Wellington, which included the Hutt Valley and the new coastal suburbs, burgeoned to 290,000 in 1966, from 200,000 in 1951.<sup>108</sup>

South Island towns and cities generally experienced much smaller growth. The major exception was Christchurch where the population rose from 150,000 in 1936 to 247,200 in 1966.<sup>109</sup> Migration from rural areas and secondary centres accelerated as large new state housing suburbs such as Aranui were created and privately developed housing estates grew up around the city. Invercargill, too, almost doubled its population, from 21,500 to 43,600 in the same period due to the opening of new fertiliser and meat freezing works along with the development of a new harbour at Bluff.<sup>110</sup> A state housing suburb built at Corstorphine, Dunedin, to meet the post-war housing shortage experienced comparatively small growth, expanding from 82,000 in 1936 to 108,700 in 1966.

Suburban life and cars went hand in hand. Because more people now owned cars, they could afford to live in suburbs and commute to work. By the late 1940s, New Zealand, with one car to every six people, ranked second in car ownership only to the United States, where there was one car to every four people.<sup>111</sup> In 1945, there were 198,158 private cars on the roads; a figure that almost quadrupled to 765,842 by 1966.<sup>112</sup> Roads and motorways proliferated; in 1965, there were 19,108 miles of tarsealed roads compared to only 5851 miles in 1942.<sup>113</sup> In 1959, the Harbour Bridge opened, linking the North Shore to central Auckland. This greatly boosted the development of North Shore suburbs such as Takapuna, Northcote and Birkenhead; and new suburbs such as Birkdale, Beachhaven and Glenfield sprang up. T. G. McGee pointed out in 1968 that ‘The ownership of his own car has given the New Zealander a flexibility of movement which has counteracted the spatial isolation from his place of work, from his relatives, and from his playgrounds which residence in suburbia had often imposed on him. The motor car has become an extension of the home, on which almost as much pride and time is lavished.’<sup>114</sup>

Because of import restrictions, most New Zealand cars were very old. In 1953, of the 318,000 cars in the country, 186,000 were over ten years old, 101,000 over fifteen, and 45,000 over 20. Waiting lists for new cars grew so



long that many dealers simply closed them.<sup>115</sup> New Zealand became a ‘used car society’<sup>116</sup> with a booming market in second-hand cars. Moreover, to support British industry, any new cars that did come into the country were British. As Paul Smith has observed: ‘During the 1950s when Detroit embarked on the “Great Sales Blitz” which saw its cars painted in symphonies of pink as their fins became more outlandish, we meanwhile trundled along in Austins, Vauxhall Veloxes and Wyverns, Consuls and Zephyrs.’<sup>117</sup> Australian cars, particularly Holdens, and large American cars only began to be available from the early 1960s.

Motorways, supermarkets and large suburban malls sprang up to serve the suburban sprawl. In 1958, New Zealand’s first supermarket opened in Otahuhu, with ample parking space so that families could go and stock up on the week’s groceries. The first shopping mall, LynnMall in West Auckland, opened in 1963. Industry, too, started to move away from city centres. For example, during the 1950s, Auckland’s Penrose–Mt Wellington industrial zone developed, with a network of roads and motorways to enable easy access to the city. Levin, located on the main road and railway routes north of Wellington, expanded as light industry became established there.<sup>118</sup>

### *A booming economy*

Residents in both the inner city and the many new outer suburbs found employment because the economy, like the population, kept expanding. During the 1950s, New Zealand enjoyed one of the highest living standards in the world. A prolonged period of prosperity was spurred by increased farm output, with productivity doubling between 1945 and 1970. Aerial top dressing, which became commonplace in the 1950s, not only significantly increased the land’s stock-carrying capacity, but also allowed previously uneconomic areas to be farmed.<sup>119</sup>

Sheep numbers rose from 33,975,000 in 1945 to over 60,473,000 in 1968. Electrification, more efficient farm management, stock improvement, the shift to motor transport, as well as technical and mechanical developments, all contributed to this ‘grasslands revolution.’<sup>120</sup> The number of farm tractors rose from 19,000 in 1946 to 91,000 in 1966,<sup>121</sup> and electric shearing and milking plants became commonplace. The export of primary produce remained an economic mainstay, with lamb, wool and dairy products sent to Britain under renegotiated duty-free guaranteed-access agreements throughout the 1950s. By 1965, 51 per cent of New Zealand’s exports still went to Britain, down from 80 per cent prior to World War II.<sup>122</sup> The Korean War (1950–53) brought an

increased demand for wool and boom times for New Zealand wool exports, which soared from £74 million in 1950 to £128 million in 1951. Wool accounted for over half the total value of all exports in that year.<sup>123</sup> Toward the end of the 1950s, the main market for the increasing beef export trade switched from Britain to America, as the latter paid higher prices.<sup>124</sup>

The notion that farmers were the ‘backbone of the country’ remained firmly in place throughout the 1950s and early 1960s; the national sense of identity was still linked to the long colonial heritage as ‘an English farm in the Pacific.’<sup>125</sup> But whereas in 1936 one third of the population was rural, by 1966, only one in six lived in the country.<sup>126</sup> An example of how mechanisation and increased efficiency replaced people in the countryside is provided by H. C. D. Somerset’s investigations of Littledene in Canterbury. In 1938, he published a study describing this typical rural area: its people, farms, population, livestock and crops, as well as the township of the same name. Between 1948 and 1952, he revisited and found significant changes. In 1938, 600 people farmed sheep and 520 were involved in dairying. By 1952, only about 350 men assisted by their wives and older children farmed in the area in total. Somerset noted: ‘The fact that so much land can be farmed by so few people would be unbelievable were it not for two factors, the rapid mechanization of farming and the emergence in New Zealand of highly organized services to farmers.’<sup>127</sup> Tractors had replaced horses, milking machines had electrified, electrical shearing machines had been introduced, and above all, the pastures had improved because of top dressing and much more scientific methods of farming — for example, crop and stock rotation and certified seeds.

By contrast, manufacturing experienced a steep rise in numbers employed. In 1926, 13 per cent of males and 15 per cent of females worked in manufacturing; in 1966, the figures rose to 28 per cent of the male workforce and 23 per cent of the female. Manufacturing establishments increased from 5391 in 1936 to 7659 in 1966.<sup>128</sup> New manufacturing industries proliferated, initially spurred by wartime import restrictions, then by rising consumer demand for cars, domestic appliances and mechanical farm equipment. After the war, import licensing and controls continued to protect the nascent manufacturing sector from overseas competition. Manufacturing primarily involved processing and assembling imported components to produce items for the home market; manufactured exports remained insignificant until the 1970s.<sup>129</sup> The exceptions were in areas related to traditional primary produce production. New techniques for wool processing, for example, saw an emerging carpet manufacturing industry spearheaded by firms such as Feltex and Kensington Carpets.

The freezing and canning of vegetables, led by Wattie's, also became a major industry after the war. A forestry industry was built up to process pine forests planted in the 1930s. In 1953, New Zealand Forest Products erected a mill at Kinleith, in the centre of the North Island, to pulp wood, and a town, Tokoroa, to house its workers.<sup>130</sup> Tasman Pulp and Paper soon followed suit, establishing the mill-town of Kawerau in 1955 and a town called Murupara. At the same time, the white-collar service sector rapidly expanded. In 1955, employment in these 'tertiary' industries — in transport, commerce, government and local body service, and in the professions — increased by 200 per cent.<sup>131</sup> Women constituted the majority of employees in this sector. By 1971, two thirds of the female labour force had white-collar jobs as opposed to one third of the male workforce. Because of increased spending in education, health, housing and welfare, the state sector alone grew from 16 per cent to 29 per cent of the total workforce by 1966. By 1971, 41 per cent of New Zealanders were working in white-collar jobs in an increasingly white-collar society.<sup>132</sup>

Government undertook public works on a massive scale during the 1950s and early 1960s. It built hydro dams and the Wairakei geothermal power station to meet the increasing demand for domestic and industrial electricity. The Waikato River, for example, 'was transformed into a chain of lakes governed by dams generating electricity',<sup>133</sup> and the Waitaki and Clutha rivers in the South Island were dammed and hydro lakes developed. The building industry boomed, as houses, schools, universities and public buildings proliferated, keeping pace with the population explosion. Public works and domestic construction accounted for a large share of total investment in the years following the Second World War.<sup>134</sup>

Government policies and regulations through consumer boards, subsidies and import controls played a significant part in all this sustained economic prosperity. In agriculture, for example, semi-governmental dairy, meat and wool boards helped guarantee prices to farmers. Government subsidies bridged short-term shortfalls. Government-owned research and advisory bodies encouraged productivity and growth. In industry and manufacturing, import restrictions protected New Zealand industries and allowed them to develop strong domestic markets.<sup>135</sup> By regulating, subsidising and insulating, both National and Labour governments supported policies that promoted full employment, protecting the national economy from the worst global economic trends and helping increase production.

### *'Of European race and colour'*

Predictably, the state played an important role in directing what kinds of people were allowed to settle in the country. Post-war, immigration surged, with a net migration of 225,000 between 1947 and 1968. Seventeen per cent of these newcomers were government assisted.<sup>136</sup> In 1947 the government had introduced an immigration scheme in response to serious labour shortages caused by the combined impact of a declining birth rate during the war, a higher school-leaving age (raised to fifteen in 1944), and a rapidly expanding manufacturing sector. Initially, young single British men and women between 20 and 35 years old and, for reasons of assimilation, 'of European race and colour',<sup>137</sup> were allocated employment in areas where shortages were worst. Men went into skilled and unskilled industrial labouring jobs, coal mines and hydro schemes, and women into nursing (particularly psychiatric), commercial domestic work, clerical work and work in the clothing industry. The newcomers were bonded for two years. From 1950, the scheme was extended to married people with up to two children (later four) and the age limit increased. At the same time, it was opened to include other Western European countries.

Not just any immigrant would do. New Zealand in 1945 was one of the most ethnically homogenous of all European settler societies, with 93.57 per cent of the total population originating from Great Britain.<sup>138</sup> As Leslie Lipson pointed out in 1948: 'The overwhelming numerical predominance of Europeans over Maoris and Orientals, of persons of British descent over those from Continental countries, of those with English and Scottish origins over the Irish, of Protestants over Catholics . . . [has] formed the mould in which is cast the character of New Zealand. The prevalence of a single national, racial, and cultural tradition — that of Britain — must enter into the final recapitulation . . . People who live alike tend to think alike.'<sup>139</sup>

A committee set up during the war to consider population increase deemed this monoculturalism a source of national strength and cultural harmony:

We think it important to comment that, if it is proposed to encourage the immigration of other European types, they should be of such character as will, within a relatively short time, become completely assimilated with the New Zealand population and have a distinctly New Zealand point of view. Quite apart from any question of allegiance to the King's enemies, the emergence of racial islands in such a small country as New Zealand must inevitably lead to serious maladjustments . . . We therefore feel that if any positive steps are taken to encourage immigrants other than from Great Britain they should be found in Northern European countries.<sup>140</sup>