

John Nightingale

Migrant Household Economic Behaviour

Immigrants in Australia series



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John Nightingale was born and educated in Australia, obtained his bachelor's and master's degrees in commerce at the University of New South Wales (1966, 1970), was associated with the Academy's immigration project 1970-1972 and since 1973 has been Lecturer in Economics at the University of New England. His main interest has been in industrial economics but he has found his work often taking him, as when working on the Academy project, into the general field of consumer behaviour.

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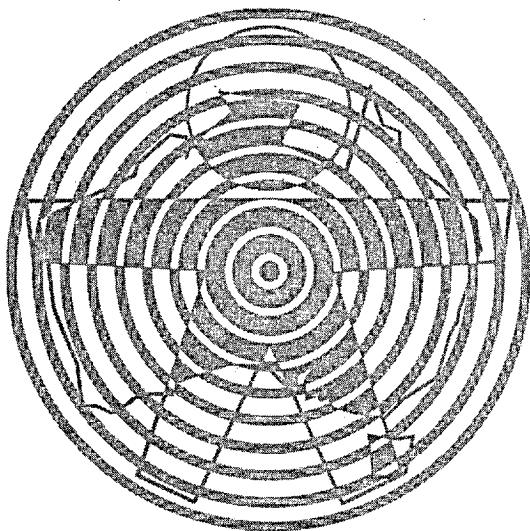
Migrant Household Economic Behaviour

Immigrants in Australia 9

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John Nightingale

Migrant Household Economic Behaviour



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NOTE ON THE SERIES

One of the objectives of the Academy of the Social Sciences in Australia is the sponsorship of major research projects in areas of national importance. Two previous projects sponsored under its earlier name, The Social Science Research Council of Australia, were The Role of Women in Public and Professional Life and Aborigines in Australian Society. In 1966 the Council decided to turn its attention to an examination of the contribution of overseas immigrants in Australia's social, political, cultural, economic and industrial life.

In September 1967 two Honorary Directors were appointed: Dr.C.A.Price, Professorial Fellow in the Department of Demography at the Australian National University, to lead the studies in the social, political and cultural fields; and Professor R.T.Appleyard of the Department of Economics, University of Western Australia, to take charge of economic and industrial studies. The broad objectives were both to encourage and bring to publication relevant research already under way and to sponsor special studies to fill some of the major gaps. The whole enterprise, which was far beyond the capacity of the regular funds of the Academy, was only made possible by the generous financial support from government, business and foundation sources.

Major areas in which studies have been, and are still being sponsored are:-

- The economic role of immigrants in specific industries.
- Patterns of immigrant consumption and expenditure.
- Mobility and career patterns of immigrants.
- Displaced persons and other refugees.
- Professional and highly skilled immigrants.
- Immigrant communities and problems of integration.
- Studies of selected ethnic groups.
- Immigrant concentration in metropolitan areas.
- Problems of education and language.

In addition to major articles in scholarly journals, six books had been published by February,1978, three more are in the process of publication and three manuscripts are with readers, in the final stages of preparation.

The Academy does not intend to sponsor new, specialist studies, but attention is now being given to the preparation of a final synoptic study which would attempt to provide an evaluation of the total processes and impact of immigrant settlement in Australia since 1945. The time is

propitious, for the long flow of immigration which never ceased for thirty years from the end of World War II, virtually ended in 1975 when a net loss was recorded from all movements into and out of Australia.

In the difficult economic circumstances of the past few years, immigration has had its critics, but no one can deny the impact of the vast inflow of new settlers over those thirty years, when almost three and a third million settlers came to Australia. Together with their children born in Australia, these settlers have accounted for more than half the national population growth, and now make up over 30% of the total population. The traditional element from the British Isles came in a greater flow than ever before, but they were outnumbered by the 'new' immigrants from many European countries, first from Northern and Central Europe, and then from the South and East, notably from Italy, Greece, Yugoslavia, and Turkey.

Not all succeeded. Some returned. But about three out of four stayed. Not all were able to practise their chosen skills or professions in the tumultuous years of post-war reconstruction. Some groups had marginal levels of skills which, together with poor language facility, imposed formidable barriers to their career advancement. But most battled on. They manned major national developmental projects, like the Snowy Mountains scheme; they supplied labour for the new mineral enterprises; they helped to build houses, offices and industrial buildings; they made the nation's steel; and they became the workhorses of the burgeoning motor industry. But above all, they settled in the major cities, often forming substantial ethnic groups, restructuring their national customs in their adopted environment, keeping alive their native languages, yet rubbing shoulders with the non-immigrant and striving to understand Australian culture as well, often through the participation of their children in Australian schools. We cannot now say what Australia would have been like without the immigrants; but they came, in their great numbers, and the face of the nation was changed.

The Academy hopes that this present project will assist understanding of the nature of that change and the direction in which this new multicultural Australian society is going.

W.D.Borrie
Chairman, Organising Committee,
Canberra, March 1978.

PREFACE

The research resulting in this book began in 1970 when the Social Science Research Council, as it then was, advertised for a research assistant for Professor Reg Appleyard, to be funded by a grant from the Australian Research Grants Committee.

The task was to collate and analyse data from three household surveys pertaining to incomes and expenditure patterns of migrants, The Survey of Consumer Expenditures and Finances, the Survey of Living Conditions in Melbourne, and the British Migrants Survey.

In the event, it turned out to be a long hard lesson in research techniques as evidenced by the inordinate time lag of seven years to completion. I would hope that Bruce McFarlane grossly understated my situation when, in chairing discussion at the Third Economists Conference on my paper which now appears as Chapter 5, he said that I had demonstrated that "applied economics is difficult".

The task of collating the surveys turned out to be impossible in any simple or valid way. The methods, definitions and theoretical frameworks differed to such an extent that only a very few rough comparisons could be made. The usable output from the three surveys was either not as cornucopaeic as originally expected, or it was not as readily available. In the case of the Expenditures and Finances Survey, it disappeared into the future with problems of editing and storage by the Macquarie University Data Archive, while the Survey of Living Conditions in Melbourne disappeared into the past, as the Institute of Applied Economic and Social Research cleared its decks for current and future work. But perhaps most irritating was the manner in which the Survey of British Migrants locked itself in two separate university computers, and took some eight months of cajoling by a skilled systems analyst before it would divulge any of its secrets. All these

experiences imposed a "technology shock" from which I am slowly emerging - a considerable amount of later work in the project was carried out on desk calculators (I would have preferred an abacus for reliability), which may have contributed to the delay in completion. But the Macquarie University Data Archive never did succeed in producing the set of regression equations estimated by the not very complicated instrumental variables technique.

The final form of the book is an arrangement of the three types of information I succeeded in analysing, information on migrant household income, expenditures and housing. The three hang together to the extent that they are the outcome of a single effort, subject to the same faults of intellectual bias and perhaps myopia, the same presuppositions about the reliability and validity of sample survey methods and techniques of analysis, as applied to the three very distinctive surveys, and are the outcome of the one process of entrepreneurship by the Migration Project of the (now) Academy of the Social Sciences in Australia.

The result I am too close to judge. Its faults are legion, the errors are mine, but there is, I trust, some worth in it for social science to briefly ponder.

JOHN NIGHTINGALE

The University of New England.

ACKNOWLEDGEMENTS

During the seven years of trial, error and wait, the number of persons and institutions to whom my thanks are due has become quite enormous. Many of them have probably forgotten me, and I have doubtless forgotten some of them.

But I must thank Reg Appleyard for his forbearance and encouragement, despite my often sharp criticism of his advice and his Survey - indeed we still differ on the theoretical framework of the Survey - he has promised to demolish my objections in his next volume.

John Nevile provided great encouragement during the project, not only providing a base at the UNSW, and secretarial services, but helping me to sort out the project when it appeared to be in tatters.

Peter Drake, of the Economics Department of the University of New England, encouraged perseverance in the latter years at the UNE, when I nearly decided to cut my losses and move onto greener research pastures.

My thanks are also due to Jean McCaughey of the Melbourne Institute, and at the ASSA, Joe Burton and latterly Charles Rowley who worked on various communications problems experienced by this trans-continental, trans-institutional project. Charles Price must also be singled out for his assistance.

In producing the analyses, thanks are due to Anne Sowe who made the UNSW computer work for me, to Sue Jeavons and Sue Littler on desk calculators, to Phil Collinson-Smith who typed the manuscript twice, including many more tables than those which finally made it into print, and to Carol Cuskelly for designing and typing the Contents, List of Tables, Bibliography and Index.

The research was funded by the Australian Research Grants Committee in 1970, 1971 and 1972, with incidental expenses after that date met by the Academy of the Social Sciences and the University of New England.

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Chapter 1

THE MIGRANT HOUSEHOLD

The large numbers of immigrants to Australia since the end of World War II have produced social, political, and economic changes that have excited the interest of many social scientists. Charles Price's two bibliographies *Australian Immigration* [1966; 1970] indicate the magnitude of this interest.

In this study data from three household surveys are used to examine some aspects of the economic behaviour of migrant households. The surveys are first, R. T. Appleyard's Survey of British Migrants, conducted in the United Kingdom in 1959, and in Australia in 1961 and 1966 [Appleyard, 1964], second, the Survey of Living Conditions in Melbourne conducted by the Institute of Applied Economic and Social Research in 1966 under the leadership of Ronald F. Henderson [Harper, 1967; Henderson *et al*, 1970], and third, the Survey of Consumer Expenditures and Finances, conducted between 1967 and 1969, by N. Drane, R. Gates and H. R. Edwards.

While sociologists, demographers and political scientists are prominent amongst those who have conducted research into many aspects of post-war migration to Australia, the interest of economists in the migration programme has been somewhat limited. Their major concern has been with macroeconomic effects of immigration, whether immigration has been inflationary or deflationary [Hale, 1949; Karmel, 1953; Noetel, 1970], to what extent economic growth is stimulated by immigration [Bensusan-Butt, 1950; Copland, 1951 and 1957; Mitchell (Sharp), 1969; Jolley, 1971] and its effect on the workforce and the supply of labour [Cameron, 1950; Leser, 1959; Isaac, 1960].¹ Appleyard's Survey of British Migrants in

1. These citations are from Price [1966, 1970].

1959 was the first attempt by an economist to investigate the migrant household as an economic decision-making unit.

Appleyard attempted to discover the determinants of individual decisions to emigrate by using the basic hypothesis that perceived differences in long run real income between Australia and the United Kingdom were the cause of the flow [Appleyard 1964, Chapter 3, Chapter 6]. He found that this hypothesis, interpreted very broadly, seemed to be substantiated [*ibid.*, pp. 209-213]. The emigrants interviewed, while not basing their decisions on the size of the basket of goods they could command in the market place, did most often mention economic opportunity for themselves and their children. Reasons relating to job security were not unusual.

The strength of the "push" needed to precipitate emigration varied between different types of households. Some childless couples and single people were in a "working holiday" situation, and their economic motivation was generally insignificant. At the other extreme were families nominated by the Australian government. They had most to lose by a bad decision and the worst prospect for help if they found themselves in difficulties. They required the highest level of "crisis", as Appleyard puts it, to emigrate [*ibid.*, p. 212]. These families were not found to be generally poorly functioning in the United Kingdom, but to be dissatisfied with their environment and their perceived future in it [*ibid.*]. They believed that Australia could offer them more, economically and socially, in the long run. Between these extremes were families nominated by friends or relatives in Australia. These had a lower "crisis level", or threshold of dissatisfaction with life in the United Kingdom because they had more information about, and support in,

Australia. But they were, nevertheless, seeking a better life in which long run family income held an important place.

The respondents to Appleyard's original survey were questioned again on two occasions in Australia, or, for those who had returned, in the United Kingdom. In forthcoming publications Appleyard will present the overall results of these surveys, completing his study of the perceived success or failure of migration and the relationship of success or failure to the household's economic performance in Australia.

The other survey data used in the present study have been drawn from large scale general population surveys in which economic aspects of household behaviour were an important part of the questionnaire.

The Melbourne Survey, as it will be referred to subsequently, was an attempt to discover the dimensions of poverty in Melbourne. The results of the Survey and recommendations of the researchers were published as *People in Poverty* [1970]. A significant discovery was that recent Southern European migrants were more than ordinarily stricken by poverty. Expensive but overcrowded housing, poor health and difficulty with the voluntary health insurance scheme, poor educational facilities for their children disadvantaged by language problems, and a lack of ability to cope with bureaucratic welfare services were some of the more important problems faced particularly by families with unskilled or inappropriately skilled bread winners.

The expenditures stage of the Survey of Consumer Expenditures and Finances (the Expenditures Survey as it will be called) collected information on expenditures and income of some 5500 households randomly selected from the Australian population. Amongst these were about 1200

households whose head had resided outside Australia before 1947. In the various pieces of analysis from the Expenditure Survey these migrants have been singled out for attention only by one worker, then only briefly and with little concern for appropriate classification [Podder, 1972].

Data from the British migrants survey will be used to examine the process of adjustment in housing from the initial stay in a hostel, or with their nominees, to their purchase of a home of their own. This survey will also be used in an attempt to discover changes in family real income over the 6 year period from arrival to the second follow up, and whether income increased more or less rapidly than these of non-migrants in Australia or of the general population of the United Kingdom.

The Melbourne Survey income and housing data analysed by Mrs. McCaughey [Henderson, *op.cit.* Chapter 8], will be re-analysed in order to relate their income results to those of the Expenditure Survey and their housing results to the British Migrants Survey.

The Expenditure Survey data will be used to study income and household characteristics of migrants to establish differences between classes of migrants' income distributions. The expenditure data will also be used to estimate total expenditure elasticities of demand for the various expenditure items.

Two questions must be discussed before the analysis is begun. First, why is being a migrant household likely to be important in terms of the household's observed behaviour. Clearly, if there is no reason to expect a migrant household to behave differently from any other then there is no point in studying migrant households. This question occupies the rest of this first chapter. The second question, logically

prior to the first but treated second for ease of exposition, is how "the household" may be analysed, and what theoretical viewpoint underlies the analyses of the present study. This question is the subject of Chapter 2.

Although migrants are a definable demographic category or set of categories within the Australian population, a migrant household can be defined in many ways. First generation migrant households can be defined as those with a household head not born in Australia, or as those with both head and wife not born in Australia. All but a few of the heads or wives in the Surveys arrived in Australia since the Second World War.

Within either category - head or wife not born in Australia - each comprising about 20% of all households in Australia, sub-classes can be defined on the basis of place of origin, and period of residence in Australia. If household behaviour depends on the cultural background of household members, especially the decision-making members, as well as on current circumstances, then place of origin and the process of assimilation or adjustment will be important determinants of behaviour, distinguishing migrants from the rest of the population. Failure to distinguish place of origin and period of residence would mean failure to distinguish any differences in behaviour.

There are at least three ways in which behaviour could be related to place of origin and period of residence ["migrant class" as it will be referred to from now on].

1. Migrant class may be a real cause of distinctive behaviour of a household, from the process of settlement that Australian born households do not experience and from differences in culture.

2. Migrant class may be correlated with a real cause. For example, Czech migrants who arrived in 1969 or 1970 may tend to be highly educated and so Czechs from 1969 or 1970 may spend a lot of money, relatively, on books, theatre etc.
3. Migrant class may not be related to economic behaviour at all.

While the last probability may not seem unlikely, the other two seem important enough to require further examination and testing. The difficult question is to distinguish instances in which migrant class is important in itself, and those in which migrant class is merely a correlate of a basic cause. No final or definitive answers can be expected in this work, based as it is on general surveys not specifically designed for the present task.

There are two reasons for suspecting that the behaviour of migrant households will differ from that of non-migrants. The first can be called the transition effect, the second is cultural differentia.

The transition effect refers to those modifications to normal behaviour patterns caused by the transfer of a household from overseas. For example, emigrants have been encouraged by the Department of Immigration to transfer their assets to Australia in the form of cash. On arrival they must acquire the use of household goods. Initially they may rent furnished accommodation, but sooner or later they must purchase furniture, household appliances and effects. While these are being purchased some other purchases will be a smaller proportion of total expenditure. In order to lead a tolerable life in urban and suburban Australia, migrants from Southern Europe in particular are faced with the need for much greater asset holding than they may have been accustomed to.

The accumulation of assets to attain a standard and style of living appropriate to an Australian city has an initial effect on spending patterns which, while it does not appear in the analysis of family budgets of Chapter 5, probably lasts for a number of years. Duloy's work [1967] referred to in Chapter 5 supports this view.

The transition effect, by definition, is caused directly by migration. However, it is easily confused with "life cycle effects", common to migrants and non-migrants. Immigrant households at the point in time at which they arrive in Australia, may be clustered around a stage in household or family life cycle, say, just after marriage with few or no children. Migrant households of a particular vintage would then display behaviours and characteristics appropriate to that stage in the family life cycle. The migrants are not in this way different from non-migrants, but if life cycle stage is not distinguished for migrants and non-migrants, statistical tabulations would show differences between them which would disappear when such a distinction was made. The life cycle effect is an example of the way in which migrant class may affect behaviour patterns in Australia by its being correlated with some other factor. The importance of the life cycle effect to the study of migration is in the change migrants make to the structure of the population and the consequent shifts in demand for various goods and services, in particular for public goods and services such as schools, hospitals and welfare.

The second reason for suspecting that the behaviour of migrant households will differ from that of non-migrants relate to their differing cultural backgrounds. Differences in cultural patterns are probably most obvious in aspects of behaviour such as the customs and traditions of family structure, roles and rites of passage. But in terms of economic behaviour the most important differences would seem to relate to income

earning capacity. The standard and variety of education is one important factor, work skills and training and its acceptability another. The influence on spending patterns and on housing, on the other hand, are less likely to be visible in the present data, given that they really exist, than are these others.

Spending pattern differences are obscured by the level of aggregation in the Expenditures Survey. The choices of households of different cultural backgrounds for different meats cannot be observed. Differences in housing preferences are obscured for a more basic reason. The institutional structure of the housing market precludes much freedom of choice to the purchaser of houseroom.²

Freehold purchase, under mortgage, of suburban house and land was, at the time of the surveys, the predominant way of acquiring houseroom. Even had there been a preference among any migrant classes for other ways of purchasing houseroom, their ability to reveal this preference was very limited. Even so, there are some indications in the survey of variation in preferences. For example, Western Europeans appeared to prefer renting flats much more than did Australians. The variety of housing available has been changing since the surveys were carried out, possibly in part due to pressures of immigrant preferences as well as to general pressures on urban living space.

The Melbourne survey and the British migrants survey show that income and wealth, the ability to command resources, is related to quality and quantity of houseroom purchasable. But again, the nature of the data

2. "Purchase of houseroom" refers to any way in which a household acquires the use of housing, e.g. by renting, paying board, purchasing, or occupying in return for non-pecuniary consideration.

allows only gross differences to become visible. Even the question of whether Southern Europeans really prefer old inner suburban areas cannot be resolved from this data.

It has already been suggested that to analyse migrant household behaviour effectively it would be necessary to divide all migrant households into place of origin/period of residence classes. The transition effect and the culture effect provide a crude theoretical basis for this method of classing. Period of residence in Australia is the only simple way to allow for the transition effect. Some households will overcome transitional problems more quickly than others. Others will, in effect, defer dealing with some of the transition factors for a very long time. But it would not seem possible to discover a better way of measuring the rate of dealing with transitional problems.

Period of residence itself is a fairly unambiguous concept. However, neither the Expenditure Survey nor the Melbourne Survey recorded period of residence cardinally, as so many years or half years. They recorded it as broad class intervals. For example, 3 to 5 years may be one class interval. All households who arrived between 3 and 5 years previously would be placed in this class. In both surveys the intervals are smaller for shorter average periods of residence, and larger for those whose period of residence is longer. The presumption is that the rate of change of behaviour will decrease as period of residence increases. It would in many ways be more convenient to have the option of using class intervals, or of using period of residence as a cardinal variable in the same way that age of household head can be used. This course was followed by Duloy [1967] in analysing the lagged effect of immigration flow on macroeconomic indicators. For present purposes the period of

residence class intervals defined in the surveys has, perforce, been used in defining migrant class. The adequacy of these class intervals is one constraint on the work possible.

The culture effect is more obviously complex. It is clear that a nation or state, the narrowest definition of place of origin available, will not normally coincide with a single cultural or even ethnic group. Behaviour of households from the north of England may not be similar to those from the south, even allowing for economic and life cycle differences. Macedonian villagers may have similar customs and habits whether they happen to live in Yugoslavia, Greece or Bulgaria. Country of last residence, nationality or country of birth will not be appropriate variables for identifying classes with homogeneous behaviour patterns. A system based on established ethnographical categories would be appropriate but the constraints of the data preclude this ideal. Unfortunately for this study, the size of the two population samples is not large enough to provide adequately for many countries of origin, let alone the optimal but non-existent set of ethnographical categories which a serious study of the population of migrant households would require. It is clear that adequate treatment of migrant households by sample survey methods requires a sample design which begins with the population of each class of migrant household and not with the general population of households.

The attempt to form homogeneous country of origin (birthplace) period of residence classes for analysis was unsatisfactory for both of the general surveys. However analysis proceeds in this volume on the assumption that any class is relatively homogeneous in terms of cultural pattern and stage of transition to an Australian norm.

The existence of "an Australian norm" must also be assumed. Operationally it is no more than a set of statistical artifacts arising from the survey data at hand. It would be much more satisfying to be able to draw upon a literature which established the existence of stable patterns of economic behaviour within and between social groups in Australia, in which a sufficient number of independent studies had defined the parameters of "the norm". But it would seem unlikely that this could ever be the case beyond concepts like the aggregate consumption function, of direct interest to policy makers.

I will attempt to show that the following hypotheses can muster some support:

First, that the average income level of migrant households deviates from the Australian norm, being higher for all but Southern Europeans whose income tends to be lower; that this can only partially be explained by the life cycle effect and the truncation of lower incomes due to migration arising from the relative absence of aged and invalid household members. This is dealt with in Chapter 4.

Second, that differences between migrant classes in the responsiveness of total expenditure of a household to a change in its income level are not great. This cross section "marginal propensity to consume" is not exactly the same as the macroeconomist's concept, but evidence to be presented does not support the often voiced contention that migrants generally, or some types, tend to have a very high propensity to save. This is presented in Appendix B to Chapter 5.

Third, that the relationships between expenditure on particular items and a household's total expenditure and size differ between certain

migrant classes and Australians for some expenditure items. However, no general tendencies can be seen to suggest that consumption patterns markedly different from the "norm" were being maintained by any particular migrant classes. This is presented in Chapter 5.

Fourth, that migrants tend to move quickly to Australian norms of home ownership. The customs of the country of origin are not of great importance except in two respects: changes in Australian provision of flats for rental and purchase under strata title may be attributable in part to demand by, and example of, Western European migrants; chain migration of Southern Europeans encourages their concentration in relatively crowded conditions in the inner suburban areas of metropolitan cities, with housing atypical of Australia as a whole. This is dealt with in Chapter 6.

The analysis of these four broad areas will suggest that most, though not all, differences in observed behaviour seen in the present study can be traced to problems of migration - the transition effect, and to differences from the Australian population in such things as education and stock of capital assets.

The null hypothesis which this conclusion sets up may well be worth challenging on the basis of new information. Chapter 7 suggests that further information is needed to overcome some of the basic problems of the present study, namely those of appropriate place of origin information and of an adequate view of a household as an economic unit.

Chapter 2

MODELLING HOUSEHOLD BEHAVIOUR

This chapter presents a method of analysing the economic behaviour of households and discusses some alternatives for analysis of household survey data. In Chapter 3 the data being used in this study is examined in the light of this discussion.

To view a household as a decision-making unit is clearly not a perfect representation of reality. There are many decisions reached by individuals alone in the sphere of both current and capital expenditures, choice of job, choice between work and leisure, and so on. However, many behaviours can be ascribed to the household as a whole, either because they are made by an individual on behalf of the household, or because the household as a whole makes the decision. Either type of decision can be viewed in terms of some sort of stable preference scale constrained by income or resource command. This is the classical model of consumer behaviour used by economists. Some other decisions made by individuals, for example by children of the household, are constrained by the wider interests of the household itself.

Having argued that the household is the relevant unit of analysis it may seem strange to argue now that attributes and characteristics of individuals may be of considerable importance for the explanation of household behaviour. But there are a number of reasons for this. First, the occupation, skill and diligence of the household head is important in determining the level of household income. Second, the tastes of household head and housewife will be important in deciding particular purchases. For example, the housewife may prefer cooking with oils rather than fats; the head may prefer spending more on his own clothing

to maintain a fashionable image, and less on maintaining his motor car. Third, some characteristics of individuals will determine what the household does. For example, father can't eat pork, so the household never purchases it. Fourth, some characteristics of one individual are likely to be characteristics of all the household members, for example, religious affiliation. So, while the household itself is the unit of analysis, the behaviour of the household is still the result of decision-making by individuals within the household, and of decision-making for the household constrained by individual tastes and preferences.

The empirical study of the economic behaviour of households, especially those using sample survey methods of analysis, has proceeded in the past along only a very few methodological pathways. The dominant pathway has been followed by those who assumed that the behaviour of the household is related to objective and readily observable characteristics such as its size, composition, the resources it can command through asset holdings and income, education of the head and the wife, and so on. These are generally referred to as the "demographic characteristics" of the household. In crude terms, the basic assumption is that behaviour is determined by demographic characteristics.

The term "demographic characteristic (or variable)" is intended to include attributes that are easily measurable, have some long run stability, change at slow or predictable rates, and can in a useful way be thought to be determined independently of the behaviours being examined, at least in the short run. It excludes attributes dealing with personality, style of living, attitudes, beliefs and persuasions. In general, any household characteristic or variable which is readily observable and independent of the internal mental processes of an

individual, at any given point in time, falls into the demographic category.

An investigation following this pathway will use information on two kinds of variables. First the set which is of direct interest - the behaviour variables to be explained, second the set of demographic variables used to explain the first set. Typically there would be very many more in the second set than in the first, since usually many facets of the household's "character" affect any particular behaviour. It is not true that all, or even many, surveys of household behaviour explicitly recognize this division. For example, neither the Melbourne survey, nor the British migrant survey make the distinction. But their content is such that no other interpretation is possible of the method of analysis required to make use of the data collected.

It is neither necessary, nor particularly desirable, that a piece of information be assigned to one of the two categories to be used only as either a behaviour characteristic or as an explanatory variable. For example, household income is an interesting characteristic, determined in the long run by the household. Attempts to explain variation in household income have used such explanatory variables as education, age and occupation of head, work status of wife, education and occupation of wife, number of other workers in the household, etc. [Morgan *et al.*, 1961]. On the other hand, when level of expenditure, either in total, or on any particular, is the behaviour to be explained, income of the household is the most important explanatory variable. When pieces of information are used in both roles care must be taken not to use a piece of information in the explanation of another, and then to reverse their roles in another explanation. There may be very good reason for doing

this. For example, it may be suspected that households who purchase a holiday home, or some other luxury capital item, work and save very hard to "make a down payment" and then meet loan repayments. But purchase of such things is possible only for those households enjoying a high level of income. However, it would not be valid to examine either of these two relationships without considering both relationships together, that is, treating the observed data as the outcome of the interaction of these two effects. This is the problem of simultaneity, so well known to economists, in the demand/supply interaction, where observed data are always an equilibrium of the two forces: neither demand nor supply relationships can be directly observed.

Investigations which have followed the "demographic determination" pathway do not purport to explain completely the "causes" of behaviour variation between households. All that this method can do is to point out correlations, to say that certain characteristics, and certain values of some variables, go with some behaviour. While this allows the investigator to predict behaviour from knowledge of the demographic variables, it does not allow explanation of the mechanisms by which households arrive at their behaviours. So the pathway is one of limited usefulness for social and economic engineering purposes with which many investigators, such as the Melbourne researchers were very deeply interested. A reading of their influential book *People in Poverty* [Henderson *et al.* 1970] will show how their prescriptions for various problems go far beyond the statistical inferences they make about household behaviour. Though the data provide them with clues, it is their more broadly based knowledge of the people involved which allows them to prescribe remedies.

In Chapter 4 is a review of a number of attempts to "explain" income variation in terms of demographic characteristics. The statistical techniques of analysis used range from simple cross-tabulation to the complicated method of multi-variate regression using "dummy" variables. However, none of these attempts managed to improve prediction of the level of income by more than about half. In other words, without the analysis, the best prediction of any household's income is the overall sample mean income. With analysis using demographic variables, prediction of a household's income was likely to be no better than half as wrong. In a most exhaustive analysis of income and income related behaviour characteristics, Morgan, *et al.* [1961] estimated twenty one regression equations. Of these, only one reduced the variation by more than half (by 54% in fact), two others by more than 40% and many by as little as 10%. It may be argued that this criterion is inappropriate, that on significance tests for variables (t-tests) and for sets of variables (F-tests) all variables or sets make a contribution. But completeness of the "explanation", i.e. the degree to which the analysis allows accurate prediction of the behaviour variable for a household within the sample, is the basic criterion of success for a model which pretends to do no more. On this criterion the demographic model must be seen as incomplete, if not inappropriate.

The main methodological alternative to the demographic model is, in effect, an extension of the demographic model into the psychological and sociological fields. The view taken in most cases amounts to a belief that the demographic model is correct but incomplete, that further information about the psychological nature of household members, and their relationships in a social unit can bring a much greater accuracy

in prediction. However, in some cases the view is taken that the demographic model is inappropriate, that to use demographic variables and characteristics to explain behaviour is to use mere correlates of the true causes of behaviour variation. When this viewpoint is taken, demographic variables are replaced by the more basic causes of behaviour, resulting in an appropriate and a more complete model of household behaviour. At least, this is the intention.

Both of these related lines of approach have been taken up mainly by marketing researchers whose interest has been in such behaviours as product choice and brand choice [Evans, 1959; Brady & Cunningham, 1968; Frank 1968; Bieda & Kassarian, 1969; Alpert, 1971; Worthing, Venkatesan & Smith, 1971; Wells & Tigert, 1971]. These aspects of behaviour are admittedly of a much more microeconomic nature than the aspects available in the present surveys. But they are more likely to be aspects exhibiting some differentiation between migrant classes and other households in Australia.

The simple complementary line of approach, the adding of additional explanatory variables, is essentially one of pragmatism, even "blind empiricism". Variables and characteristics defined by psychologists, mainly in the field of personality theory, are thrown into the electronic mill, coefficients are calculated and significance tests assessed. The useful are retained, the useless are thrown out.

Possibly in reaction to this, marketing theorists have been foremost in the development of models of consumer decision processes. Learning theory and perception theory are the basis of a number of interesting formal models intended as the basis for empirical research on consumer behaviour [Howard & Sheth, 1969; Haines, 1969]. Thus far there is

little in the way of positive results to show, despite the generation of a good deal of academic satisfaction and aesthetic pleasure. It is probably still true that "there is not enough reliable information available for the construction of an operational theory"[Tucker, 1967, p. 135].

The work of market researchers, using both the empirical approach and the theoretical approach, has served to show mainly that there are no easy answers to the problem of explaining the behaviour of consumers or more generally of households' economic behaviour. The methods of analysis tried by the marketing people are not undoubtedly superior to the simple demographic determinism of economists' attempts at explaining variation in behaviour beyond the classical choice model. The common characteristic of these models is their greater complexity, a negative attribute as far as scientific progress is concerned. Measurement of variables is much more difficult, and their validity as measures of anything is often suspect. However, they represent a vigorous, if not rigorous, search for better models.

The next chapter will show what information is available to the present study, what limits are imposed by this and how it is possible to discover interesting and useful regularities about the behaviour of migrant households.

Chapter 3

THE DATA

The research envisaged by the Academy of the Social Sciences in Australia imposed a double constraint on this investigation. It was restricted to the study of migrant household behaviour, and it was restricted to the three household surveys. The latter restriction defined the informational inputs available and therefore the aspects of household behaviour to be examined; the former restricted the information used from surveys to their relevant subsections.

This chapter reviews in some detail each of the surveys in turn, looking at the information each presents, its limitations, and the scope for analysis given by each one.

The Survey of Living Conditions in Melbourne

The Melbourne survey was conceived as the first step towards estimating the extent and content of material poverty in Australian society, and defining the sort of modifications to the distribution of resources which might be needed to eliminate this poverty. The survey is described in Henderson, *et al.*, 1970; Henderson, *et al.*, 1972; and in Harper, 1967.

The objectives of the Melbourne Survey required a large amount of information on household composition and the resources they command. One class of people thought to be vulnerable were recent migrants. Because the survey contained a large amount of information on households and contained a considerable sample of migrants it was included in the present investigation. However, the structure of the survey had a number of other side effects which reduced its effectiveness in fulfilling a

purpose for which it was not designed.

The first problem arose with sample design. In order to sample adequately those households thought to be in poverty, the sample was stratified. Census collectors' districts (C.D.s) were assigned to one of five strata on the basis of a number of demographic characteristics. These were the percentage of aged people, of persons under 15 years of age, of the male workforce unemployed and of owner occupancy, all these being as at the 1961 census; the percentage of pensioners, of families with income between \$20 and \$30 per week, and of families with income between \$30 and \$50 per week [Harper, 1967, pp. 265-6]. From each stratum defined by these measures a sample of districts was randomly chosen, and within each a number of clusters of about 6 dwellings were randomly chosen. The number chosen at this stage varied between strata as shown in Table 3.1. The variation in the chance of selection between strata means that to make estimates of dimensions of the whole population of Melbourne households each observation had to be weighted inversely to the probability of being selected.

They were not able to use recent immigration as a stratum selection variable. High incidence of recent migrants in a CD or cluster would not by itself improve the probability of selection of that cluster or CD. The resulting sample succeeded in encompassing workable numbers of most origin groups, but of very recent migrants only Greeks were adequately represented.

Where a class has a larger observed proportion than weighted proportion, members of that class occurred, on average, in lower strata than classes whose weighted proportion exceeded their observed proportion

Table 3.1

Sample Design of the Survey of Living Conditions in Melbourne

Stratum	No. of Collector's Districts (C.Ds)	Est. No. of Dwellings(a)	Dwelling per C.D.	No. of C.Ds Selected	No. of Clusters Selected	Approx. Chance of Selection
I	518	151,300	292	50	50	1:500
II	459	134,750	294	50	50	1:450
III	526	148,400	282	70	70	1:350
IV	468	117,150	250	120	360	1:54
V	79	15,450	195	n.a.(c)	160	1:16

SOURCE:

Harper, 1967, p. 269.

- (a) Estimates of the number of occupied dwellings as at 30th June, 1964.
- (b) Of the 2111 CDs in Melbourne, 61 were omitted for either containing too few dwellings or too many institutions for a satisfactory sampling of private dwelling to be made.
- (c) Due to the small number of CDs in stratum V, the sampling unit was the cluster rather than the CD.
- (d) Error due to rounding.

(Table 3.2). Since non-migrants have a weighted proportion exceeding their observed, migrants had overall a lower weighted than observed proportion. Hence migrants in general occurred, on average, in lower strata than non-migrants. This indicates that there is a positive correlation between being a migrant and the various vulnerability indicators used in the Melbourne Survey. However, when particular countries of origin are considered, only Italy, Greece, Yugoslavia, Malta, Other Mediterranean and Asia contribute to this relationship. When year of arrival is taken into account more recent (though not most recent) Dutch migrants, recent Eastern Europeans, and recent Germans also had a higher observed than weighted proportion. Not too much attention should be paid to these non-Southern Europeans with higher observed than weighted proportion for in all cases the numbers involved were very small. The appearance of Southern Europeans in the more heavily sampled lower strata indicates in broad the scope of the problem the researchers expected to find. The opposite tendency of non-Southern European migrants is a crude indicator either of their success as migrants or of the type of migrant received from the United Kingdom and the rest of Europe.

This heavy stratification not only affects the absolute numbers of observations having a particular country of origin and period of residence, but also renders unusable the conventional formulae defining sampling errors. Though each of the 960 clusters has a theoretical sampling variation, in order to establish whether a difference between two proportions is beyond the limits of sampling variation, each observation involved should have its own sampling error. The overall measure would then be a function of the individual ones. This has certainly not been possible in the present analysis, nor does it seem to have been used by the original creators and users of the survey. A

simpler method of computing standard errors of statistics from the survey would be to use the fact that the survey was collected in the form of ten replicated sub-surveys. By extracting statistics for the ten separately it would be possible to use the ten statistics to estimate the variation likely in the whole sample. Unfortunately, this method was not available to the present study owing to restrictions on use resulting from circumstances to be explained below. The only method of testing statistical regularity in the survey is an intuitive one based on the actual numbers of observations and my experience, such as it is, of analysing simple random sample survey data.

The second cause of problems, though an admirable feature of the survey on its own, was the definition of the basic units of observation: the Household and the Income Unit. The Household was defined in the normal way "as 'a group of persons who eat their meals together or whose meals are prepared by a common cook out of a common pot' " [Harper, 1967, p. 271]. However, the researchers considered Income Unit the most meaningful unit of analysis: either (i) a single person aged 15 years or older, no longer engaged in full-time secondary education; or (ii) a married couple and their dependent children [*ibid.*]. The Income Unit (IU) is not an unusual unit of analysis. Versions of it have been used in earlier household survey investigations, for example, Morgan, David, Cohen and Brazer [1961, pp. 25-27]. But, the unit of analysis of both the other surveys of the present study is the Household. It is clearly not valid to directly compare Household data with Income Unit data. Because the scope of work on the survey was restricted to a reworking of previously executed analysis, aggregation of IUs into households was not possible. There was no way of knowing which IUs make a

Table 3.2
Relative Importance: Observed and Weighted Proportions in Sample

Country of Origin	Year of Arrival										Never or Any Year of Arrival	
	Pre-1940		1940-1954		1955-1959		1960-1964		1965-1966			
	W	O	W	O	W	O	W	O	W	O		
United Kingdom	3.8	3.3	3.5	2.5	1.4	1.1	1.7	1.6	0.7	0.6	11.1	9.1
Italy	0.2	0.5	1.5	2.1	1.1	1.7	0.9	1.6	0.2	0.3	3.9	6.2
Greece	0.1	0.3	0.2	0.8	0.9	2.0	1.1	3.1	0.6	1.5	2.9	7.7
Holland	-	-	0.7	0.6	0.3	0.5	0.3	0.2	-	-	1.3	1.3
Eastern Europe	-	-	2.1	1.8			0.4	0.5			2.5	2.3
Germany	0.2	0.2	0.7	0.5	0.2	0.2			0.4	0.5	1.5	1.4
Yugoslavia											0.9	1.4
Malta											1.2	1.7
Other Mediterranean											0.9	1.4
Asia											0.7	0.8
Australia (non-migrants)											71.5	64.3
Other											1.9	2.2

The proportions appear to have been truncated rather than rounded. Therefore horizontal summation into the "Never or Any" column is subject to error. W is weighted, O is observed, except for the two multi-column cells.

household.

The third and far most restrictive problem was that analysis had to be restricted to cross tabulations previously used by the Institute in their analysis for *People in Poverty*. The reason for this was the organisation of the survey data. The data were stored on magnetic tape in the Melbourne University computer, largely in summarized form of sums, sums of squares and cross products, and frequency arrays. Many coded variables had been further compressed into summary codes, including the two of most immediate interest to the present study - country of origin and period of residence.

These limitations of the Melbourne Survey data restricted their use to re-analysis of material used by Mrs. J. McCaughey in her chapter of *People in Poverty*. [Henderson, *et al.*, 1970, Chapter 8]. Four types of restriction are implied by this: (1) restriction of content to the dimensions of households or IUs relevant to the concerns of the Poverty study, i.e., occupation, income, housing costs and standards, health and social service provision; (2) restriction of unit analysis to the unit chosen in each particular case: few dimensions were analysed by both household and IU; (3) restriction of analysis to cross-tabulations, being migrant class by unit characteristic classification: for example IUs cross tabulated by country of origin/period of residence and income level; (4) restriction to the country of origin/period of residence system devised for the Poverty study: the original coding of the survey contained a very comprehensive and detailed system for birthplace and nationality or ethnic origin. The year of arrival was coded into one of a set of classes corresponding to those of Table 3.2. However, for meaningful analysis considerable aggregation was required and the result

was the system shown by the non-empty cells of Table 3.2. While this still appears very comprehensive there are limiting aspects: small country of origin classes are aggregated across year of arrival classes. In the present context, aggregation by country to estimate the importance of period of residence, and aggregation by year of arrival, to estimate the importance of country of origin may well have been useful. Freedom to aggregate and disaggregate is necessary to discover the appropriate aggregations.

Because of the present work's dependence on that of Mrs. McCaughey, and given the restrictions set out above, it must be asked whether there is any real justification for further analysis. In hindsight the answer might be that it was not worth trying to use the survey as a major data base. However, the attempt made and largely frustrated, it is readily conceded that there is a large amount of material useful as background and support for the analyses of the other sets of data.

Mrs. McCaughey confined her attention to the basic purpose of the Poverty Study. She was able to show that housing is the major problem of the recent migrant, and that remarkable energies are bent to the task of providing adequate housing [*ibid.* pp. 138-9]. She also showed that the unskilled Southern European migrants faced considerable difficulties in overcoming the establishment cost of setting up a home in Australia, with a second and often third income necessary especially where young children are present [*ibid.* p. 126, pp. 130-132]. Setting up home entails, for many Southern Europeans, the chain migration of a whole family spanning the three generations. Support for the elderly parents, and saving for fares for them and others who do not qualify for an assisted passage imposes a heavy burden on such migrant families for a considerable period [*ibid.* p. 128, p. 130-39, p. 141].

In the present investigation the other two surveys have considerable information on migrants' income and housing situations. The material available in the Melbourne Survey, while not strictly comparable is worth stating, or re-stating, in a form and in a place such that the crude comparabilities are most clearly seen. For this reason a section each of Chapters 4 and 6 present a number of tabulations from the survey in somewhat greater detail than published elsewhere.

The uses to which the Melbourne data will be put are rather restricted. In Chapter 4 the income concepts will be examined. Cross tabulations of income by migrant class are presented. The presumption in those tables is that of the "demographic determinist", that at least some of the variation is related to differences in demographic factors such as education, age, occupation. In Chapter 6 a similar method of "analysis" is used on some of the many dimensions of housing. In both chapters these analyses are very dependent on analysis of the other survey material for any useful conclusions to be drawn.

The Survey of Consumer Expenditures and Finances

The Survey of Consumer Expenditures and Finances was the first large scale survey of its kind to be carried out in Australia. It was an attempt to collect household expenditure account and balance sheet data from a sample large enough to allow serious study of household income, expenditure, and wealth. It would probably have been, at that time, the most expensive single piece of academic research undertaken in the social sciences in Australia.

With such a large undertaking it is understandable that many obstacles had to be overcome in bringing the survey into a completed

form as a set of data, or, more properly, two sets of data. It was conceived in the early 1960s in the Economics Department of Sydney University. Two preliminary pilot stages were negotiated by the end of 1965, and the survey itself was carried through over the following six years. Data were collected in the two and a half years from June 1967 to December 1969. Editing and organising of the data was completed after a further two years. Much of the expenditures data was available for use from mid 1969.

Nearly 6000 households were asked to record their expenditures in various categories, intended as exhaustive. About half these households also agreed to list their assets and liabilities as at 30 June 1967, and the change in most of them since 1 July 1966. They were asked about their income, and about various demographic characteristics of the household, including country of origin and period of residence of household head and wife.

"Household" is the only unit of analysis at the Expenditures stage. At the Finances stage, data were collected on individuals. Household data can be aggregated from the individual's records. The household is defined in the same way as it is in the Melbourne survey: meals prepared by a common cook out of a common pot. Households with more than one Income Unit, as defined in the Melbourne survey, may pose some problem of reliability unless considerable care was taken to avoid omitting incomes and expenditures of subsidiary IUs. Double counting of intra-household transfers (for example, board payments, being included in both household income and household expenditure) may or may not have been treated in a consistent manner throughout the survey.

The present investigation has been able to use only the Expenditure

stage of the survey, for reasons set out below. The data are divided into two parts, the demographic variables and the expenditure variables. Included in the demographic variables are such things as net weekly household income and gross annual household income, age of head, age of wife, occupation of head, occupation of wife, and so on. The expenditure variables are, roughly, the summation of each column of questionnaire, Table 3.3 being an example of two, Grocery Items and Fruit and Vegetables. All fruit and vegetables are summed into one item, all dry groceries and dairy products are summed into another.

In final edited form the Expenditure stage contains 5459 records. Interviews were carried out in each capital city, including Canberra, in Wollongong, Newcastle and Geelong, and in country areas of New South Wales, Victoria and Queensland. Table 3.4 cross tabulates the place of interview and the month in which it took place. The basic sampling fraction was not held completely constant for each of these regions. In order to generate a worthwhile sample in each state capital, the smaller cities were over-sampled to a certain extent. However, if Australian society is as homogeneous between States as popular legend would have it, differences between sampling fractions for whole of Australia analyses could be ignored [see Fodder, 1971, p. 390]. Response rate at the expenditure stage was lifted to a level of about 90% by the use of replacement techniques, the precise nature of which has not been revealed. It is hoped that the replacement techniques did not bias the sample in any way. Crude methods, such as trying the next house if the chosen one was empty, have a clear bias especially if interviewing takes place at one time of day - morning, afternoon or evening - when certain types of household are apt to desert the dwelling. The

Table 3.3

Example of Questionnaire, Survey of Consumer Expenditures

GROCERIES (FOOD AND NON-FOOD)FOOD ITEMS

Beverages (tea, coffee, fruit juice, cordials); biscuits, cake ingredients; Condiments (salt, pepper, vinegar and spice). supar; Party foods (chips, peanuts, twisties, etc.); Sauces, spreads, jams and seasonings; Eggs, processed milk and other dairy products (butter, cheese, etc.); Dried fruits (sultanas, raisins, apricots, etc.); Dry vegetables (rice, soup mixes, tapioca, barley, etc.); Packet foods (cereals, cake mixes, soups, jellies, desserts, etc.); Baby Food and tinned foods; Delicatessen foods (other than meats); Other food supplies (ice cream, soft drinks, confectionery and non-meat pet food).

NON-FOOD ITEMS

Washing soap, cleaners and detergents; Polishes (shoe, floor and furniture); Disinfectants; Candles, Lunchwraps, foil, tissues, toilet paper; Starch, blue, bleach, dyes; Matches; Clothes pegs; Dish cloths, pot scourers and steel wool.

3B

<u>GROCERY ITEMS</u>		<u>FRUIT AND VEGETABLES</u>	
<u>DESCRIPTION OF ITEM</u>	<u>TOTAL COST FOR PAST 7 DAYS</u>	<u>DESCRIPTION OF ITEM</u>	<u>TOTAL COST FOR PAST 7 DAYS</u>
FOOD _____	_____	_____	_____
NON FOOD _____	_____	_____	_____
MILK & CREAM _____	_____	_____	_____
BREAD _____	_____	_____	_____
			4F

SOURCE:

Survey of Consumer Expenditure Questionnaire.

Table 3.4
Survey of Consumer Expenditures: Distribution of Interviews from June 1967 to March 1969

1967	Total	Sydney	Melbourne	Brisbane	Adelaide	NSW Country & Canberra	Vic. Country	Q'land Country	Perth	Tasmania
June	42	26	16							
July	89	74	15							
August	64	41	23							
September	34	18	-							
October	34	33	1							
November	486	397	76	13						
December	305	139	123	43						
<u>1968</u>										
January	214	68	62	26	17	22			19	
February	531	183	226	43	33	-			46	
March	412	53	220	77	6	23			33	
April	1364	264	583	130	310	57			20	
May	104	5	17	38	10	9			25	
June	233	-	10	18	114	6	83		2	
July	247	18	19	-	67	70	73		-	
August	164	-	-	-	17	71			-	76
September	348	34	-	49	36	97	40	87	-	5
October	162	18	-	-	5	16	1	122	-	
November	344	87	113	9	48	44	36	7	-	
December	328	133	11	58	6	34	45	1	40	
<u>1969</u>										
January	72	1	2	1	-	24	-	-	44	
February	52	-	-	-	-	18	-	-	34	
March	217	-	-	-	-	167	21	-	29	
TOTAL	5830	1592	1517	505	669	658	299	217	292	81

replacing household must clearly be selected on as random a basis as the original sample. Publication of further information by the Survey Principals (Drane, Edwards and Gates) is awaited with interest.

The most unfortunate problem relates specifically to the period over which interviewing was carried out. As Table 3.4 shows, interviewing took place in 22 months consecutively, from June 1967 to March 1969. The questionnaire was of a simple recall variety, asking the respondent to recall from the previous 7 days, 3 months or twelve months the purchases made in particular categories. Note that the \$ cost of purchases and not the quantity is asked for. For valid comparison between households, or for analysis of household expenditure patterns, goods in a given category must be purchased in the same market place at the same time. Neither of these conditions hold for the survey. However, the first condition can be allowed for, as city/region is recorded in the coded record. During the period over which the interviews took place there was an appreciable inflation, some 5%, which cannot be assumed to have affected all commodities equally. Table 3.5 shows the percentage increase in the Consumer Price Index for each group of each capital between the June 1967 quarter and the March 1969 quarter.

It is clear that the Housing and Miscellaneous groups of the Consumer Price Index rose nearly twice as much as the other groups. The magnitude of the difference made to relative prices is only of the order of 3 or 4%. But somewhat less aggregated commodity groups are used in the survey questionnaire. It is left open as to whether relative price movements much greater than this took place. It is doubtful whether the movement in prices over the interviewing period made an appreciable difference to the amount spent on various commodity groups

Table 3.5

Percentage Change of Consumer Price Index, June 1967 to March 1969,
Groups by Six State Capitals (a)

	Food	Clothing & Drapery	Housing	Household Supplies	Miscellaneous	Total
Sydney	3.8	3.3	8.8	2.8	9.0	5.5
Melbourne	4.5	3.2	6.5	2.6	7.2	5.0
Brisbane	3.6	3.2	9.1	4.1	5.5	4.7
Adelaide	3.3	3.4	4.3	1.2	6.4	4.0
Perth	1.8	3.5	11.3	1.6	4.6	3.9
Hobart	3.0	3.5	7.8	3.9	7.4	5.0
Weighted Average	3.8	3.3	7.8	2.6	7.5	5.1

(a) $\frac{(\text{March } 1969 - \text{June } 1967)}{(\text{June } 1967)}$ Group_i, Capital_j

SOURCE: Commonwealth Bureau of Census and Statistics, Official Year Book of the Commonwealth of Australia, Canberra 1968, p. 266.

Commonwealth Bureau of Census and Statistics, Official Year Book of the Commonwealth of Australia, Canberra 1970, pp. 230-32.

of the survey. Nonetheless, a complex piece of "noise" has been introduced into the information, obstructing analysis in many subtle ways.

Possibly more important than the inflationary trend over the 22 months is the seasonal variation likely in expenditure patterns. Many purchases of weekly goods vary in a seasonal pattern. Minimizing this problem are two factors, one being Australia's generally temperate climate which means that actual seasonal variation will not be as important as in many parts of Western Europe or North America, and the other being the high level of aggregation of the survey data which tends to cover up the seasonal variation. There is no way of measuring the extent of this problem for the survey. It can merely be hoped that the variation is not appreciable.

It is unfortunate that only two sorts of analysis have been made available from the Expenditure Survey and only an incomplete set of the more ambitious analysis. Chapter 4 will examine a set of cross tabulations, with migrant class by gross annual household income subjected to comment on the basis of the other demographic variable distributions. Chapter 5 contains analysis of particular expenditure items, and Appendix B5 some analysis of total expenditure, this last a by-product of the analysis of particular expenditure items.

The Survey of British Migrants

The third survey available to this study is the Survey of British Migrants, 1959, 1961 and 1966. The origin and structure of the sample is set out in Appleyard, 1964. A 20% sample of migrant (family) units allocated an assisted passage between March and August 1959 yielded

862 interviews prior to emigration. The results of this stage of the survey were published in the work cited. In 1961, about 18 months after arrival they were reinterviewed. Successful interviews were completed with 669 units. After a further 5 years another follow up took place. Four hundred and sixty eight units were interviewed in Australia, 84, in the United Kingdom and 14 in New Zealand. Analysis of the possibility of bias from selective attenuation of the sample, indicates an absence of bias.²

The questionnaires of the last two stages are reproduced in Appleyard's forthcoming work. That of the first stage can be found in Appleyard, 1964. The content of the questionnaires are not easy to categorize broadly. Each asks questions of considerable detail in the areas of household and family composition, income, housing, employment of household members, activities and interests, aspects of settlement in Australia, expected and experienced, and some questions of interest to social psychologists.

The problem is really of too much information. The source of the problem is in an apparently overly empirical approach, lacking a clearly defined theoretical framework to discipline the questionnaire and the coding system. It may be thought that gathering as much information as can be thought of would enable a wide range of theoretical propositions to be tested. But all conceivable information about a household, even about economic aspects of a household's functioning, is too vast for any usable questionnaire. The varieties of concept, covering even a single category such as income, that have been found useful in the context of particular theories or frameworks of analysis

2. Available from the author.

is very great. In other words, no reliable questionnaire can ever cater for more than a few distinct analytical exercises, and the efficiency with which analysis can be carried out is directly related to the extent to which the questionnaire was designed for that analysis.

The major set of information in the British migrants survey with respect to household behaviour and adjustment is on housing. Chapter 6 analyses the progress of the group stage by stage. Four points in time are available - pre-emigration, at arrival, after 18 months or so in Australia, and after another 4 years. A very large amount of information was available, and as noted above, the major problem was to mould it into a suitable order. The method of analysis is cross tabulation by three indicators, of resource command and need, for the various kinds of immigrant household. The income information is used also in Chapter 4, with an attempt to use the other surveys and official statistics to provide control groups against which to judge the migrants' experience.

The three surveys thus provide a considerable amount of information about the demographic characteristics of households and about their economic behaviour. But each survey has very considerable problems. The Melbourne Survey and the Expenditure Survey were not as accessible as they might have been. The Expenditure Survey has some unresolved statistical problems which place a number of question marks against any results derived from it, and most damagingly, this survey aggregates the very items in which most interest lies - the type of meat used, relative importance of cereals, and so on. The British Migrants Survey has the problem of too much information inadequately disciplined, and of not having an inbuilt control group. All the surveys have the basic and irremediable problem that they were not designed for this task.

Despite these problems, all three surveys embody the basic methodological unity described in Chapter 2 as the demographic determinist pathway of analysis of household behaviour. It was seen in Chapter 2 that this was in general as helpful an approach as any of those presently used, but with perhaps less potential for much further development. In other words, the simple approach of these surveys will probably give as good results as any other in common use by students of household and consumer behaviour.

The three chapters following present the results of the investigation of the three surveys. The specific problems arising from the use of this information will be dealt with as they arise. The reader can judge the success of their resolution.

Chapter 4

INCOME

Introduction

There are many demographic factors which might be related to the level of income enjoyed by a household. The sex of the household head, the occupation of the household head, his age, whether there was a wife or other household member who was working outside the household, the level of education of the head and his wife, the asset holdings of the household, and so on. Not everyone would agree that household income could be predicted to the last \$50 per annum with these variables alone. Some would argue that personality and life style were important: the more ambitious, more aggressive or more acquisitive household head or wife would generate a larger income flow than one with the opposite characteristics. Others might say that there are random factors which defy prediction. In practice not more than half of income variation has successfully been explained by demographic factors (see above, p.17). However, this does not mean that more than half of the variation cannot be explained by demographic factors. With better models, better data and better techniques of analysis it may be that demographic factors would explain more income variation. The present data are confined to demographic factors.

Investigations in the United States have established a fairly clear statistical association between income, or some part or type of income, and the readily scalable demographic factors, in particular, age, sex, education, race of household head, region of domicile, whether urban or rural, even religion of parents.

Kravis [1962] showed that differences in income levels between the

South and the non-South of the United States disappeared after allowance was made for the difference in relative populations of Negroes [*ibid.*, p. 40]. Differences between Negro and white incomes, on the other hand, could not be fully explained by allowance for any of occupation [*ibid.*, p. 46, p. 48], education [*ibid.*, p. 40, p. 49], or age [*ibid.*, p. 53]. The techniques he used did not allow him to analyse these in combination. He suggested that current income differences between ethnic groups was a result of social, cultural and past economic differences. Current discrimination was unnecessary as an explanation of current differences in income.

This suggests that any income disparities to be found in the present study may stem from migrants' countries of origin. It would also suggest that without further disparities in experience, income differences would disappear with the second generation. But if opportunities for education and other routes to higher social class are restricted, then second and third generation migrants may still be at a disadvantage.

R.L. Lassiter [1965] attempted to explain differences between the time profiles of income for United States males. He showed there were significant differences between white and non-white, southern and non-southern, after allowing for the effect of education and age. Without the allowance for education the differences were far greater. These results suggest that general cultural factors as well as those specifically and obviously related to income earning ability, such as education and age, influence income.

Morgan, David, Cohen and Brazer [Morgan *et al.*, 1961], with a sample of about 10,000 "spending units", explained 10% to 50% of

variation in various income concepts (see Chapter 2, p. 17, above). Their relatively sophisticated "dummy variable" technique allowed them to deal with all explaining variables together, the results being valid to the extent that each of these was independent of each other. An example where this condition may well be violated is that of years of education and whether the spending unit lived in an urban or a rural area.

But their study indicated, amongst many other things, that all forms of migration, from urban to rural, from rural to urban, from South to non-South, from one place of birth to a distant place of residence, especially an overseas place of birth, were associated with a higher level of income.

Lansing and Morgan [1961] tried to test an hypothesis arising out of this, namely that emigrants of a given race will fare better than their peers who remain in the region of their birth. Of persons who grew up on a farm, those who left earned more than those remaining. They also found that, given number of years of education, migrants from the South were not as well off as the non-Southern non-migrant [*ibid.*, pp. 455-6]. This suggests either a difference in education quality (inferior Southern education), or job discrimination against Southern immigrants. If social and cultural differences between parts of the United States appear clearly in this way, it may be expected that the differences between Australia and its migrants' homelands will result in as clear differences in income levels.

The consensus that arises from these studies is that differences in cultural and social background may well be associated with differences in income of households, even when the obvious causes of difference are

eliminated. The reasons for these differences are less obvious. Quality of education, or a lack of appropriateness in the education of one cultural entity for life in another; discrimination against the stranger or against the household that is different; these may be explanations of negative differences. Positive differences, mainly between the emigrant and the stop-at-home, may be explained by such things as enterprise and resourcefulness, of movement being into higher wage sectors of the labour market, as from the Deep South of the United States of America to the Northern States.

With these suggestions as guides to the line of enquiry, some preliminary view can be formed about the reasons for variation of migrants' household income levels from the levels of other Australian households.

Income Distributions in the Expenditures Survey

The Expenditure survey, as the most general of the surveys under consideration will be examined first¹.

Two distinct and different measures of income were collected: *Nett Weekly Household Income*, and *Gross Annual Household Income*. The latter has been selected as the measure of the household's level of income.

Nett Weekly Household Income is the average pay packet of the four weeks prior to the survey interview, net of taxation and superannuation

-
1. Use of this data was heavily constrained by circumstance, and the analysis of income levels was not seen as the central issue for analysis. Therefore, some decisions about the use of data made for the estimation of Engel curves (see Chapter 5) constrained the analysis of income.

contributions. It takes no account of periodic additions to weekly income such as the income from capital, seasonal overtime and income from supplementary jobs, social welfare or superannuation payments made on a longer basis than every four weeks, or tax refund. *Gross Annual Household Income* attempts to take further receipts into account by asking the respondent, usually the household head, to calculate or recall his annual gross income for the financial year 1966-67, before subtracting those deductions allowed by the taxation commissioner. While this is still not disposable income it is likely to stand in a more regular relationship to it than the net income concept.

The migrant class system devised for this survey, Country of Origin, Period of Residence (COPR) divides the sample on the basis described in Table 4.1. The residual class, OTHERS, will be found to have some relative extremes of various household characteristics. It is tempting to explain them as being mainly those who entered Australia under the pre-1966 restricted immigration policy. They would be highly qualified professional people from Asia. But only 47 in total came from Asia, and 66 from North and South America and Africa. The remainder of the 265 were most recent migrants from anywhere and pre-war migrants from all but the United Kingdom. The limitations on analysis become obvious from Table 4.2. The gross aggregation of both countries of origin and periods of residence is unlikely to allow for much distinctiveness of behaviour patterns to appear.

Before proceeding to discuss the data three points of clarification and explanation need to be made. First, a row of χ^2 numbers at the foot of Table 4.2 and most of the Appendix Tables A 4.1 - 4.9, is calculated from the distribution given by AUSNZ, as the "expected"

Table 4.1
Country of Origin/Period of Residence (COPR), Expenditure Survey

Sub-Sample	Number in Sub-Sample	Country of Origin of Household Head	Period of Residence
AUSNZ*	3974	Australia and New Zealand	-
UKOLD	242	Britain and Ireland	Over 21 years
UKMED	253	Britain and Ireland	10 to 21 years
UKREC	161	Britain and Ireland	3 to 9 years
WESMED	128	Netherlands, Scandinavia, Germany and other Western European	10 to 21 years
EWESRE	60	Netherlands, Scandinavia, Germany and other Eastern & Western European	3 to 9 years
EEMED	163	Eastern European	10 to 21 years
SEMED	153	Italy, and other Southern European	10 to 21 years
SEREC	60	Italy, and other Southern European	3 to 9 years
OTHERS	265	Residual	Residual

* These codes are intended to be descriptive enough to allow the reader to quickly grasp the general nature of each, thus OLD, MEDium and REcent or REcent refer to period of residence; UK, AUS, NZ and OTHERS are obvious, and WES, E or EE and SE refer to Western European, Eastern European and Southern European countries of origin.

distribution, and the actual distribution for each COPR class. The null hypothesis in each case is that there is no difference between the AUSNZ distribution and that of the other class. The probability of observing a given χ^2 number on that null hypothesis is given for each relevant table, with χ^2 numbers representative of those found for that table. The intention behind this simple piece of arithmetic is to establish the existence of anything which may require explanation. It does not purport to discover all the differences, nor to escape being fooled into believing there is a difference when there is not.

Second, the fact that differences are observed implies nothing about causation. This analysis is based on the presumption that there exist many complex interactions between the demographic variables that are presented. While limitations of technique prevent these from being

Table 4.2

Table of Population Percentages

Migrant Vintage Classes

Household Annual Income	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Less than \$1000	6.0	15.1	2.0	.0	.7	2.2	1.7	.6	3.7	6.8	5.6
\$1000 to \$1999	10.4	24.2	8.2	2.4	4.2	1.7	1.9	1.9	3.2	11.8	9.9
\$2000 to \$2999	18.0	16.6	19.7	19.4	16.7	26.7	15.3	25.1	30.0	14.2	18.2
\$3000 to \$3999	22.0	11.9	27.6	31.4	27.1	22.0	21.6	29.6	28.7	20.9	22.4
\$4000 to \$4999	15.9	10.9	16.8	18.1	19.2	16.1	20.2	16.6	24.6	14.5	16.0
\$5000 to \$5999	11.1	8.3	11.2	14.1	13.6	15.1	13.5	13.6	6.5	11.3	11.3
\$6000 to \$6999	5.6	4.6	5.7	8.0	4.5	9.8	9.3	7.3	1.8	5.4	5.8
\$7000 and Over	11.1	8.2	8.8	6.5	14.0	6.4	16.5	5.3	1.6	15.2	10.9
TOTAL	100.1	99.8	100.0	99.9	100.0	100.0	100.0	100.0	100.1	100.1	100.0
Chi-Square Values		99.62	14.40	33.76	22.06	12.55	36.56	32.77	20.48	34.16	6.40

$df = 9 \chi^2 .995 = 23.6; .90 = 14.7$

Median Class Interval Underlined

Degrees of freedom quoted for χ^2 statistic in this and other tables will not always correspond to those calculated from the number of class intervals shown. This is due to aggregation of classes in the tables as presented.

explored, a recognition of their existence encourages caution with respect to differences that appear. For example, a correlation between income and migrant class may be due entirely to demographic factors. On the other hand, some differences may not appear for a similar reason. For example, income may not be correlated with age for one migrant class but only because education levels changed very quickly in the sample over the age range.

Third, it is necessary to bear in mind what can be called the truncation effect of migration, which refers to the cutting off of the parent generation from the emigrating generation. Thus, in the Appendix Tables to this chapter it is clearly seen that the proportion of households with no workers (Table A4.5), households with one person or two persons (Table A4.1), households who have reached the stage of having prior issue no longer resident in the household (Table A4.2), and households with a female head (Table A4.3) are all smaller for the immigrant classes, with the exception of UKOLD, than for non-migrants.

The overall distribution of gross annual household income for each of the 10 classes is shown in Table 4.3. Not surprisingly, given the class intervals shown, there is not much difference in the median income levels of the classes. Only three classes fall outside the interval \$3000-\$3999. But of the remaining classes the proportion of the sample actually falling into the median class, and their distributions overall, do show sufficient variation to be of interest. Certainly the χ^2 values are significant. The probability of finding any one of the values, apart from those for UKMED and EWESRE, is less than .1 if the null hypothesis is true and for most it is much less.

Pre-War British migrants (UKOLD) has the lowest median income.

If observations of income are fairly evenly scattered across the median class interval the actual median would be not more than about \$2600, while the proportion earning high incomes, over \$7000 is not low. The age distribution of these household heads in extreme, as shown by Table A4.4. The median age is late 60s (that is past retirement age) and one third of the household heads are 70 years old and over. Very few people immigrated in the depression decade of the 1930s, so a large proportion of those under 60 immigrated as children in the 1920s. The high proportion of households with a head of pensionable age would seem to be an adequate explanation of the large proportion of households with a low income. But there are other aspects of these households which reinforce the age effect. Nearly half had no workers, as against 15% of non-migrant households (Table A4.5). There were many more single person households (Table A4.1), and many with a female head (Table A4.3). From over half the 80% of households who had ever had children, these children had left the household (Table A4.2). The education and occupation distributions of these households show them at a relative disadvantage, as they had less educated heads (Table A4.6), and of those with working heads, a greater proportion were in the "craftsmen, skilled" category than non-migrants and somewhat fewer in each of the white collar categories (Table A4.7). Nevertheless, all these factors are likely to go with age rather than being of independent importance. It is possible there is some income difference due to educational and occupational differences from non-migrants of the same age cohort. However, it is unlikely that these households differ significantly from non-migrants (AUSNZ) when age is taken into account.

The migrant class containing many of the early post-war displaced

persons, those from Eastern Europe, EEMED, had the highest income distribution of all. The median is unlikely to be less than \$4400. The family life cycle distribution of this class is peculiar to it, caused by the circumstances of their emigration (Table A4.2). Many families appear to have been formed after settling in Australia, with only a little over half the wives the same origin as their husbands (Table A4.10). For a possible explanation of their high incomes we must consider the low proportion of female household heads (Table A4.3), the large proportion of multi-worker households and the small proportion of no worker households (Table A4.5), a somewhat better proportion of heads and wives in the two highest occupation categories (Tables A4.7 and A4.9), and probably most importantly a considerably better average level of education for both heads and wives (Tables A4.6 and A4.8). These factors may well account for the whole difference between non-migrants and the post-war Eastern Europe class.

The other class of households with median gross annual income in the \$4000-\$4999 class interval was that whose heads arrived in Australia from western and northern Europe between 10 and 21 years prior to interview (WESMED). The value of the χ^2 statistic is not as great as those for four classes having the \$3000-\$3999 class interval. This means that the probability of finding this income distribution is greater than the probability of finding these other four, given that the null hypothesis holds for all five. Nevertheless, the WESMED income distribution is less positively skewed than AUSNZ. The main reason for this would appear to be the truncation effect, visible in Tables A4.1 (few single and two person households), A4.2 (few Prior Issue only), A4.3 (few female heads of household), A4.4 (few old household heads), and A4.5 (few zero worker households). The education and

occupation profiles were weighted towards the skilled blue collar worker and against the semi- and unskilled (Tables A4.6, A4.7), while the proportion of two worker households was relatively high (Table A4.5). This last may be an explanation of the high proportion of households earning \$7000 and over, especially when the occupation distribution for wives is considered. Seven percent of all WESMED class wives were in the four highest categories as against 3.8% of AUSNZ class, while the highest income class, EEMED, had 9.7% in these categories (Table A4.9).

Of the other two classes of 10 to 21 year vintage, that whose heads came from the United Kingdom (UKMED) is understandably less different from non-migrants than that comprising Southern Europeans (SEMED). UKMED is also the least different of all classes from the non-migrant norm, judged by the value of the χ^2 statistic. The difference between UKMED and AUSNZ appears as fewer extreme incomes, the truncation effect accounting for the few households commanding very small incomes. The upper end truncation of income is hardly worth comment, being a small difference probably accounted for by statistical variation. The question then arises as to why there was little difference from non-migrants in this class, despite the truncation effect. There appears to have been rather a large proportion of older household heads (Table A4.4), of no worker households (Table A4.5), and also of households without working heads (Table A4.7). There were fewer workers in each of the white collar classifications, although also fewer unskilled workers (Table A4.7). Education of heads and wives might be interpreted as somewhat worse than for the non-migrants (Tables A4.6, A4.8). Overall, it would appear that without the truncation effect the income earning ability of the UKMED class could have been clearly less than

that of the non-migrants.

The final class of the 10 to 21 year vintage is that of households whose head's origin was Southern Europe - the Iberian peninsula, the islands of the Mediterranean, Italy, Greece and Turkey being the main areas. The SEMED income distribution is severely truncated at the lower end but not so severely at the upper end. Even so, actual median income is unlikely to have been as high as that of non-migrants. The households of the SEMED class were disadvantaged with respect to education (Table A4.6), occupation (Table A4.7), in not having had many more wives working than the non-migrants (Table A4.9), and in having had relatively larger households (Table A4.1) with more fully dependent children (Table A4.2). Offsetting these factors is the severe truncation evident from their income distribution, supported by the few households whose children had left home (Table A4.2) or whose heads were 60 years and over (Table A4.4). It seems clear from these tables that the income commanded by households in this class was as high as it was because other household members as well as the wife were working.

Of the three country of origin classes who arrived in Australia between three and nine years prior to interview it is surprising that the class with the highest χ^2 value is from the United Kingdom. This may in part be due to unreliability of the χ^2 statistic when calculated with cells having too few observations. The UKREC distribution is truncated under \$2000 and over \$6000. An estimate of the actual median income falls at about \$3900, virtually the same as that for the non-migrant class. This, too, is surprising in view of the strength of the truncation effect, with few female heads (Table A4.3), few households with no workers (Table A4.5) and few heads aged over 50 years (Table A4.4). But household heads' education and occupation show a concentration

in skilled trades, and under-representation in each of the white collar categories (Tables A4.6 and A4.7). While many households had two workers (Table A4.5), mainly wives (Table A4.9), few had more than two, a function of their stage in the family life cycle with few less than fully dependent children (Table A4.2). These factors would seem adequate to explain the shape of the distribution and its relatively low median.

Similar comments apply to the other class of Europeans not from Southern Europe, labelled EWESRE. It is very diverse, and it may be expected that little of interest would be discovered. Households were not quite so far advanced in the life cycle as those from the United Kingdom (Table A4.2). They have a similar education and occupation profile to UKREC (Tables A4.6 and A4.7) except that few were in the clerical and sales category, more were blue collar and, strangely, one only of the higher white collar categories, professional and technical (Table A4.7).

The remaining class, those from Southern Europe (SEREC) had the lowest estimated median income (apart from the elderly class from the United Kingdom) at about \$3400. Lower end truncation is not quite as complete as for the other recent classes, but upper end truncation is more complete. Over 80% of the 60 households in the sample earned between \$2000 and \$5000. The householders were young (Table A4.4) and ill educated (Table A4.6), their wives a little more so (Table A4.8). Nearly half had children under 5 (Table A4.2), and this no doubt contributed to the relatively few working wives. More of both wives and heads claimed to be in "skilled" occupations than claimed any formal training (25 "skilled" working heads, 11 with formal training; 6 "skilled" working

wives, 2 with formal training). Unlike the less recent Southern Europeans, this class was unable to call on extra workers to raise average income level to the average for non-migrants (Table A4.5). This will change as their children grow up and they reach the stage in which the less recent were found.

Summary

The factors apparently significant to the level of household income are education and occupation of the household head and the working wife, the number of workers in the household, and the stage of the family life cycle measured directly and by the age of the household head. Households with a female head are likely to be disadvantaged but in only one class, UKOLD, were there many of these, and they were already severely disadvantaged in such a way that a female head would make little further disadvantage: age pensions of the Australian Government do not discriminate between sexes for persons over 65.

With respect to the migrant classes as a whole the most important effect was that of the truncation of households to within broad stages in the family life cycle. The elderly class from the United Kingdom had far the lowest income because it was composed of elderly heads of household. The recent had few very young household heads and very few old ones. Both the Southern European classes were not as advanced in the life cycle than were the respective classes from the United Kingdom, and their incomes reflected this to some extent.

A feature of some interest is that each migrant class had a significantly higher proportion of "blue collar" workers among household heads than the non-migrant group. The AUSNZ proportion was 48%, while

the lowest migrant class, UKOLD, 67%. This may be seen as lending support to the notion of "factory fodder" as the dynamic force sustaining the immigration programme. And it may support the idea that migrants will do the jobs Australians don't like to do. On the factory fodder thesis, it is true that Commonwealth nominated migrants from the United Kingdom are given passages partly on the basis of perceived demand for certain broad classes of labour in Australia. Some of the displaced persons with their two year work contract may have stayed with the skills they had or learned in that period. For Southern Europeans their agrarian, often peasant, background gave them little chance of choosing between manual and other employment. For some other Europeans lack of facility with the English language may have been an encouragement to choose a manual job. Mobility of non-manual workers may be less than for manual workers, if superannuation and employers' pension schemes are more common for the clerical worker. Whatever the reason, the preponderance of the manual worker does not appear, on the surface, to affect the level of income to be expected.

Perhaps the point of greatest interest is that the median level of income varied so little between the migrant classes. While this can be explained as due mainly to the effect of truncation, the absence of the elderly and the infirm found in the home population, it must also be remembered that the highest income households barely occur in the migrant population. Despite educational disadvantages and problems with occupations requiring a high degree of verbal ability with English, households rather than individuals tend to produce an income roughly on a par with non-migrant households. There are without doubt strong forces to encourage this, mainly those of the market place - the necessities of life are the same price for all - but the success which

is apparent from the data is encouraging for the long run progress of immigrants.

Income Distributions in the Melbourne Survey

The Melbourne Survey, as processed by Mrs. McCaughey, presents a number of income measures cross-tabulated by their own set of migrant classes. The Melbourne researchers were a good deal more exacting in defining their income concepts than were the devisors of the Expenditure Survey. One very worthwhile consequence of using the Income Unit as the basic unit of observation is that the income of the household is collected with considerable precision, analysed into the incomes of the constituent IUs. The existence of receipts and payments within the household are fully and explicitly dealt with. The income of subsidiary IUs, such as semi-dependent children or children under 15 years of age with an independent income are also explicitly recorded. But the problem, given the impossibility of further analysis of the basic data, is that the data were processed in terms of IU and not household income as used in the Expenditure Survey. However, given information about IUs per household, it is not too hard to make rough comparisons with the Expenditure Survey, for example, to establish the consistency of one survey's estimate of relative median income of migrant classes with that of the other survey.

The measures of income to be examined are:

Income A of IU head - last week's income of IU head (i.e., last week's earnings, pensions, superannuation, net income from lodgers, scholarships, etc., plus last year's dividends, interest, non-weekly earnings, etc., in weekly terms)

Income B of IU - Income A of IU head plus the equivalent income of wife plus child endowment in weekly terms.

Income E of IU - Income B of IU plus extra family subsidy, plus gains from professional (i.e., non-family) boarders, minus the cost of housing [Harper, 1967, p. 275].

Income B will be examined in two forms, actual and adjusted. The adjusted version was calculated to represent the income B of a standard IU, a head working, wife at home, both under 40, son aged 6-17, daughter under 6 [Harper, 1967, pp. 275-280]. Adjusted Income B was the basic yardstick used to estimate the incidence of poverty in Melbourne. Income E was also adjusted in the same way, only the adjusted version of this concept will be used.

Table 4.3 presents the set of migrant classes to be used in analysis of the Melbourne Survey. They are dictated largely by the available set, but a number of classifications have been aggregated where sample size and comparability with the Expenditure survey gave grounds for this. The 17 classes presented are not exhaustive of the sample. The other migrants in the sample cannot be effectively grouped in classes of worthwhile size. Some among the 17 presented are too small for independent analysis and are included only because they can be related to adjacent classes.

Income is presented in weekly rather than in annual terms in order to discourage direct comparisons with the Expenditure Survey. Any comparisons between surveys should be of the relative position of a class under one survey with that of a similar class under the other. It must be remembered that Expenditure Survey tables are not for a standard size of household, and the tables on household size and stage in family life cycle have to be considered in explaining what might appear to be differences in the results of the two surveys. In effect, the adjusted tables of income eliminate much of the need for tables on IU composition that were presented, for households, for the Expenditure Survey.

Table 4.3

Country of Origin/Period of Residence Classes from the Survey of Living Conditions in Melbourne

Class Number	Country of Origin	Year of Arrival	Number of Observations	Weighted Frequency
1	Australia, New Zealand, Papua New Guinea	-	3756	685,525
2	United Kingdom including Eire	1940-1954	146	33,907
3	"	1955-1959	62	13,028
4	"	1960-1964	94	15,869
5	"	1965-1966	35	6,395
6	Western Europe: Germany and The Netherlands only	1940-1954	63	13,357
7	"	1955-1959	38	4,003
8	"	1960-1964	46	6,600
9	Eastern Europe: Poland, Czechoslovakia and USSR	1940-1954	108	19,685
10	Italy	1940-1954	121	14,604
11	"	1955-1959	101	10,566
12	"	1960-1964	94	8,433
13	"	1965-1966	20	2,187
14	Greece	1940-1954	49	2,365
15	"	1955-1959	117	8,207
16	"	1960-1964	182	10,736
17	"	1965-1966	88	5,429

The salient features of the distributions of each income concept will be examined in turn, beginning with Income A of IU head.

Median Income A of IU head (Table A4.11) appears to vary much more than median gross annual household income in the Expenditure Survey. Even when the 1964-1966 vintage classes are left out, the median for only seven classes including the non-migrants falls within one class interval, \$39-\$48.9. Four have a median in the interval below, while three medians are above, one being well above, in the over \$80 class. However, this appearance is deceptive. Interpolated medians for the Expenditure Survey vary from 87% to 112% of the non-migrant median. Interpolated median Income A of IU, when roughly comparable classes are used, varies from 79% to 124% of the non-migrant class. Perhaps our surprise should be that the difference between the surveys is not greater, since Income A is the most basic income number used, unmodified by any of the coping mechanisms which other IU members might use to generate an income flow sufficient for the IU.

But when the medians are looked at one by one there is clearly some level of contrariness when the Expenditure Survey data are recalled. Classes 2 and 3 are together roughly equivalent to UKMED as a migrant class. Median income of UKMED was unlikely to be greater than that of the non-migrants. The interpolated median was a little over 90% of that of AUSNZ. But the interpolated median Income A of classes 2 and 3 is 115% of that of class 1. That of classes 6 and 7, roughly equivalent to WESMED, is 124% of class 1, on the assumption that the median income of class 7 is \$90. But class 7 is very doubtful looking because of the heavy weighting of the eleven observations, out of 38, falling into the \$80 and over class. Class 6 has a median indistinguishable

from that of class 1, the non-migrants. Perhaps the least expected result was that of the Eastern Europeans, with an interpolated median of about \$41.5, considerably less than that of class 1. While the reliability of the interpolation may be questioned, the median class interval is low relative to that which might have been expected from the equivalent of the class which in the Expenditure Survey has the highest median income, and the highest mean net weekly income.

The Southern European classes have incomes not inconsistent with their equivalents in the Expenditure Survey. However, it is very interesting to note that there are considerable differences between the Italian classes 10, 11 and 12 and the Greek classes 14, 15 and 16. All but possibly class 14 are of a reliable size. This raises some doubt about aggregations such as the Southern European classes of the Expenditure Survey, and shows just how unfortunate was the problem of sample size.

Turning to the relationship between less recent and more recent migrants, Table A4.11 shows that in only two cases does a more recent class have a higher median class interval than a less recent class. In both cases, United Kingdom and Western Europe, the more recent classes were very small. For Italian classes the income progression with vintage is regular, not only in the median but also in the proportion earning less than \$15 per week and in the proportion earning at least \$80 per week. The reason why IU heads who have been longer in the country earn more is not obvious. It is true that income increases with age and experience, but this applies to white collar and skilled occupations rather more than to semi-skilled and unskilled jobs. From Table A4.15 there is no difference in the proportions who are operatives and labourers

between less recent and more recent Italian and Greek classes. In the occupation categories where age is more important to income, such as professional, clerical and sales, crafts and trades, there is little difference within the country of origin classes which may help to explain the progression in median income. However, there is a difference in the proportion of heads not in the workforce or not replying - a difference clearly greater than sampling variation. Occupation was not one of the more important pieces of information collected in the survey. In many households the respondent was the housewife. Often for migrants the interview was in the native language. It would not be difficult to imagine that a significant proportion of migrant wives could not explain what sort of jobs their husbands had, but that the proportion would fall with longer residence in Australia.

Income B of IU should reconcile the differences between the Income A findings and the Expenditure Survey results. However, there is one problem with the income coding of the Melbourne Survey which may work against this goal. It is the class \$80 and over. Because the interest of the Melbourne researchers was in poverty any observed income of \$80 and over was thought to be irrelevant. Starting with Income A of IU head, an observation in the \$80 and over class was automatically left in that class for Income B, actual and adjusted, and the other concepts. Thus many observations which, in fact, would fall in the \$80 or over class only for, say, actual Income B, would be left in that class in tabulations on adjusted Income B, and Income E. This means that tables on adjusted Income B, the measure which should be the best to compare with the Expenditure Survey data, moderated by the household structure information, cannot be expected to reflect the true distribution of the measure.

The major difference between Income A and actual Income B is the income earned by the wife. No IU can have a smaller actual Income B than Income A. The median class interval for actual Income B is one interval above that for Income A in 9 of the 17 groups, not including the non-migrant class 1. However, the difference made to the non-Southern European migrants is not sufficient to transform relative positions. When adjustment is made for IU composition little relative change is seen (Table A4.13). The United Kingdom classes no longer have a higher median class interval than class 1, apart from the unreliable class 5. The Eastern Europeans do not have a median higher than the United Kingdom or Western European classes. The progression with vintage is still clear in the Italian classes. The Greeks, apart from the most well established, appear to be doing somewhat better than the Italians. There is a peculiarity in the latest Greek class, 17, in that 12 observations, forming nearly one quarter of the weighted frequency, are in the lowest class interval, with a gap to the remainder of the distribution. Although adjustment of Income B does not reconcile the Expenditure Survey results with these data, it does show consistency with the hypothesis put forward on the basis of the Expenditure Survey data that households manage in general to generate income appropriate to their needs. The only classes in which this hypothesis does not show support are the two latest Southern European classes 13 and 17. As Mrs. McCaughey found [Henderson *et al.* 1970, p. 127] these are the migrants finding most difficulty coping with the problem of fitting into Australian society. Some cold comfort can be taken from the inference that the problem appears partly transitional.

Income E of IU differs from Income B in a number of ways. However, the main difference is the cost of housing, which is subtracted from

Income B to give Income E (Table A4.14). The purpose of Income E to the researchers was to measure the availability of short run disposable income, income available after meeting the fixed cost of housing. Table A4.16 measures the weekly cash outlay for housing paid by households, rather than IUs.

Comparing Income B with Income E, both adjusted, (Tables A4.13 and A4.14) it can be seen that non-migrant IUs pay out less than migrants. This is due to the large proportion of non-migrants paying out nothing for housing, the householder IUs who have paid off their houses. Non-southern European migrants who arrived before 1959 are in a position nearly as favourable. There is very little difference between the median of the two distributions for these classes. But the proportion of IUs in the uppermost class interval falls by amounts varying from little, for Eastern Europeans, to much, for the British and Western Europeans who arrived before 1955. The post-1959 non-southern European migrant IUs generally show more effect from the Income E transformation than those longer established.

For Southern European migrants the situation seems almost the reverse, with the more recently arrived not much, if at all, worse off than the less recent. This is most striking for the most recently arrived Greek IUs, where a far smaller proportion remain in the lowest income class of Income E than of Income B, both adjusted. Some of the more recent arrivals, before purchase, live with relatives and fellow countrymen who arrived earlier, table A6.3 shows 60% of most recent Greek IUs were boarders or living with relatives. These pay what might be a smaller rental or board payment than they might on the open market. One may hesitate to call this subsidization because the quantity and quality of houseroom thus commanded may be lower than that

available in the market [Henderson, *et al.*, 1970, pp. 133-4]. Table A6.7 shows that the interviewers assessed virtually no housing of recent Greek IUs as better than "just adequate". All Southern European classes had a lower median class interval Income E which is net of housing cost than Income B, despite the fact that more Southern European householders were paying nothing for housing than migrants from other origins (Tables A4.16). But those householders paying at all tended to pay more. Both these tendencies are doubtless connected to the observation that many Southern Europeans in Melbourne purchase housing in the old inner suburbs, on terms somewhat shorter than for new housing. So repayments are high relative to price, but are completed sooner.

Summary

The conclusions that can be drawn from this analysis of the three income concepts from the Melbourne survey are similar in broad terms to those of the Expenditure Survey analysis. Southern Europeans are generally disadvantaged, but their disadvantage is not, in terms of income, a very considerable or typically permanent one. But this analysis hides the differences which exist in effort required to generate a given level of income. The net economic welfare of Southern European households may be far below that of other migrants if more time or a more demeaning form of exploitation by employers is required to earn the level of income that satisfies the Southern European household's needs, than is required by other households with a better education and occupational background.

Income Growth within the British Migrants Survey

As a concluding note to the chapter, some very rough comparisons

have been made between the incomes of migrants in the British Migrants Survey and the population of the United Kingdom and Australia.

The British Migrants Survey lacks an inbuilt control group, either in the United Kingdom, those who did not emigrate, or in Australia, the non-migrant population. Therefore, it is necessary to substitute some group which, in terms of income, bears some relationship to the migrants. But there would seem to be little possibility of comparing income levels between the British Migrant Survey and the other surveys, or with other income data published for Australia. Any measure of income used consistently in a set of data must be carefully defined in terms of money inflows, persons in a dwelling, the precise definition of household or Income Unit or family, whether the money inflow is an actual figure for a particular period or an average of a number of periods, and so on. None of the level of income measures reported in any of the surveys can be compared with any of those in any others.

However, it is much more likely that comparisons of changes of income can be made. If it can be assumed that the relationship between two different measures of income remains the same over a certain period of time then the change in income over that period can be compared when one income measure is available for one group, and the other is available for the other group.

The move from the United Kingdom to Australia means that no relationship can be established between the change in income from United Kingdom to Australia, and the change in income of any group in Australia or in the United Kingdom. More fundamentally, the structure of wages and the propensities for other household members

than the head to derive an income are both unlikely to be the same in the two countries. The break is too great to assume that the same definition is really measuring the same thing in both countries. If our interest was simply in the "standard of living" for the one migrating group, the change in cash income makes very little sense. Both prices and the commodities desired are different in United Kingdom from Australia, and the official exchange rate between the two currencies is of almost no use in measuring the standard of living.

Given the one measure of income taken at both the first and the second follow up surveys of the British migrant group in Australia, the proportional change in income can be compared with similar change-in-income data calculated from income data available both for the United Kingdom and Australia.

The income measure chosen from the British Migrants Survey is total family income. This concept comprises the income, including transfer payments, of each member of the family which migrated and who are still in the household of the original household head, plus the income of other household members substantially dependent on the household head, for example, a spouse who married into the household in Australia and children born since arrival in Australia. This income measure was collected consistently in 1961 at the first follow up and in 1966 at the second follow up. Income is expressed in weekly terms. For weekly earnings it is the average of the four weeks prior to interview. For inflows coming at longer intervals it is the annual flow expressed in terms of a week.

The income measure available for the United Kingdom is taxable income of individuals as presented in the *Annual Abstract of Statistics*

[Central Statistical Office, annual]. The years selected are the year ending 5 April 1962 and the year ending 5 April 1967. The 1961/62 data are labelled "estimated" [CSO, 1965], while the 1966/67 data derives from the Annual Survey [CSO, 1969]. Unless there were changes first in the structure of concessional deductions from actual income, second, in the composition of households generally and third, in the propensities of household members to work, this income concept will bear the same relationship to family income in one year as in the other. The third problem is the only one likely to be important, and that only if the stage of the trade cycle at those two years is very different. If one year was a boom year and the other a recession year, then workforce participation of wives is likely to be rather different between the years. However, the Annual Report of the Bank of England for the years ending February 1962 and February 1967 indicate remarkably similar conditions in the United Kingdom economy for these two years.

The income measure available for Australia also derives from taxation statistics, being actual income declared for taxation purposes by individuals resident in Australia, before deducting concessional allowances. The income years 1961/62 and 1966/67 have been selected. Similar comments apply as for the United Kingdom income measure, except that there is no possible problem with changing concessional allowances. However, the two years were rather different in terms of the trade cycle. In 1961/62 the Australian economy was struggling out of recession [Reserve Bank *Annual Report*, 1962], while 1966/67 was a year of full employment. Workforce participation rates would probably have been somewhat higher in 1966/67 than in 1961/62. The effect of a higher workforce participation rate of persons such as

wives and the semi-dependent members of households whose incomes are lower than the average (mean and median) is to decrease the average individuals income level, probably decreasing the percentage of earners below any income level up to at least that represented by the minimum adult male rate of wages. But, given that nearly all of these extra earners are not the breadwinner in their households, their earnings will increase the incomes of their households, shifting upwards in income the whole distribution of household incomes. Since not all households would have an extra earner due to the increase in participation rate, it is likely that the percentage of households earning less than a given income may be decreased for lower incomes and increased at around and somewhat above the levels of what would have been the median. In other words, the distribution of individual incomes *would* become more positively skewed, and the distribution of household incomes *could* become less positively skewed with an increase in workforce participation by wives and semi-dependents such as children just over the age of compulsory school attendance. This last is important to the present sample, with many children in the workforce by 1967.

One further adjustment must be made to these distributions in order to allow even a crude comparison between the increase of income levels in the United Kingdom and Australia. This is to allow for difference between the rate of inflation in the two countries. The basic retail price indices of the two are used here: the Retail Price Index, in the United Kingdom, and the Consumer Price Index, six capitals weighted average, in Australia. In fact it turns out there is little difference between them. If 1966/67 is assigned to unity ($P = 1$) in both cases, then in 1961/62 $P = 0.816$ in the United Kingdom and $P = 0.896$ in Australia.

The comparisons shown in Table 4.4 do not refer to absolute levels of welfare. There is no information here about the change in real incomes of the migrants from that enjoyed in the United Kingdom to that enjoyed in Australia. Table 4.4 shows that the migrants seem to have improved their incomes a little more quickly than did the population of the United Kingdom. The data are not so strong that too much account can be taken of the differences between increases at the 50th and 75th percentiles, but the differences at the 25th and 90th percentiles are quite striking. Bearing in mind the relative smoothness of the distributions shown in Figures 4.1 and 2, it is clear that the lower income households did better in Australia than lower income earners in the United Kingdom. The trade cycle effect could well be responsible for much of this, with the household income distribution being less positively skewed in 1967 than in 1961. Because the sample's household income distribution lacks the extreme tail of the population income distribution it is not unlikely that the 90th percentile of the sample's distribution would also be affected by the trade cycle, with workforce participation higher in the second year. Comparison of the income increase of the migrants with the increase for the United Kingdom individuals can be said to show that the migrants have not given up a faster rate of increase of income for a slower one, but may have gained a faster growth in "real" income.

Comparison of the two pairs of individual income distributions lends some support to this conclusion. The increase of income in Australia over the period was larger than for the United Kingdom at each of the four percentiles chosen. But, apart from the 90th percentile the margin was not great, and if there was an important change in the

British Migrants Sample Income Distribution

Area under each histogram = 100%

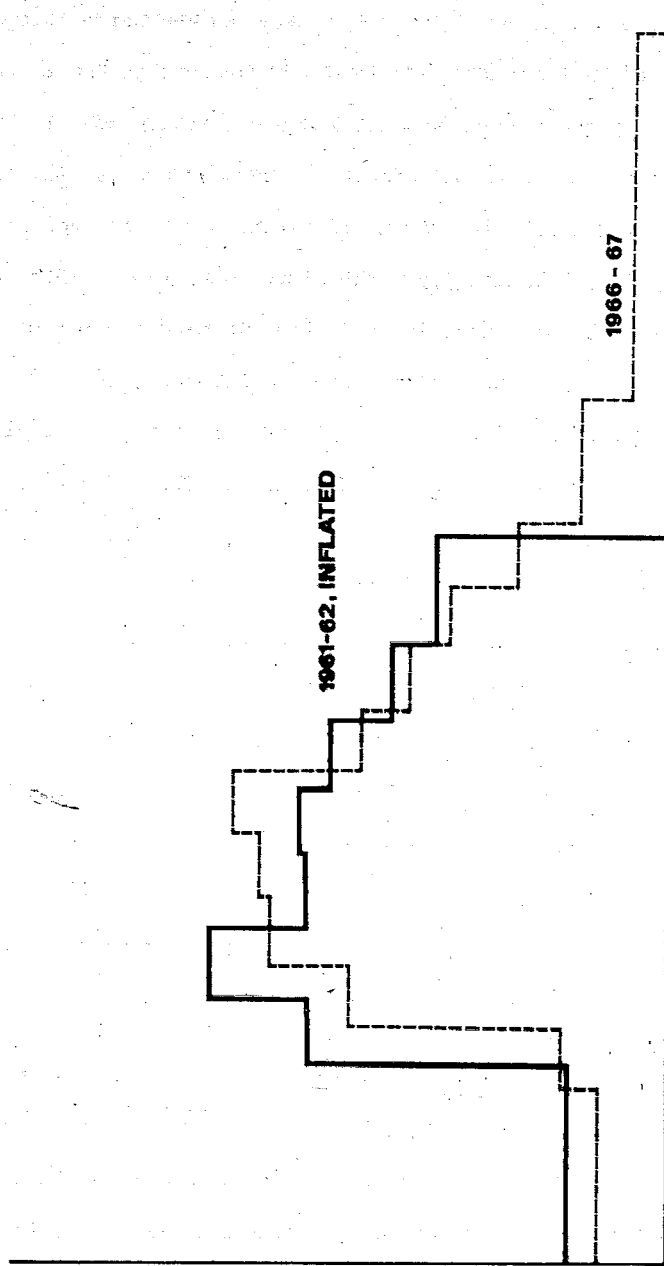


Figure 4.1

Distribution of Personal Income Subject to Income Taxation in U.K. before Tax

Area under each Histogram = 100%

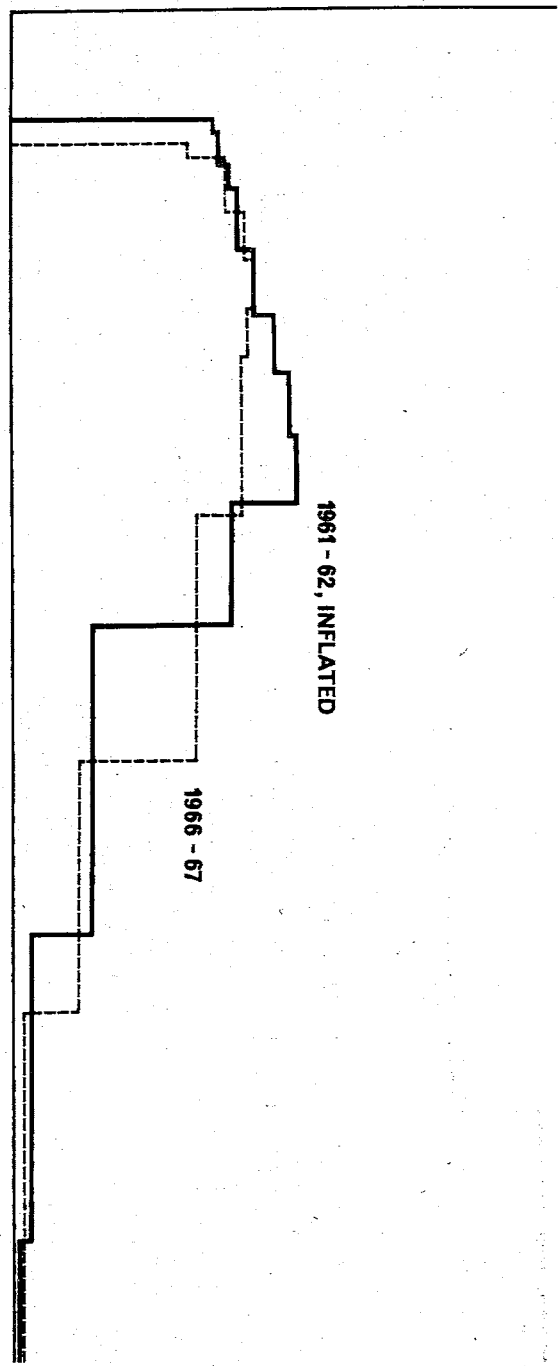


Figure 4.2

Distribution of Actual Income Declared for Taxation Purposes, Australian Resident Persons

Area under each Histogram = 100%

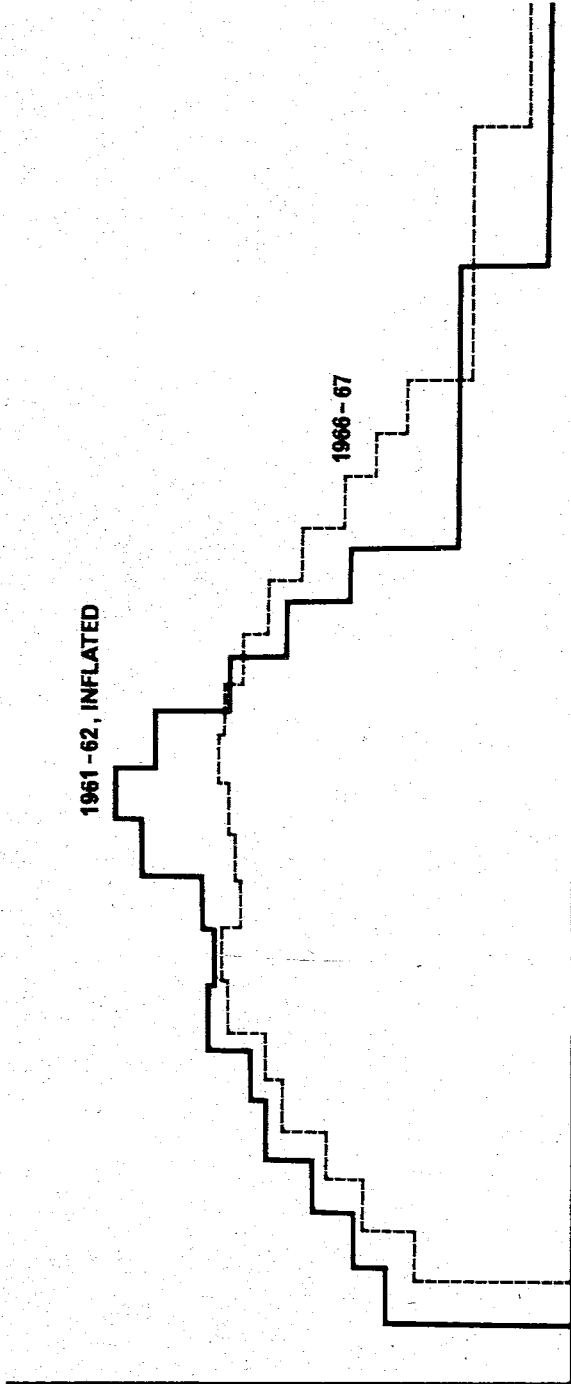


Figure 4.3

Table 4.4

Percentage increase in Income Level from 1961-62 to 1966-67, of Various Percentiles, British Migrant Survey, United Kingdom and Australia
 Incomes Declared for Taxation Purposes

Percentile	British Migrants Survey Family Income	United Kingdom Individuals	Australia Individuals
25	21.1	9.5	11.5
50	14.8	10.7	13.4
75	12.8	15.3	17.2
90	17.9	7.4	15.5

SOURCE: Tables A4.17, 18, 19.

The 25th percentile income is that income level below which 25% of families' or individuals' incomes lie. The income level is calculated by linear interpolation.

Income level in 1961-62 calculated in this way was inflated by the retail price index for that year relative to 1966-67. For United Kingdom figures the inflator is .816, for the two pairs of Australian data the inflator is .896.

Income change = $1 - \frac{1966-67 \text{ level}}{1961-62 \text{ level}}$ (inflated)

concessional allowance system in the United Kingdom, it could yet be that income available for disbursement on public goods (via taxation) and private goods (via household expenditures) may have not increased faster in Australia than in the United Kingdom.

Comparison of the sample's household income distribution with the Australian individual income distribution shows that low income households made somewhat better progress than low income individuals, a finding again consistent with the trade cycle effect postulated above. It would seem, then, that the sample of British migrants experienced little difference in income earning capacity from the population generally. Their 1961/62 incomes appear to be, by and large, consistent with the incomes of non-migrants to the extent that they were consistent with non-migrants in 1966/67. This small piece of evidence gives support to the idea that British migrants may be able to earn up to their potential within a year or so of settlement. The situation of non-British, non-English speaking migrants would be interesting, as they would have more problems in fitting into the workforce initially than do British migrants.

Summary

After the once and for all change of real incomes on first being employed in Australia, it seems that British migrants will increase their incomes along with other wage and salary earners in Australia. They gain, economically, to the extent that real incomes rise faster in Australia relative to the United Kingdom, given that the share of national product going to employees does not change. The 1960s was a period in which no great differences in rates of change were evident, between Australia and the United Kingdom. On balance, Australian real income probably increased faster.

Table A4.1

Table of Population Percentages Migrant Vintage Classes

Household Size	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
One Person	10.1	21.5	6.3	1.3	3.1	3.2	5.9	.6	3.3	8.9	9.4
Two Persons	25.4	<u>46.3</u>	27.9	16.6	18.4	18.3	16.3	5.7	8.1	18.9	24.7
Three Persons	<u>17.8</u>	14.1	<u>20.1</u>	20.9	22.5	20.4	23.2	13.0	31.7	20.1	<u>18.3</u>
Four Persons	20.7	9.2	21.0	<u>30.7</u>	<u>26.9</u>	<u>22.7</u>	<u>32.5</u>	<u>39.3</u>	<u>33.8</u>	<u>25.0</u>	<u>21.8</u>
Five Persons	14.3	6.5	13.6	16.0	15.0	15.4	15.5	24.9	11.6	16.2	14.4
Six Persons	7.1	2.0	6.8	9.7	8.3	11.5	3.1	9.2	9.9	6.4	6.9
Over Six Persons	4.6	.4	4.2	4.7	5.8	8.4	3.5	7.3	1.6	4.7	4.5
Chi-Square Values	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		118.75	5.25	29.12	17.34	10.44	26.00	80.25	23.88	9.15	8.09

df = 7; χ^2 .995 = 20.3; .75 = 9.04; .25 = 4.25

Median Class Interval underlined.

Tables a 4.1 to a4.10 are from the Expenditure Survey

Table A4.2

Table of Population Percentages Migrant Vintage Classes

Family Life Cycle Stage	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
No Wife Prior Issue	8.3	8.6	5.8	1.2	3.9	4.7	5.6	1.9	3.2	9.6	7.6
Wife but no Issue	11.5	11.4	10.3	12.8	8.6	17.0	12.1	4.5	9.7	11.6	11.3
Children 1-5 Years	14.1	.8	10.1	20.0	20.2	18.1	17.7	12.9	48.8	16.2	14.2
Children 1-5, 6-17	14.2	1.6	16.2	<u>23.3</u>	<u>19.1</u>	<u>21.5</u>	10.6	<u>32.1</u>	13.0	<u>13.4</u>	14.5
At Least 6-17, 18+	<u>10.1</u>	9.3	8.9	8.4	12.3	16.6	<u>11.0</u>	23.3	4.7	11.6	<u>10.5</u>
Children 6-17 Years	18.1	7.3	23.3	23.5	19.9	20.4	28.5	21.4	13.4	21.4	18.6
Children over 17	9.1	<u>15.9</u>	8.2	6.2	8.4	1.7	10.0	2.6	5.5	7.0	8.9
Wife + Prior Issue	9.4	31.3	15.3	4.0	7.5	.0	3.0	1.3	.0	6.2	9.7
Prior Issue Only	5.3	13.8	1.9	.6	.0	.0	1.4	.0	1.8	3.0	4.8
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values		243.36	25.03	39.30	17.49	20.46	26.18	101.19	63.44	10.46	8.35

df = 8; $\chi^2_{.995} = 22.0$; .99 = 20.1

Median Class Interval underlined.

Table A4.3

Table of Population Percentages Migrant Vintage Classes

Sex of Household Head	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Male	84.6	80.4	92.9	97.4	93.8	93.4	95.8	97.4	98.4	91.5	86.6
Female	15.4	19.6	7.1	2.6	6.2	6.6	4.2	2.6	1.6	8.5	13.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values		3.23	13.39	20.44	8.29	3.58	15.74	19.43	8.83	9.92	17.03

 $df = 1; \chi^2_{.995} = 7.88; .90 = 2.71$

Table A4.4

Table of Population Percentages Migrant Vintage Classes

Age of Household Head	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Under 25 Years	6.2	.0	4.8	3.7	3.9	4.7	1.2	1.3	5.2	6.7	5.4
25 to 29 Years	10.3	.4	7.1	17.9	10.4	18.8	6.5	4.6	21.6	14.9	10.1
30 to 34 Years	10.8	.8	8.8	18.8	13.8	22.7	8.8	18.5	28.3	13.8	11.2
35 to 39 Years	11.1	.7	11.8	15.9	17.6	12.9	15.2	22.6	23.1	13.1	11.6
40 to 44 Years	13.0	2.5	13.8	18.9	18.4	17.4	21.9	22.2	6.3	12.6	13.3
45 to 49 Years	10.9	7.4	17.7	12.9	14.4	6.6	14.7	15.9	6.6	14.6	11.5
50 to 54 Years	9.6	8.4	10.4	5.5	10.5	5.5	14.9	8.5	3.5	5.3	9.3
55 to 59 Years	7.1	12.7	8.1	3.1	3.7	7.9	6.9	4.5	3.3	6.7	7.1
60 to 69 Years	12.5	36.4	12.9	3.1	6.5	3.4	10.0	1.9	2.1	7.6	12.4
Over 69 Years	8.6	30.8	4.5	.0	.8	.0	.0	.0	.0	4.7	8.1
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values		368.59	20.42	60.23	26.21	24.72	43.33	79.65	49.38	26.96	11.43

$df = 9$; $\chi^2 .995 = 23.6$; $.975 = 19.0$; $.75 = 11.4$

Median Class Interval underlined.

Table A4.5
Table of Population Percentages Migrant Vintage Classes

Workers in Household	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
No Workers	15.5	46.1	10.0	1.2	2.4	3.4	2.2	1.9	.0	10.7	14.6
One Worker	53.2	28.1	55.4	57.0	57.7	55.8	51.9	49.9	63.4	50.0	52.3
Two Workers	23.2	16.3	25.1	32.4	30.7	29.1	32.6	30.5	33.4	26.8	24.2
Three Workers	6.3	8.7	8.0	7.6	6.0	7.1	9.7	15.1	1.6	7.1	6.8
Four Workers and Over	1.8	.9	1.4	1.8	3.1	4.6	3.6	2.5	1.6	5.5	2.1
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values		182.86	7.58	28.58	19.99	10.24	30.68	42.52	15.49	26.46	10.65

df = 5; $\chi^2_{.995} = 16.7$; $.90 = 9.24$; $.75 = 6.63$

Table A4.6

Table of Population Percentages Migrant Vintage Classes

Education of Head	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Primary or Less	19.4	31.4	11.7	6.6	10.4	11.0	19.7	48.0	<u>55.6</u>	17.1	20.0
2nd-ary (No Inter.)	23.8	<u>30.2</u>	31.7	27.9	25.9	20.7	13.2	<u>19.3</u>	20.8	20.3	24.0
2nd-ary (No Leav.)	<u>28.4</u>	19.2	<u>19.0</u>	<u>28.8</u>	<u>22.8</u>	<u>20.5</u>	14.4	15.6	5.1	<u>18.7</u>	<u>25.9</u>
L.C. Part Tertiary	11.8	8.2	20.8	16.1	17.5	24.6	<u>24.6</u>	13.3	10.0	27.3	13.6
Tertiary (St. Prof.)	1.9	1.0	1.3	1.1	.7	1.5	6.0	.0	.0	1.4	1.8
Tertiary (General) degrees	3.5	1.2	2.3	1.7	3.7	1.7	2.4	.0	.0	6.8	3.3
Dip. (Non St. Profs.)	4.0	3.3	2.7	3.3	3.4	6.1	5.8	.7	.0	2.5	3.8
Dip. (Trades, Craft)	7.1	5.6	10.7	14.4	15.6	13.9	14.0	3.0	8.5	5.8	7.7
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values		37.80	47.00	31.74	24.85	17.33	68.52	90.83	57.97	75.65	32.31

df = 7; $\chi^2_{.995} = 20.3$

Median Class Interval underlined.

Table A4.7
Table of Population Percentages Migrant Vintage Classes

Occupation of Head	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Exed., Managerial	7.4	4.0	6.8	3.7	5.8	.0	9.4	1.3	1.8	8.1	6.9
Prof., Technical	5.4	2.4	6.3	6.2	2.9	10.3	8.5	.0	.0	8.6	5.4
Vocat., Semi-Prof.	5.3	2.7	4.2	4.1	3.1	.0	4.0	.7	.0	4.6	4.8
Clerical	8.8	3.4	6.7	9.5	7.4	1.7	8.3	.7	6.5	8.8	8.2
Sales	6.4	2.4	4.8	5.7	3.9	1.7	1.8	1.9	4.7	6.8	5.7
Craftsmen, Skilled	22.1	19.4	37.2	46.1	52.2	55.4	34.6	46.6	41.8	29.2	26.0
Semi-skilled, etc.	13.9	6.0	13.0	13.7	13.9	15.6	17.4	17.2	10.2	12.2	13.6
Labourers, etc.	10.4	5.6	8.2	9.2	7.0	10.2	13.2	28.4	33.3	8.9	10.7
Not in Workforce	20.2	54.0	12.7	1.8	3.9	5.1	2.9	3.1	1.6	12.8	18.7
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values	179.87 37.59 72.73 75.54 52.79 47.93 151.09 61.43 19.68 55.01										

df = 8; $\chi^2_{.995} = 22.0$

Table A4.8

Tables of Population Percentages Migrant Vintage Classes

Education of Housewife	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
Primary or Less	16.7	37.0	11.3	6.7	16.0	20.6	17.1	55.5	55.5	16.6	18.7
2nd-ary (No Inter.)	29.9	26.9	38.4	35.9	29.4	28.9	22.7	19.6	25.8	28.9	29.8
2nd-ary (No Leav.)	37.5	25.9	30.6	31.6	32.4	22.5	19.6	17.3	13.2	27.7	34.2
L.C., Part Tertiary	10.2	5.6	17.2	18.8	15.5	25.4	27.0	6.2	3.7	19.9	11.7
Tertiary (St. Prof.)	.4	.5	.0	.0	.0	.0	1.5	.0	.0	.0	.4
Tertiary (General)	1.2	1.6	.5	1.9	3.5	.0	2.0	.0	.0	2.6	1.3
Dip. (Non St. Profs.)	3.2	1.8	1.4	1.3	1.7	2.6	6.1	.7	1.7	2.6	3.0
Dip. (Trades, Craft)	.9	.5	.8	3.7	1.5	.0	4.0	.7	.0	.9	1.0
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Median Class Interval underlined.											
No Wife Present	18.7	26.7	12.3	3.7	8.3	14.6	10.4	3.1	6.5	15.1	17.1
Primary or Less	13.6	27.1	9.9	6.5	14.7	17.6	15.3	53.8	51.9	14.1	15.5
2nd-ary (No Inter.)	24.3	19.7	33.7	34.6	27.0	24.7	20.3	19.0	24.1	25.3	24.7
2nd-ary (No Leav.)	30.5	19.0	26.8	30.4	29.7	19.2	17.6	16.8	12.3	23.5	28.4
L.C., Part Tertiary	8.3	4.1	15.1	18.1	14.2	21.7	24.2	6.0	3.5	16.8	9.7
Tertiary (St. Prof.)	.3	.4	.0	.0	.0	.0	1.3	.0	.0	.0	.3
Tertiary (General)	1.0	1.2	.4	1.8	3.2	.0	1.8	.0	.0	2.2	1.1
Dip. (Non St. Profs.)	2.6	1.3	1.2	1.3	1.6	2.2	5.5	.7	1.6	2.2	2.5
Dip. (Trades, Craft)	.7	.4	.7	3.6	1.4	.0	3.6	.7	.0	.8	.8
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Chi-Square Values	60.64	36.26	74.67	22.03	18.15	100.07	217.29	79.01	34.95	46.76
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df = 8; $\chi^2_{.995} = 22.0$; $.975 = 17.5$

Median Class Interval underlined.

Table A4.9

Tables of Population Percentages Migrant Vintage Classes

Occupation of Housewife	AUSNZ	UKOLD	UKMED	UKREC	WESMED	EWESRE	EEMED	SEMED	SEREC	OTHERS	TOTAL
No Wife Present	18.7	26.7	12.3	3.7	8.3	14.6	10.4	3.1	6.5	15.1	17.1
Self Employed	.6	.8	.0	.6	1.9	.0	3.4	1.3	.0	1.1	.7
Exec. Managerial	.1	.4	.0	.0	.8	.0	.0	.0	.0	.0	.1
Prof., Technical	.3	.4	.5	.6	2.9	.0	.6	.0	.0	.4	.4
Vocat., Semi-Prof.	2.2	2.4	1.9	3.9	.7	1.7	4.7	.6	1.6	2.2	2.2
Clerical	5.1	3.3	6.8	10.7	3.9	4.9	8.1	.7	1.8	6.4	5.2
Sales	2.2	.8	2.0	2.4	.7	.0	2.9	.6	1.8	2.7	2.1
Craftsmen, Skilled	1.3	1.5	2.3	3.2	3.9	6.4	7.9	13.3	10.1	3.6	2.3
Other Workers	3.8	3.2	7.7	8.7	11.6	12.9	6.1	7.7	9.9	8.6	4.8
Not in Workforce	65.7	60.5	66.5	66.1	65.4	59.5	55.8	72.7	68.3	59.9	65.1
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Chi-Square Values	15.35	21.42	46.75	70.81	27.90	93.92	202.72	47.69	32.83	61.93	

df = 9; $\chi^2_{.995} = 23.6$; $.90 = 14.7$

Table A4.10
 Birthplace of Wife by COPR, Household Head, Households with Wives Present Only

Birthplace of Wife	Australia & New Zealand	Britain & Ireland	Western and Nthn. European	Eastern European	Southern European	Other	Total
COPR							
AUSNZ	94.8	3.7	0.8	0.2	.0	0.6	100
UKOLD	74.9	24.6	.0	0.5	.0	.0	100
UKMED	32.6	63.9	2.2	.0	1.0	0.5	100
UKREC	14.4	81.0	3.4	.0	.0	1.1	100
WESMED	28.4	1.5	66.8	.0	2.2	1.2	100
EWESRE	15.2	4.0	46.9	29.5	2.6	2.0	100
EEMED	23.0	6.1	11.6	57.3	0.7	1.3	100
SEMED	7.3	0.8	1.3	1.3	88.5	0.6	100
SEREC	5.2	.0	1.9	.0	92.7	.0	100
OTHER	25.1	37.3	6.2	2.0	10.2	19.2	100

Table A4.11
Income A of IU Head for 17 Country of Origin/Period of Residence Classes from the Melbourne Survey

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Australasia 1	745 14.6	530 12.9	575 13.4	578 15.4	322 9.3	288 9.8	501 18.7	217 6.0	3756 100
United Kingdom	2 13.6	9 12.1	27 9.3	21 11.1	23 12.9	16 18.8	30 21.8	2 0.3	146 100
	3 7	5 7	7 7	7 7	14 14	5 5	15 15	2 2	62 62
	11.8	9.0	10.2	8.9	19.0	2.3	35.3	3.5	100
4	11	9	14	22	18	10	8	2	94
	12.5	8.6	13.7	18.9	19.1	6.0	20.4	0.8	100
5	4	6	4	7	6	1	6	1	35
	3.4	11.7	10.7	14.6	23.8	0.9	29.5	5.2	100
Western Europe	6 3.0	10 9.1	15 25.7	10 16.1	8 16.0	9 24.5	7 5.4	1 0.1	63 100
7	2	6	4	7	3	5	11	0	38
	1.7	8.6	7.4	11.1	6.0	6.3	58.7	-	100
8	5	5	3	7	9	7	7	3	46
	34.0	6.3	9.7	6.0	12.6	21.4	6.3	3.6	100
Eastern Europe	9 11.0	1 0.3	18 14.6	28 32.2	12 8.4	10 12.9	19 19.6	3 1.0	108 100

Table A4.11 (Cont'd)

		Group 0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Italy	10	6	14	29	34	16	12	9	1	121
		4.7	7.1	22.3	18.5	15.7	19.8	11.9	0.1	100
	11	15	13	33	18	10	7	4	1	101
		17.0	5.9	33.1	16.3	14.6	3.1	9.9	0.2	100
	12	16	11	24	29	8	5	1	0	94
13		25.3	4.2	22.4	27.7	9.5	9.4	1.5	-	100
		4	3	7	4	2	0	0	0	20
		48.1	22.8	18.3	7.3	3.6	-	-	-	100
Greece	14	5	10	9	18	3	1	2	1	49
		9.1	13.8	11.6	29.8	31.2	0.7	3.0	0.9	100
	15	6	10	36	28	20	5	10	2	117
		4.3	4.8	27.6	26.8	22.7	2.6	10.3	1.0	100
	16	16	32	58	47	17	8	3	1	182
		9.4	19.1	33.4	22.2	7.0	7.5	0.9	0.6	100
	17	15	23	33	15	1	1	0	0	88
		25.3	21.2	30.7	21.4	1.1	0.3	-	-	100

Note: Percentage figures refer to weighted frequencies, not to the actual number of observations.

Note: Median Class Interval is underlined.

Table A4.12

Income B of IU for 17 Country of Origin/Period of Residence Classes from the Melbourne Survey

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Australasia 1	833 12.8	595 13.8	537 12.9	483 12.6	328 8.6	424 13.1	539 20.2	219 6.0	3756 100
United Kingdom	2 16 12.3	10 11.7	22 8.5	18 6.7	20 10.9	26 24.7	32 24.8	2 0.3	146 100
	3 6 8.8	6 12.0	4 8.8	4 7.8	11 12.1	12 8.7	17 38.4	2 3.5	62 100
	4 10 12.4	10 8.7	10 11.7	8 2.7	20 25.6	25 17.5	9 20.6	2 0.8	94 100
	5 2 1.5	8 13.6	4 10.7	6 8.8	4 23.0	4 7.5	6 29.5	1 5.2	35 100
Western Europe	6 2 3.0	9 8.8	15 25.2	7 7.2	10 16.9	10 22.1	9 16.6	1 0.1	63 100
	7 2 1.7	6 8.6	4 7.4	6 9.6	3 6.0	5 7.3	12 59.2	0 -	38 100
	8 5 34.0	5 6.3	2 8.8	6 5.8	8 11.8	10 23.4	7 6.3	3 3.6	46 100
Eastern Europe	9 14 10.1	3 0.9	15 11.9	19 20.9	15 9.3	19 24.4	20 21.5	3 1.0	108 100

Table A4.12 (Cont'd)

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59-79.9	\$80 and Over	No Reply	Total
Italy									
10	6 4.7	14 7.1	17 16.0	28 13.7	11 13.7	35 32.8	9 11.9	1 0.1	121 100
11	11 7.8	15 10.3	25 29.9	11 12.7	14 14.7	19 14.0	5 10.5	1 0.2	101 100
12	16 25.3	11 4.2	20 19.6	21 11.7	2 6.6	21 29.0	3 2.5	0 -	94 100
13	3 46.4	4 24.5	6 15.5	4 7.3	1 2.7	2 3.6	0 -	0 -	20 100
Greece									
14	3 5.8	10 11.9	7 13.0	13 22.4	5 31.5	7 8.9	3 5.7	1 0.8	49 100
15	6 4.3	7 3.7	18 18.5	19 19.6	27 19.9	21 13.5	17 19.6	2 1.0	117 100
16	14 8.5	29 18.5	40 22.4	32 16.8	22 13.4	40 18.6	4 1.1	1 0.5	182 100
17	13 23.8	25 22.7	26 18.8	14 18.8	4 4.4	6 11.5	0 -	0 -	88 100

Note: Percentages are of weighted frequencies. Median Class Interval is underlined.

Table A4.13

Income B of IU, Adjusted for Household Composition, by 17 Country of Origin/
Period of Residence Classes from the Melbourne Survey

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Australasia 1	147 3.6	84 1.7	446 9.2	445 9.1	402 11.3	698 18.8	1317 40.4	217 6.0	3756 100
United Kingdom	2 4.1	5 2.9	10 5.1	8 3.9	19 12.2	37 25.1	62 46.3	2 0.3	146 100
	3 4	0	5 15.2	6 9.8	7 6.7	11 12.9	27 47.5	2 3.5	62 100
	4 2	3 0.6	8 13.7	11 12.2	13 9.4	19 21.0	36 41.0	2 0.8	94 100
	5 1	2	2	2	4	8	15	1	35
	0.6	1.9	1.9	1.9	9.4	24.1	55.0	5.2	100
Western Europe	6 2.8	0	3 1.1	5 13.9	8 13.6	20 27.0	25 41.4	1 0.1	63 100
	7 1	0	1 3.0	8 13.1	1 1.5	6 8.6	21 72.8	0	38 100
	8 3	0	2	5	3	7	23	-	46
	16.8	-	17.2	6.3	3.1	14.0	39.0	3.6	100
Eastern Europe	9 1.3	2 0.6	6 3.7	7 7.7	10 15.5	27 23.8	48 46.4	3 1.0	108 100

Table A4.13 (Cont'd)

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total	
Italy	10	2 0.5	3 0.6	13 13.4	26 10.8	23 22.4	24 <u>16.1</u>	29 36.0	1 0.1	121 100
	11	5 1.7	2 0.8	12 16.9	22 19.7	25 <u>27.7</u>	23 12.6	11 20.5	1 0.2	101 100
	12	9 15.9	2 1.4	8 3.9	14 26.5	<u>11</u> 3.8	27 32.2	23 16.5	0 -	94 100
	13	1 0.9	1 0.9	2 3.4	4 53.0	<u>2</u> 3.7	6 29.0	4 9.1	0 -	20 100
Greece	14	1 2.6	0 -	7 10.8	13 17.4	11 <u>44.3</u>	7 10.7	9 13.3	1 0.9	49 100
	15	6 4.3	0 -	12 4.9	19 9.0	21 20.7	27 <u>22.9</u>	30 37.5	2 1.0	117 100
	16	14 8.5	1 0.4	11 4.5	25 12.7	28 21.4	<u>58</u> <u>23.4</u>	44 28.6	1 0.6	182 100
	17	12 22.7	1 1.1	5 4.2	16 12.3	15 <u>12.6</u>	21 27.3	18 19.8	0 -	88 100

Table A4.14
Income E of IU, Adjusted for Household Composition for 17 Country of
Origin/Period of Residence Classes from the Melbourne Survey

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Australasia	162	175	415	481	449	730	1093	251	3756
1	3.8	2.7	9.3	11.1	11.9	19.2	35.3	6.7	100
United Kingdom	5	7	16	20	19	34	43	2	146
2	4.2	3.7	11.1	16.5	12.5	23.8	28.0	0.3	100
3	3	4	4	12	6	8	23	2	62
4	0.7	15.4	1.9	18.2	5.0	10.3	45.0	3.5	100
5	2	7	13	20	8	23	17	2	94
6	0.7	10.2	10.6	21.3	7.8	21.8	26.8	0.8	100
7	3	2	3	2	4	11	9	1	35
8	2.5	1.9	9.5	0.8	3.2	32.3	44.5	5.2	100
Western Europe	3	3	4	9	7	18	18	1	63
9	3.7	3.6	10.8	14.5	14.4	29.7	23.2	0.1	100
10	1	1	3	1	5	6	16	0	38
11	0.9	3.0	11.2	2.0	9.2	9.5	64.3	-	100
12	1	3	6	2	6	6	19	3	46
13	8.6	10.0	20.3	1.9	14.2	5.3	36.1	3.6	100
Eastern Europe	7	3	6	7	7	28	45	5	108
14	1.9	3.0	6.0	8.1	7.6	29.9	40.2	3.3	100

Table A4.14 (Cont'd)

Group	0 - \$14.9	\$15 - 26.9	\$27 - 38.9	\$39 - 48.9	\$49 - 58.9	\$59 - 79.9	\$80 and Over	No Reply	Total
Italy	10	8	9	20	21	21	20	1	121
	2.5	9.3	12.1	15.8	20.2	12.1	27.9	0.1	100
11	13	13	16	22	12	15	9	1	101
	14.6	5.1	9.9	32.6	9.0	12.4	16.3	0.2	100
12	16	13	9	14	10	13	17	2	94
	6.0	19.9	12.7	16.9	18.7	12.2	13.1	0.5	100
13	1	2	2	1	7	3	4	0	20
	0.9	2.5	2.7	2.7	32.1	49.9	9.1	-	100
Greece	14	4	2	13	6	9	7	1	49
	6.8	3.3	20.8	33.2	12.7	13.3	9.1	0.8	100
15	9	15	22	17	13	18	20	3	117
	5.0	7.8	18.6	9.7	10.3	12.9	34.1	1.6	100
16	5	32	19	33	31	33	27	2	182
	2.1	20.0	7.3	20.7	15.8	14.3	19.1	0.7	100
17	4	15	13	16	10	23	7	0	88
	3.6	25.2	9.5	13.5	15.9	19.2	12.9	-	100

Table A4.15
Occupation of IU Head for 17 Country of Origin/Period of Residence Classes

From the Melbourne Survey

Group	Professional and Semi-Professional	Clerical and Sales	Craftsmen	Operatives and Labourers	Farmers	No Reply or Not in Workforce	Total
Australasia 1	512 18.8	763 24.2	446 12.8	909 20.1	122 3.2	1004 20.9	3756 100
United Kingdom	2 32 23.0	30 21.3	31 23.1	36 22.0	4 2.6	13 8.0	146 100
3	9 18.5	9 16.4	20 22.3	17 27.2	0	7 15.6	62 100
4	9 12.1	17 18.0	26 22.6	30 31.9	1 0.4	11 15.0	94 100
5	4 12.7	9 13.9	11 48.4	7 11.4	2 11.8	2 1.8	35 100
Western Europe	6 8.3	17 31.3	11 30.4	23 25.3	1 0.9	4 4.0	63 100
7	8 31.3	6 7.6	5 25.1	14 20.3	5 15.8	0	38 100
8	7 13.9	6 20.5	21 44.8	9 11.8	1 0.9	2 8.2	46 100
Eastern Europe	9 13.8	12 10.4	23 23.8	37 38.4	2 2.7	18 11.1	108 100

Table A4.15 (cont'd)

Group	Professional and Semi-Professional	Clerical and Sales	Craftsmen	Operatives and Labourers	and Farmers	No Reply or Not in Workforce	Total
Italy	10	5	21	66	4	7	121
		7.4	23.0	51.5	4.4	7.9	100
11	1	6	16	60	6(a)	12	101
		0.2	14.8	58.5	16.1	8.6	100
12	1	3	16	59	3	12	94
		1.5	24.6	48.7	1.2	23.4	100
13	1	0	2	16	0	1	20
		2.7	4.4	48.2	-	44.6	100
Greece	14	2	7	29	2	3	49
		1.5	9.2	70.4	4.1	5.9	100
15	3	15	21	71	4	3	117
		1.2	18.4	58.3	1.6	2.1	100
16	1	5	42	113	6	15	182
		0.2	23.6	63.2	2.6	8.9	100
17	0	0	14	60	3	11	88
	-	-	18.7	56.4	2.5	22.4	100

Note: Percentages are of weighted frequency.

(a) This is suspect: 2 farmers were in the sample and account for 14% of weighted frequency.

Table A4.16
Weekly Payment for Housing by Householders for 17 Country/Period of Origin/Period of Residence Classes
from the Melbourne Survey

Group	Zero	\$0.1-2.9	\$3.0-5.9	\$6.0-11.9	\$12.0-20.9	\$21 and Over	No Reply	Total
Australasia	1080	50	247	634	455	53	33	2552
1	41.9	1.4(2.5)	9.8(17.5)	28.0(49.9)	14.9(26.6)	2.0(3.6)	2.0	100
United Kingdom	30	0	6	42	28	8	0	114
2	22.4	-	2.4(3.1)	40.0(51.5)	20.9(26.9)	14.1(18.2)	-	100
3	10	0	0	18	19	2	0	49
4	23.4	-	-	48.9(63.8)	26.8(35.0)	0.7(0.9)	-	100
5	4.7	0	2	24	34	2	1	67
6	1	-	4.5(4.7)	25.3(26.7)	59.7(63.0)	5.0(5.3)	0.5	100
7	7.5	0	1	9	8	5	0	24
8	-	-	1.3(1.4)	23.8(25.7)	29.6(32.0)	37.8(40.9)	-	100
Western Europe	9	0	2	16	15	1	0	43
9	20.6	-	7.1(8.9)	30.3(38.2)	41.6(52.4)	0.4(0.5)	-	100
10	4	0	0	10	12	1	0	27
11	36.4	-	-	35.2(55.3)	26.4(41.5)	2.1(3.3)	-	100
12	1	0	5	14	12	0	0	32
13	3.0	-	17.4(17.9)	50.9(52.5)	28.7(29.6)	-	-	100
Eastern Europe	38	0	14	22	9	6	4	93
14	35.5	-	17.5(28.7)	30.1(49.4)	8.7(14.3)	4.6(7.6)	3.6	100

Table A4.16 (Cont'd)

Group	Zero	\$0.1-2.9	\$3.0-5.9	\$6.0-11.9	\$12.0-20.9	\$21 and Over	No Reply	Total
Italy								
10	43	3	3	15	32	2	0	98
	40.3	0.7(1.2)	3.8(6.4)	26.0(43.6)	28.3(47.5)	0.6(1.0)	-	100
11	24	3	3	14	30	3	1	78
	41.4	0.6(1.0)	2.0(3.4)	23.1(39.6)	31.7(54.3)	0.8(1.4)	0.2	100
12	5	1	2	15	26	1	2	52
	14.7	1.3(1.5)	2.6(3.1)	31.3(37.0)	47.8(56.6)	1.4(1.7)	0.8	100
13	2	0	1	6	1	0	0	10
	21.6	-	12.3(15.7)	61.9(79.0)	4.2(5.4)	-	-	100
Greece								
14	16	0	1	7	10	2	0	36
	26.8	-	0.9(1.2)	49.4(67.6)	21.0(28.7)	1.6(2.2)	-	100
15	24	0	5	10	50	9	1	99
	31.4	-	3.3(4.9)	12.3(18.2)	45.8(67.7)	6.1(9.0)	0.9	100
16	14	1	21	33	42	9	1	121
	14.0	0.9(1.1)	27.6(32.2)	21.0(24.3)	28.9(33.7)	7.4(8.6)	0.3	100
17	2	5	13	14	6	0	0	40
	3.0	5.1(5.3)	41.5(42.8)	41.5(42.8)	8.9(9.2)	-	-	100

Note: Numbers in brackets are percentage figures excluding those paying nothing and those not replying.

Table A4.17

Total Family Income at First Follow Up (1961-62) and at
Second Follow Up (1966-67) of the British Migrants Survey

Income/week £	First Follow Up		Second Follow Up	
	Number	%	Number	%
0-14	70	10.5	22	5.8
15-19	85	12.7	12	3.2
20-24	109	16.3	38	10.1
25-29	86	12.9	48	12.7
30-34	87	13.0	49	13.0
35-39	80	12.0	52	13.8
40-44	65	9.7	37	9.8
45-49	{ 87	13.0 }	31	8.2
50-54			26	6.9
55-59	-	-	18	4.8
60-64	-	-	10	2.7
65-69	-	-	10	2.7
70-98	-	-	24	6.4
	669	100	377	100

NOTES. No adjustment for inflation is made in this table. Figure 4.2 draws these two distributions with the crude allowance made as noted in the text, p.35.

Ninety one "no replies" to the income question at the second follow up have been omitted. There were no "no replies" at the first follow up.

Table A4.18

Distribution of Personal Incomes Subject to Income
Taxation in the United Kingdom, Before Tax

Income fstg. Lower limit of class interval	1961/62	1966/67
	% of Individuals with incomes within class interval	% of Individuals with incomes within class interval
180	1.61	income not subject to taxation below £275
200	4.09	
250	4.32	1.41
300	9.09	6.73
400	9.55	7.64
500	10.23	7.69
600	10.91	7.61
700	11.14	7.49
800	17.27	14.97
1000	15.45	29.71
1500	3.30	10.61
2000	1.68	3.79
3000	0.88	1.55
5000	0.38	0.63
10000	0.08	0.15
20000	0.02	0.03
	100	100

SOURCE: Annual Abstract of Statistics. Central Statistical Office
H.M.S.O. London.
For 1966/67, No.106, 1969.
For 1961/62, No.102, 1965.

No adjustment for inflation is made in this table.
Figure 4.3 draws these two distributions with the
crude allowance made as noted in the text, p.35.

Table A4.19

Distribution of Actual Income Declared for Taxation Purposes
by Individuals Resident in Australia, Before Deducting
Concessional Allowances

Income £A Lower limit of class interval	1961/62 Income Year % of Individuals with incomes within interval	1966/67 Income Year % of Individuals with incomes within interval
105	3.6	-
200	4.1	2.7
300	4.7	3.5
400	5.5	4.0
500	5.8	4.7
600	6.6	5.0
700	6.5	5.5
800	6.7	5.6
900	7.7	5.4
1000	8.2	5.5
1100	7.5	5.6
1200	6.2	5.7
1300	5.1	5.6
1400	3.9	5.3
1500		4.9
1600		4.3
1700 (1500 -1999)	10.2	3.7
1800		3.2
1900		2.7
2000		8.3
2500 (2000 -2999)	5.1	3.7
3000 (3000 -3999)	1.3	1.8
3500		1.0
4000		0.6
4500 (4000 -4999)	0.6	0.4
5000	0.6	1.1
10000	0.1	0.2
	100	100

SOURCE: Taxation Statistics 1962-63, Government Printer,
Canberra, 1964, and
Taxation Statistics 1967-68

1969 Parliamentary Paper No. 54, Government Printer,
Canberra, 1969.

No adjustment for inflation has been made in this table.
Figure 4.4 draws these two distributions with the crude
allowance made as noted in the text, p.35.

Chapter 5

EXPENDITURE PATTERNS

The post-war period has seen great changes in life styles in Australia, some of which can be attributed to the influence of the migrant intake. Not only have migrants demonstrated to non-migrants aspects of their home cultures, they have fostered in non-migrants many of the more accessible features of their life styles. The most obvious influences are probably in the area of food, where the variety of available "raw materials" is now much broader, the number and variety of restaurants and other away-from-home food vendors is greater, and the day to day diet of many Australians would appear to contain foods from many ethnic backgrounds. Of greater significance to the national economy is the movement initiated by migrant communities, and now initiated by the non-migrant bourgeoisie, to put new life into inner suburban areas. It is arguable that without migrant initiative the inner suburbs of Sydney and Melbourne would still be generally in a state of decay.

Thus, the evidence of daily life is that the migrants have changed non-migrants. But the migrant has had far more adjustment to make in Australia to fit into established patterns even to simply survive as individuals and households.

In this chapter an attempt is made to see whether, at the level of aggregation allowed by the Expenditure Survey, there are discernable differences in the spending patterns of migrants relative to those of non-migrants.

The Engel curve, familiar to economists as the demand curve for a commodity when income is varied and price held constant, is the analytical device used in this attempt to discern differences between migrants'

expenditures. Most generally, the Engel curve asserts that consumption of particular goods and services depend on the resources of the household and the strength of the need for the goods and services in question.

That is,

$$X_i = f(Y, N)$$

where X_i is consumption of the i th good,

Y is a measure of resources commanded by the household

and N is a measure of the size and composition of the household.

Differences between the consumption of different items, or between the consumption by different households (or classes of household) of the same item are typically measured by the responsiveness of consumption to a small change in resources $\left(\frac{\partial X_i}{\partial Y} \cdot \frac{Y}{X_i}\right)$ and to a small change in household size or composition $\left(\frac{\partial X_i}{\partial N} \cdot \frac{N}{X_i}\right)$. These figures, which are percentage terms, are the income (or total expenditure) elasticity of demand for the consumption item (household size and composition held constant) and the household size (and composition) elasticity of demand (income or total expenditure held constant). The "meaning" of a significantly positive (negative) value of, for example, the number of children elasticity of demand, is that an increase in the number of children in the household is associated with some proportionate increase (decrease) in the amount spent on the consumption item in question.

Measurement of all three variables in the Engel curve is a very intricate question. The i th good is not typically a very narrowly defined item with an unambiguous meaning. Even "potatoes" does not define a good of uniform quality that can be clearly measured by weight. Expenditure survey items, especially those used in the present study, cover very broad commodity groups. Moreover, the only observable measurement is the money expended on the item. This means that an increase in expenditure

need not signify an increase in physical consumption, but an increase in the unit cost of part of the commodity group making up the item. Thus the Engel curve is fundamentally about the disposition of money rather than about the demand for physical goods.

The measure of resources commanded by the household is usually confined to an income related flow concept.¹ But income itself is a difficult and ambiguous concept. At any given point in time most households are not quite sure what their actual income is, but they know what it has been and what it is expected to be. The subjective income concept, which has been labelled "permanent income" [Friedman, 1957], is thought to vary more slowly in time than is actual income, whether before or after tax. Permanent income cannot be directly measured, and as well, the difference between it and actual income is almost certainly correlated with the random elements of expenditure. The implications of this are that total expenditure has to be used as an explanatory variable instead of measured income. This is explained in, for example, Liviatan [1964].

The size and composition of the household is itself only an index of the scale of requirements of the household for goods and services. To treat size and composition in a comprehensive way would require a sample of very great size, because of the large variety of different configurations which cannot be cardinally scaled, but require households to be separately grouped with a sufficient number of like households.

-
1. This is not to say that wealth, a stock concept, is of no importance, only that it is very difficult to measure adequately, and most attempts to use it have not been worthwhile. A partial explanation of the lack of importance of wealth may be that a household with more capital than simply equity in its house derives some money income from this extra capital. The capital is not seen as a direct source of funds for expending on non-durable consumption items.

A workable solution to this problem is to measure scale of household simply by the number of persons or by the number of adults or children separately.

It is well recognized in modern studies of expenditure patterns that demographic and cultural factors also play some part in determining a household's Engel functions. Thus Crockett and Friend, in their comprehensive analysis of the 1950 Bureau of Labour Statistics - Wharton School of Business and Finance Expenditure Survey in the U.S.A. [Crockett and Friend, 1959], distinguish region, race and community size as having an effect on the shape and position of the Engel functions they estimate. The influence on expenditures of these factors was clearly significant, though the differences discovered in income and household composition elasticities of demand for commodities were not large enough or consistent enough to provide a basis for generalization about the influence of these factors on expenditure patterns. All they could say was that rural households spend less on food than others (they grow more for their own consumption) and households headed by manual workers spend more on food than non-manual workers.

International comparison of Engel functions, to see whether different countries have different expenditure patterns, has not received very much attention, mainly because of the difficulties of acquiring comparable data. One attempt was by Houthakker [1957] who used total expenditure and household size as independent variables. He concluded that "the elasticities of the four main items of expenditure (food, clothing, housing and other) with respect to total expenditure are similar, but not equal, and the elasticities with respect to family size are similar, but also unequal, for food and miscellaneous items, and

irregular for clothing and housing" [Houthakker, 1957, p.550].

R.R. Russell [1967] examined the hypothesis that Houthakker's differences arose from differences in income and relative prices between countries. His regression of relative prices and income level on Houthakker's total expenditure elasticities explained nearly half the variation. This would seem to be a very plausible result, considering the breadth of the expenditure classifications. But it can hardly be considered evidence for the homogeneity of consumer demand functions at a lower level of consumer good aggregation.

The more specific the consumption item the more likely it is that differences in behaviour will appear. In the present context the most relevant study using appropriately disaggregated data is that of Liviatan [1964] who found considerable differences in food expenditures between households of European (and North American) origin and Asian (and African) origin amongst immigrants to Israel. He fitted semi-logarithmic functions separately for Asian and European immigrants, using total expenditure, number of adults, number of children and whether the head was a manual worker or not as the independent variables. He found no significant difference between the *total* food expenditure of the two groups. However, when particular types of food were considered a quite striking difference appeared. Asian immigrant households spent more on bread, cereals and vegetables, while European households spent more on various animal protein foods [*Ibid.*p.53]. Liviatan also found differences in expenditures on certain non-food items. European immigrants spent considerably more on education, "literary" (reading) and health, while Asian immigrants spent more on clothing, footwear and tobacco [*Ibid.*p.64]. Liviatan further analysed non-food expenditures

by country of origin. He found that differences between country were not as great as between continents (Europe as against Asia). Migrants from the Balkan countries were notable as the only Europeans to differ systematically from other Europeans. Their expenditure patterns differed from other Europeans in the direction of the Asian patterns [*Ibid.*p.66].

Liviatan also distinguished migrants who had arrived in Palestine before the creation of the state of Israel from those arriving after. Food expenditures showed some tendency for Asian "veterans" to be more like European veterans than the two groups of newcomers. But changes in pattern were not generally converging to a mean. Both origin groups showed differences between veterans and newcomers [*Ibid.*pp.54-57]. For non-food items Liviatan found no general tendency for the differences between origin groups to be smaller for veterans than for newcomers [*Ibid.*pp.66-7]. But, as Liviatan points out [*Ibid.*] this results from parallel shifts of Asian patterns towards European patterns, and European patterns away from Asian patterns, particularly for socially important items such as education, literary and health.

Cross section study of consumption patterns in Australia has been possible only since the Expenditures Survey, carried out by Edwards, Gates and Drane. Prior to this, however, there had been considerable interest in the aggregate consumption function [Arndt and Cameron, 1957; Nevile, 1962], and in the effect of immigration on aggregate consumption and investment.

Kmenta [1966] modified a conventional Keynesian macro-econometric model to allow the current year's or the last year's net migration to shift a number of the relationships. In other words, he included net

annual immigration as an independent variable in regressions explaining aggregate consumption, investment in dwellings, investment in other fixed capital, change in non-farm stocks, expenditure of financial enterprises, imports, company income, prices and wages [*Ibid.* pp.144-5]. In only two of these, investment in other fixed capital and imports, did the migration variable have a statistically significant effect on the equation estimated.

Duloy [1967] pointed out that Kmenta assumed away most of the inter-relationships between the rate of immigration and the social accounting aggregates. Kmenta's model, he said, implied "that migrants shift the consumption function only in the year of their arrival, and that they have a consumption-income relationship identical to that of locals in all subsequent years. But if migrants differ from locals in some important economic characteristics, such as asset holdings or age structure, then they are likely to operate on a consumption function different from that of locals for a number of years after the year of arrival" [*Ibid.* p.223]. Duloy sees two reasons for net migration influencing the time path of indicators of aggregate economic activity. The first is the increment to population, the second "the distinctive features of migrants" [*Ibid.*]. This latter is of relevance here because it contains the idea of the transition effect [Chapter 1, above, pp. 6-7]. Duloy "anticipate(s) differences in their consumption and savings behaviour, and in their demands for housing, automobiles, and perhaps imported goods, persisting for differing numbers of years after their arrival" [Duloy, 1967, p.224].

Duloy's model attempted to discover for how many years annual net permanent arrivals affected certain behaviour functions, and what the

time path of adjustment to Australian norms looked like. While Duloy did not reach very firm conclusions for the time path of adjustment in the four behaviour functions he estimated, he did find a very clear indication of the length of time, in years, for behaviour to conform to local norms. For the consumption function the period was 7 years, during which the "migrant" average propensity to consume was lower than the local; for motor vehicles the period was 3 years, during which the "migrant" average propensity was higher than the local, for housing the period was 5 years, the direction as for motor vehicles, and for imports, one year with migrants increasing imports by about the cost of their transport to Australia [*Ibid.*p.232].

Some major criticisms can be made of Duloy's work, affecting the interpretation of his results rather than the results themselves.

He interprets the effect of the annual net permanent arrivals time series on behaviour functions as the behaviour of migrants themselves. Thus he is able to conclude that after 7 years of residence migrants' average propensity to consume has converged to that of non-migrants. This interpretation is based on two assumptions, the first that migrants who leave Australia do so in the year they arrive [*Ibid.*p.225], the second that migrants do all the adjusting, that there is no change in the behaviour of non-migrants related to the size of the flow of migrants [*Ibid.*p.228]. He admits the first assumption is just not true, but is forced on him by the data available. But he does not seem to appreciate that the second assumption is of considerable importance.

The implications of the violation of the first assumption are that estimates of the time path of adjustment are unlikely to reflect

actual behaviours of particular vintages of migrants. The net permanent arrivals figure reflects not only immigration but also emigration of both non-migrants and immigrants. If emigration by previous immigrants is not a strict function of immigration in an earlier period and emigration of locals not evenly distributed in the population, any possibility that a behaviour time path could be discovered is lost. The reason is that the random removal of various vintages of immigrants, and of locals, with their own behaviour patterns, allows only the "weighted average" pattern of the remainder to be observed. Because permanent departures from Australia have been about 15% of permanent arrivals for most of the post-war period, this introduces an important random element into Duloy's net permanent arrivals variable.

The second assumption would seem to be far more serious in its implications for Duloy's interpretation. The assumption that migrant inflow has no effect on the aggregate behaviour patterns of the rest of the household sector is not tenable in the context of the Australian economy. As it is the model can merely distinguish the *ex post* result of the extra households, and not the behaviour of the extra households themselves. A further reason, rejected by Duloy [*Ibid.*p.228] is that the presence of extra migrant households may change the locals' own behaviour functions not merely by the transmission of cultural norms but also by encouraging locals to e.g., invest in land or housing, to change jobs and neighbourhood and then change expenditure habits to suit newly perceived status, and so on. In the context of an economy in which the dominant feature was steady growth these effects on behaviour patterns over time would quite probably have a similar dominance of steady change. If the behaviour of non-migrants, and previous migrants, is affected by

the number of net permanent arrivals (because of the cumulative multiplier effects if for no other reason) the interpretation of Duloy's "migrant behaviour" parameters must be in terms of the outcome of interaction between migrant inflow and the working of the economy. For example, instead of saying the "average propensity to consume, at given levels of income per head, was less for migrants than for locals" [*Ibid.*, p.232], we would say "migrant inflow induced a downward shifting of the average propensity to consume, a shift which persists for about seven years after the actual inflow". This re-interpretation makes Duloy's results somewhat more plausible. No longer does the "migrant" parameter refer to behaviour of any particular group in the economy. Therefore it is not required to look like a plausible aggregate behaviour function on its own.

But with this re-interpretation Duloy's findings lose much of their interest as far as household behaviour patterns are concerned. If his behaviour functions do not tell us about the per-head expenditure of migrants, neither do they tell us about the transition effect on household behaviour patterns of immigration, but only about the difference immigration makes to the behaviour of national aggregates of the social accounting system. Nevertheless, Duloy's results do show that the number of net permanent arrivals has a measurable impact on the working of the national economy, a large part of which is likely to be due to the behaviour of the migrants, and that this impact is spread over a period of years in the case of consumption spending, and investment in housing and motor vehicles.

Without cross section data it is not possible to see whether different cultures are associated with different expenditure behaviours. A first attempt at analysis of cross section data for Australia was made by Podder

[1972] who examined differences in household expenditure on food between classes differentiated on various demographic criteria.² Among these was an examination of migrants from Southern Europe, Western Europe, Eastern Europe, Asia and other places, and non-migrants (plus migrants from the United Kingdom and New Zealand).

Households whose head originated in countries defined to be within one of the five classes were allotted to that class. Podder does not state that households whose head arrived in Australia before a certain date are excluded from the migrant classes and put into the non-migrant class, but this appears to be the case from the numbers of households in each class [*Ibid.* p.248], compared with the numbers in the classes defined in this study on the same sample [Table 4.1 above]. Apart from this Podder makes no allowance for length of time since the arrival of the household head. He also ignores differences in the sampling fraction between the regions sampled for the Expenditures Survey. He does this on the basis of the negative results of his analysis of inter-regional expenditure patterns [Podder, 1971, p.390; 1972, p.244].

He used the method of ordinary least squares to estimate elasticities of total expenditure (which he calls for convenience "income") and household size for Total Food, Groceries, Fruit and Vegetables, Fresh Meat and Food Away from Home. This last category is clearly quite different from others in content and in the behaviour which might influence expenditures on it. Total Food may have been better explained excluding Food Away from Home. He found "wide variations in both income (sic) and family size elasticities among the cultural groups for any single item of food"

2. (See p. 109)

Footnote 2 to Chapter 5

Podder has made a minor transcription error in both his 1971 and 1972 papers. The Table (below) presents a comparison of his results with comparable calculations by the present writer. These were carried out because of the difference in order of magnitude of his R^2 estimates and those presented here in Chapter 5.

Comparison of Regression Coefficients and Coefficients of Determination

Dependent Variable, X	α_1	α_2	R^2	R
Groceries	.3626	.5616	.667	.665
	.3531	.5629	.442	
Fruit & Vegetables	.4266	.4472	.422	.415
	.4300	.4284	.172	
Food away from home	1.9020	.2024 ^(a)	.456	.484
	2.0176	- .1971	.234	
Cigarettes, Tobacco Alcohol etc.	1.5738	.1437	.398	.402
	1.6467	.0863	.161	
"	1.6431	-	.396	.402
	1.6901	-	.161	

The first line of every double row is Podder's estimate. For the first three variables these are in [Podder, 1972, p245]. The last is in [Podder, 1971, p 391] for the first estimate, [Ibid. p.388] for the second. The second line of each pair is the present writer's calculation.

For all but the last double row, the equation is

$$\log X = \alpha_0 + \alpha_1 \log (\text{expenditures}) + \alpha_2 \log (\text{household size})$$

For the last it is

$$\log X = \alpha_0 + \alpha_1 \log (\text{income})$$

(a) It seems the sign is wrong in this equation.

Two minor differences account for the differences of the estimates of all but R^2 . The first is the computer programme: Podder used an IBM package, this study used BMD03R; the second is that this study used the AUSNZ class, with 4000 observations, to compare with Podder's work.

It is notable that the IBM regression package does not yield an R^2 but a Multiple Correlation Coefficient, which must be squared to give R^2 .

The consequences of Podder's error are simply that the ability of those equations to interpolate household expenditure, is much smaller than Podder would have us believe. Instead of explaining more than 40% of the variation, the equations explain between 16% and 40%.

[Podder, 1972,p.249]. But, at the 95% level of confidence, a t-test revealed only four of the twenty expenditure elasticities significantly different from those of the non-migrant class and only seven of the thirty other comparisons between migrant classes significant [*Ibid.*p.251]. Food Away from Home showed no significant differences at all, while Total Food had two classes (South and West Europe) differing from non-migrants and three differences between pairs of migrant classes.

West Europe was one of the two being compared in nine of the eleven significantly different cases. For Total Food West Europe had both a higher total expenditure elasticity and a higher household size elasticity. It also had marginally the lowest percentage of total expenditure spent on food. Only for Meat, and the obviously incongruent Food Away from Home category, did any class have a higher total expenditure elasticity than West Europe, while only for Fruit and Vegetables, and Food Away from Home, did any class have a higher household size elasticity.

Podder is unable to compare his results with those of Liviatan for two reasons. The first is that they used different regression techniques, Podder ordinary least squares, Liviatan instrumental variables. The second is more basic. The expenditure items available to Podder (and also to the present author) are more highly aggregated than those available to Liviatan, or than those conventionally collected. Fruit is lumped together with vegetables. Bread, milk and eggs are all lumped into dry groceries, a category which includes many important non-food items. Thus Podder's expenditure items and estimates of total expenditure elasticities relate not to behaviours with respect to relatively homogeneous items but to aggregates of different behaviours. Nevertheless,

Podder's analysis is still suggestive of differences in some areas of expenditure between households from different countries.

It would be pleasing, at this stage, to show that the analysis about to be presented overcomes the deficiencies in the work described up to this point. But, alas, this is not the case. As already pointed out the analysis of household expenditure patterns was frustrated both by the data - in the same way as it frustrated Podder - and by data processing. Because of this it is not possible to present any estimates of elasticities for Total Food, nor the estimates of elasticities calculated by the rather more refined technique of instrumental variables.

Nevertheless, there are three ways in which the present work is an advance on Podder's. First, Podder looked only at food items when analysing migrants, here non-food items are examined as well. Second, Podder did not distinguish period of residence in any way, here three period of residence classes are distinguished. Finally, Podder used household size as the index of household scale, here the descriptively richer method of using number of adults and number of children as separate variables has been chosen.

While these advances have been made, some basic problems remain. Apart from the problem of aggregated expenditure items there are four main problems specifically hampering the analysis of household expenditures, some of which have been referred to in Chapter 3.

First, the sample was not designed to yield a cross section of immigrant households, and so the number of observations is distributed randomly (so the researchers hoped) and many types of migrants are not

represented in sufficient number for analysis. This is simply a problem of any general or multi-purpose survey.

Second, the coding system used in the Survey does not always allow true ethnic or cultural groupings to be distinguished. This is a problem not only of the present Survey but also of all large scale tabulations of demographic data. The problems involved in adequate coding by ethnicity are generally considered too great in relation to the benefits it could bring. The result of the present coding system is to put, for example, an Italian from an Alpine Village in the same class as a Sicilian as both are Italians, while a Yugoslav from the Adriatic Coast is Eastern European. While emigration from particular countries is often a type of chain migration with a localized source of migrants, countries such as Greece and Yugoslavia have numbers of chains, beginning in different ethnic or cultural regions [see Price (ed.), 1966, pp.A23-A31]. Aggregation of countries of origin is inevitable as a consequence of the first problem mentioned above. However, this second problem means that the best method of aggregation is not always possible.

The third problem is that period of residence is not coded cardinally. Had this been so, elasticities for country of origin could have been computed with a period of residence independent variable, and tests made to establish whether income and household composition elasticities varied with period of residence. As it is, composite country of origin/period of residence groups had to be constructed, so the independent effect of neither factor can be seen.

The fourth problem relates to the cultural homogeneity of the household. Not all households consist of husband and wife of the same ethnicity or nationality. If each household is to be assigned to one country of origin/period of residence (COPR) class a choice must be made between husband's and wife's origin. The lack of a wife in a considerable number of households settles the question for them. Of the remainder, Table 5.1 shows the birthplace of wife for the eventually chosen COPR system for household heads. Reading across the rows the underlined cells show the coincidence of country of origin for household head and wife. It does not show the coincidence of period of residence. Southern Europeans, Australians and all recent migrants have a high level of homogeneity. The less recent the husband's arrival, the less the tendency to be married to someone of the same origin. The basic question is whether household head or wife imparts the strongest effect on expenditure patterns. However, the household head has been chosen as the simplest solution rather than in answer to this question. It is thought unlikely that significant improvement could be gained by substituting the more complicated wife based classing.

Table 5.2 lists the expenditure items available for analysis.

Items 1 to 10 were collected on a recall period of 7 days, Items 12, 18 and 19, a period of 3 months, all others, apart from 11 have a 12 month recall period, while 11 is a composite, operating expenses 7 days, repairs and maintenance, 3 months, overheads 12 months. If the recall period of each item was at least as long as the replacement cycle this would give an accurate measure of each household's annual expenditure. Since many items, if not all, are replacement over longer intervals than those chosen, the accuracy of the recall data would seem to be affected. However, longer

Table 5.1

Birthplace of Wife by COPR*, Household Head Households with Wives Present Only,
Expenditure Survey#

Birthplace of Wife COPR	Australia & New Zealand	Britain & Ireland	Western & Northern European	Eastern European	Southern European	Other	Total
AUSNZ	<u>94.8</u>	3.7	0.8	0.2	0	0.6	100
UKOLD	74.9	<u>24.6</u>	0	0.5	0	0	100
UKMED	32.6	<u>63.9</u>	2.2	0	1.0	0.5	100
UKREC	14.4	<u>81.0</u>	3.4	0	0	1.1	100
WESMED	28.4	1.5	<u>66.8</u>	0	2.2	1.2	100
EWESRE	15.2	4.0	<u>46.9</u>	<u>29.5</u>	2.6	2.0	100
EEMED	23.0	6.1	11.6	<u>57.3</u>	0.7	1.3	100
SEMED	7.3	0.8	1.3	1.3	<u>88.5</u>	0.6	100
SEREC	5.2	0	1.9	0	<u>92.7</u>	0	100
OTHER	25.1	37.3	6.2	2.0	10.2	19.2	100

* For explanation of COPR classification see Table 4.2

All tables in this chapter and appendices A5 and B5 are
from the Expenditures Survey.

recall periods increase two other types of error. First, memory of what was purchased earlier would not be as sharp as that purchased later, so that purchases would be forgotten. Second, more memorable purchases actually made prior to the recall period would be telescoped into the period.

Neter and Waksberg [1964] experimented with recall period and found that extending the recall period brought a considerable net increase in the value of total expenditure. They attributed this to the telescoping effect outweighing the forgetting of items. Smaller purchases are forgotten, larger purchases are telescoped into the recall period. The method adopted

in the Expenditures Survey attempts to minimise both kinds of error, setting recall periods shorter than the replacement cycle, but long enough to get a reasonable estimate of actual expenditures without excessive telescoping.

One of the constraints on the present work was that all the calculations had to be done at once, barring computation errors, without the possibility of a second try. This meant that a complete set of relations had to be specified, all using the same form of the variables. Thus a choice had to be made prior to any experimentation about the form to be used. Fortunately, the work of Podder provided a fairly good guide to the functional forms which would work most effectively.

Podder used household size as the variable to standardise for the scale and composition of households. While this is the simplest method of taking these into account, it has a number of disadvantages. First it does not differentiate between children and adults whose consumption requirements are not the same. If all households, or most, followed a regular pattern in terms of adults and children for various family sizes, then Podder's formulation will work as well as a more complex one, in terms of explaining variation in the dependent variable. This appears to be largely true, as will be seen below. The second disadvantage is that the descriptive ability of the formulation is limited to a more general case than need be so. Distinguishing further cases by use of more descriptive variables enables a household to be seen in more detail. Choice of the extra variables must be in terms of their statistical significance in order that the description is a valid and useful one.

Table 5.2

Expenditure Items Available for Analysis

Item Number	Description and Contents
1	Annual household expenditure on grocery items.
2	Annual household expenditure on fruit and vegetables.
3	Annual household expenditure on meat, fish and poultry.
4	Annual household expenditure on food away from home.
5	Annual household expenditure on toilet goods, cosmetics, personal appearance care and maintenance of personal items.
6	Annual household expenditure on cigarettes, tobacco and alcohol.
7	Annual household expenditure on newspapers, magazines, books and stationery.
8	Annual household entertainment and recreational expenses.
9	Annual household expenditure on motor vehicle operating expenses, overheads, repairs and maintenance.
10	Annual household expenditure on minor durables, toys, sporting and travel goods and hobby supplies.
11	Annual household expenditure on education and tuition.
12	Annual household expenditure on dwelling rent, municipal and water rates, fuel, gas, electricity, telephone, household repairs and maintenance, home and other property insurance premiums.
13	Annual household recreational overhead expenses.
14	Annual household private transfers and miscellaneous costs.
15	Annual household expenditure on contributions to medical and hospital funds.
16	Annual household medical, hospital, dental and funeral expenses.
17	Annual household expenditure on contributions to medical and household funds, less reimbursements from same, plus medical, hospital, dental and funeral expenses.
18	Annual household expenditure on male clothing, shoes and accessories.
19	Annual household expenditure on female clothing, shoes and accessories.

Liviatan found, for families with children, that distinguishing children from adults improved his explanation of the dependent variable, not especially in terms of the coefficient of determination, but more importantly in terms of describing the actual behaviour of households whose composition was known to vary greatly within the sample [1964, Chapter 4]. The present study follows Liviatan rather than Podder so as to take advantage of the known variation in household composition both within COPR sub-samples and between them.

Podder found that a double logarithmic specification gave the highest value of R^2 amongst a number tested [1971, p.389]. On this basis Podder chose the double logarithmic specification as the "best". However, there are at least two reasons for doubting the wisdom of this criterion. First, high R^2 does not necessarily go with high predictive ability, which is presumably the quality most to be desired in a statistical model of this kind. Post-transformation non-linearity under any of the transformations tested by Podder would imply that R^2 was not a good measure of best fit. The second reason for doubt is perhaps more fundamental. Economic theory would assert that the market basket of expenditure by a household is jointly determined by income, household needs and relative prices. That is, the household must choose between items on the basis of these factors. This implies that particular expenditures are not independent of one another, but are related in a simultaneous equation system. This system is that one specified by Liviatan [1961, p.336] given that relative prices are constant. R^2 is then simply inappropriate, as it is a measure of association between a dependent variable on the one hand and a set of independent variables on the other.

However, lacking a better statistic it was decided to use a double log specification throughout. This raised another problem if adults and children were to be distinguished. As $\log(0)$ is undefined all households without children would have to be omitted or treated in some other way. As omission would reduce sample size to an unacceptable level it was decided to modify the specification so that zero child households were given a value of unity, 1 child of 2, 2 of 3 and so on. The equation became

$$X_i = a_0 C^{a_1} A^{a_2} (E+1)^{a_3} \quad i = 1 \dots m$$

where X_i is particular expenditure

C is total expenditure

A is number of persons aged over 15 years

E is number of persons aged under 16 years

For the zero child household this reduces to

$$X_i = a_0 C^{a_1} A^{a_2} \quad i = 1 \dots m$$

This does modify some of the familiar properties of the double log form, but not any critical ones. Total expenditure elasticity of the particular expenditure and adults elasticity are simply a_1 and a_2 , while children elasticity is $\frac{E a_3}{E+1}$. This has the disadvantage that elasticity rises with number of children. However, in a cross-section context the extra child household is always a more mature household with the marginal child being an older child. If older children are more expensive than younger ones this increasing elasticity may be quite reasonable. But the extra expenditure from an extra child, $\frac{a_3 X_i}{E+1}$, decreases with number of children.

The nineteen particular expenditure items can be divided into seven groups

Food

Other weekly recall items

Motor Vehicles

Clothing

Minor durables, toys etc.

Medical items

Other annual recall items

Appendix A presents the ordinary least squares estimates of the elasticities for these items. Four statistics are presented with each of the regression equations in these tables.

The multiple coefficient of determination, R^2 , shows the proportion of the variation in the dependent variable explained by the independent variables. It will be seen that the values of R^2 are not high, ranging from not far above zero to a little over .5. It must be asked whether the whole of the remaining disturbance is truly random or whether there are other regularities not specified in the model. The answer is almost certainly that there are other factors, most of them having very little importance individually because they apply to very few households. These have been called "nuisance variables" by some writers [Podder, 1971, p.385]. It is likely there are some factors which could usefully have been introduced into the analysis, such as measures of social class. There is another variation of technique which may have usefully increased the value of R^2 , and defined a new set of elasticity parameters. This variation is distinguishing first between spenders and non-spenders on the item in question, and then estimating the Engel function only for spenders.

The F test is used as a measure of whether an equation is more than just the result of arithmetic manipulation on variables having no linear relationship. The level of significance chosen is 5%. That is, there is a 5% chance of a F value of at least the critical size being calculated from unrelated "dependent" and independent variables. An equation having an F value less than the critical size is thus more likely to be from unrelated variables.

The two types of t test calculated depend on the assumption of normality in the error terms. The "Special t" is a measure of the deviation of the elasticity estimate of any of classes 2 to 10 from the AUSNZ estimate. The formula used is

$$\text{Special } t = \frac{a_{1\text{AUSNZ}} - a_{1j}}{\sigma_{1j}}, \quad j = 2 \dots 10$$

No allowance is made in Special t for the stochastic nature of $a_{1\text{AUSNZ}}$

This makes Special t somewhat less conservative than it might be.

5% has been selected as the significance level for both types of t test.

Food Items (Appendix Tables A5.1 to 5.4)

Table 5.3 shows that the simplest form of Engel's law is not supported, i.e. the larger income (or total expenditure) is not always associated with a smaller proportion of total expenditure spent on food. The relationship between spending on food and total expenditure is more complicated, even within the two country of origin classes for which there is more than one class, United Kingdom and Southern Europe.

From the Appendix tables it can be seen that the first three food items are very similar in that the total expenditure elasticities are all positive but less than unity. Similarly the estimates of adult and child elasticities are positive apart from child elasticities for the recent Southern Europeans.

Table 5.3
Proportion of Total Expenditure Spent on Various Food Items

COPR	Groceries (1)	Fruit & Veggies. (2)	Meat, Fish, Poultry (3)	Food Away From Home (4)	Total Excluding (4)	Average Total Expenditure	Average Nett Weekly Household Income on Annual Basis
AUSNZ	16.4	3.8	7.6	2.0	29.8	3852	3770
UKOLD	16.2	3.8	8.0	1.9	29.9	3059	2891
UKMED	14.8	3.1	6.3	1.8	26.0	4657	3910
UKREC	18.4	3.5	6.4	2.3	30.6	4205	4139
WESMED	16.6	4.0	7.2	1.6	29.4	4171	4092
EWESRE	17.2	4.5	7.8	1.8	31.3	4444	4098
EEMED	15.2	3.7	8.5	2.2	29.6	4938	4690
SEMED	18.6	4.8	9.6	1.8	34.8	4338	3931
SEREC	18.5	4.8	9.8	1.1	34.2	3655	3411
OTHERS	15.6	3.9	7.0	2.2	28.7	4373	4295

The last item, Food Away From Home, shows itself to be in the class of "luxury" items, with total expenditure elasticities greater than unity for all but the two worthless (in terms of F and R^2 values) equations. An extra person, adult or child, also meant less spending on food away from home for all but UKMED and SEMED, a clear mark of a luxury item. Note, however, that not all of the estimates were significantly different from zero.

Tables 5.4 and 5.5 show that the classes most persistent in differing from non-migrants were the Southern Europeans, whose levels of spending were the most extremely different from AUSNZ levels except for Food Away From Home. The entirely inappropriate level of aggregation of these food items makes it impossible to know just why these classes spent so much on food at home. There seem to be four possibilities: the first is that they eat more and so spend more; the second that they buy a relatively large amount of expensive food, perhaps food peculiar to their cultural origin; the third is that they buy normal or cheap food in expensive ways, in small units and from "corner shops"; the fourth possibility is that they recalled more of their food purchases, telescoped more purchases into the recall period, or put "corner shop" prices on purchases actually made at supermarkets, perhaps in order to impress interviewers with the amount spent on "good" foods. The first and most obvious reason has some support in the literature: Liviatan found that families in Israel headed by manual workers spent more on total food, if they were European in origin, and regardless of origin spent more on bread and cereals and meat, than did non-manual headed households [1964, pp.46-48]. A considerably higher proportion of Southern European households in the present sample were headed by manual

workers than were AUSNZ or most other classes. Many more of them were also unskilled and under-educated.

Apart from the Southern European classes, Item 1, being so heavily aggregated, shows little difference in levels of spending. Only two non-Southern European elasticities seem really different, and they do not go with different levels of spending. Item 2, on the other hand shows a number of differences of a_2 , but not expenditure levels. Item 3 is again too aggregated for any worthwhile distinctions to be possible in elasticity terms. The displaced persons class, EEMED, the most prosperous class in terms of total expenditure and nett weekly earnings, approaches the extreme spending of the Southern European classes.

Other Weekly Recall Items

Appendix Tables A5.5 to A5.8 set out in detail the Ordinary Least Squares estimates of the Engel functions for these items. Of the 40 equations in this set, 6 "fail the F test" at the 5% level (assuming the model is well specified making the test valid). The R^2 values of all six equations are very low, and the conclusion is that these 6 equations are not worthwhile. For the rest the R^2 values are not very high, with .26 the highest value attained, by EEMED on Item 5 and SEMED on Item 7. The lowest value for an equation with a significant F value is .06 for EEMED, Item 6.

Three of the four items have total expenditure elasticities generally greater than unity. It is perhaps surprising that the exception is not Item 6, Cigarettes, Tobacco and Alcohol whose consumption is to some extent governed by psychological, if not physiological

Table 5.4

Estimates Apparently Significantly Different from AUSNZ^(a) Food Items

COPR	a ₁	a ₂	a ₃
Item 1: Grocery Expenditure			
AUSNZ	.36	.52	.34
UKOLD	-	-	.20
WESMED	.80	-	-
SEMED	-	.18	-
SEREC	.59	- .05(b)	-
Item 2: Fruit and Vegetables			
AUSNZ	.43	.41	.25
WESMED	-	1.33	-
OTHERS	.16(b)	-	-
Item 3: Meat, Fish and Poultry			
AUSNZ	.51	.54	.12
SEREC	.85	- .03(b)	-
Item 4: Food Away from Home			
AUSNZ	2.03	- .23	- .09
SEMED	1.05	.82	- .90
SEREC	-	-2.40	-
OTHERS	-	-	- .57

(a) Equations "failing the F test" have been omitted.

(b) Not significantly different from zero.

addiction. Item 7, Newspapers, etc., and Stationery is the exception. Only EEMED, SEMED and SEREC have total expenditure elasticity estimates greater than unity for Item 7, and none seem significantly greater. It may well be that only for this item is it not very possible to vary expenditures without varying the quantity of goods or services consumed. Actual quantities of Items 5, 6 and 8 may vary with income less than their quality.

Elasticity with respect to the number of adults is significant (and positive) for AUSNZ only for Items 6 and 7. Item 5, Toilet goods etc., is clearly not related to the number of adults, as only OTHERS

Table 5.5

Standardized Expenditure Differences, Food Items for C = \$3500 and \$4500

COPR	Item 1		Item 2		Item 3		Item 4	
	C = 3500	C = 4500	C = 3500	C = 4500	C = 3500	C = 4500	C = 3500	C = 4500
AUSNZ (a)	(\$552.7)	(\$604.5)	(\$112.1)	(\$124.9)	(\$237.3)	(\$269.5)	(\$15.9)	(\$26.4)
UKOLD	- 0.1%	2.4%	- 2.2%	2.0%	- 0.4%	0.7%	-41.5%	-48.1%
UKMED	8.6	5.8	5.3	3.0	- 6.1	- 3.1	- 5.1	-18.2
UKREC	14.5	11.7	- 1.7	- 7.0	- 9.9	-12.5	38.3	5.1
WESMED	- 9.0	1.7	-10.8	- 5.4	-11.0	- 6.1	-14.8	-23.7
EWESRE	3.0	5.2	- 6.2	- 7.6	- 4.7	- 1.4	-14.7	-38.8
EEMED	2.1	2.0	- 7.3	- 6.4	19.0	22.3	-29.1	-35.0
SEMED	16.5	17.5	27.5	30.6	30.9	29.7	-27.4	-43.2
SEREC	10.9	17.5	36.9	43.4	37.7	49.9	-42.0	-44.6
OTHERS	0.8	0.2	0.2	- 6.5	-12.6	-13.9	10.2	- 3.2

(a) Figures in this row are the interpolated expenditure levels,

A = 2, E = 1 and C = \$3500 or \$4500.

has a significant a_2 , and 4 of the remainder are insignificantly negative, 5 insignificantly positive. Item 8, Entertainment and Recreation, is very similar in this respect. Expenditures on cigarettes, tobacco and alcohol is very nearly the same with only AUSNZ and UKOLD having apparently significant a_2 values. Item 7, Newspapers and Stationery has a_2 significantly different from zero only for five classes, one, UKMED, being negative.

The a_3 values estimated are predominantly negative, even for Item 7, where expenditures for school children would be expected to show a positive value, the marginal child being the elder one. It may well be that on all of these items, particularly 6, parents are not very aware of their children's expenditures which would tend to be out of pocket money. So underreporting of these items with respect to children is to be expected.

Table 5.6 sets out the 14 a_1 values apparently differing significantly from those found for AUSNZ. No clear pattern emerges. Only for Item 7, Newspapers, etc., and Stationery, can any worthwhile assertion be made: Southern Europeans appear to treat this item as a luxury, with a high total expenditure elasticity and a rather negative children elasticity.

Despite the small number of differing elasticity estimates in Cigarettes, Tobacco and Alcohol, Item 6, the differences in absolute level of spending are such that either migrants generally are much more heavily addicted than Australians, or, more probably, Australians lied more about the level of their spending in order to impress the interviewer (unintentional lies, no doubt, a product of deep psychological and social conditioning). The following list is the difference

between AUSNZ and each other class at the standard levels of total expenditure and family size:

	C = \$3,500	C = \$4,500
UKOLD	-13.5%	-28.2%
UKMED	56.3	61.5
UKREC	106.4	70.4
WESMED	132.4	81.9
EWESRE	110.4	112.9
EEMED	98.1	74.4
SEMED	162.2	148.2
SEREC	181.9	151.4
OTHERS	16.1	9.1

Once again, the Southern Europeans stand out.

Motor Vehicle Expenses

As noted above (p.113), the data records comprising this item came from each of the recall periods used in the survey. Each of the recorded amounts was first converted into annual expenditures. There is the possibility that some bias may arise from the fact that part of the total in this composite item was multiplied by 52, magnifying any error of recall considerably more than the likely error in other parts which were not so grossly amplified. A second problem in this item is that a certain proportion of households would have no expenditure at all. These are automatically regarded as \$1 expenditure. If total expenditure is related to motor vehicle ownership, then the total expenditure elasticity as calculated will be higher than if non-owning households had been excluded. Very high observations are also present, because the arithmetic mean expenditure is far higher than the geometric mean (\$313 as against \$82 for AUSNZ).

Table 5.6

Estimates Apparently Significantly Different from AUSNZ, Other
Weekly Recall Items

Item 5: Annual Household Expenditure on Toilet Goods,
Cosmetics, etc.

COPR	a ₁	a ₂	a ₃	Calculated Expenditure ^(a) Difference, Standardized
AUSNZ	1.42	.07(b)	-1.8	-
SEMED	.57	-	-	57%
OTHERS	.99	-	-	- 9%

Item 6: Annual Household Expenditure on Cigarettes, Tobacco
and Alcohol

AUSNZ	1.59	.35	- .05(b)	-
UKOLD	.85	-	-	-14%
EWESRE	-	-	- .81	110%

Item 7: Annual Household Expenditure on Newspapers, Magazines,
Books and Stationery

AUSNZ	.58	.22	- .15	-
UKMED	-	- .32	-	13%
UKREC	-	-	- .43	5%
EWESRE	-	.97	-	-31%
EEMED	1.01	-	-	- 4%
SEMED	1.28	-	- .64	-29%
SEREC	1.57	-1.14	- .70	-44%

Item 8: Annual Household Entertainment and Recreational
Expenses

AUSNZ	1.55	.28(b)	- .42(b)	-
UKMED	-	-	- .93	2%

(a) A household consisting of two adults and one child and having an annual total expenditure of \$3500 is taken as the standard. The difference between the particular expenditure interpolated for AUSNZ and that for the other group is shown as a percentage of the AUSNZ interpolated expenditure.

(b) Apparently not significantly different from zero.

All ten equations have significant F values, and the range of R^2 , $.13 < R^2 < .37$, is large but with an almost respectable lower limit. All but one total expenditure elasticity is equal to or greater than 2, all significantly greater than zero, and most, than unity. The effect of non-ownership is almost certainly present.

Ownership of two or more cars is probably dependent on there being another adult in the household requiring a car. However, this does not appear in the estimated a_2 values. These are barely positive enough to be a plausible measure of the extra usage of a single car for the larger household. That the extra adult does not seem to have much effect is doubtless due to the relationship between total expenditure and owning two or more cars. Only rich large families have many cars, but most large families are not rich and few rich families are large. The estimates of a_3 indicate that children do not have any real effect on the cost of running a car. This judgement may be quite wrong if households with many children tend to be poorer than those with fewer children.

The standardized expenditures of the ten classes do not vary as much as for most of the expenditure items. Table 5.7 sets out the arithmetic mean expenditures and the interpolated expenditures (conditional geometric means) at three levels of total expenditure. Columns 6 and 7 show that the two Southern European classes spend considerably less than the others, while UKREC, and WESMED are bigger spenders. It must be remembered that none of the elasticity measures differ significantly from AUSNZ, though no measure of the significance of differences for intercepts has been calculated.

However, the differences in levels of spending are quite plausible. That between EEMED and WESMED requires explanation, as the two classes arrived in the same period, and may be thought likely to be similar. Demographic data from the Survey indicates two slight differences in the sub-samples. The first is that EEMED heads tend to be somewhat older. The second that there are more highly educated, professional and self employed heads in the EEMED sample. However, it does not seem likely that these differences would be related to spending less on operating motor vehicles. The difference observed may be merely a product of sampling variation or it may be that EEMED, predominantly displaced persons, have different habits of ownership or use of motor vehicles.

Table 5.7

Interpolated Values of Expenditure on Motor Vehicle Running Expenses

COPR	(1)	(2)	(3)	(4)	(5)	(6)	(7)
AUSNZ	3852	313	110.5	89.8	154.7	-	-
UKOLD	3059	253	48.1	65.4	115.9	-27.2	-25.1
UKMED	4657	336	160.5	83.1	148.2	- 7.5	- 4.2
UKREC	4205	365	139.5	101.1	167.9	12.6	8.5
WESMED	4171	383	155.2	114.9	176.5	28.0	14.1
EWESRE	4444	368	138.6	73.3	143.2	-18.4	- 7.4
EEMED	4938	366	122.3	61.5	101.6	-31.5	-34.3
SEMED	4338	288	58.4	34.7	63.8	-61.4	-58.8
SEREC	3655	209	22.1	19.2	38.3	-78.6	-75.2
OTHERS	4373	321	99.9	60.5	106.5	-32.6	-31.2

-
- (1) Arithmetic mean total expenditure: $\bar{C}$
 (2) Arithmetic mean motor vehicles operating expenses
 (3) Interpolated motor vehicle expenditure, $C = \bar{C}$, $A = 2$, $E = 1$
 (4) Interpolated motor vehicle expenditure, $C = \$3500$, $A = 2$, $E = 1$
 (5) Interpolated motor vehicle expenditure, $C = \$4500$, $A = 2$, $E = 1$
 (6) Percentage difference between (4) row 1 and (4) row 1
 (7) Percentage difference between (5) row 1 and (5) row 1
-

Clothing

In estimating elasticities of demand for clothing it was thought that the independent variables of most interest would be those pertaining to the number of users of clothing in the household. Thus for male clothing (which excludes infants clothing) the independent variables selected were total expenditure, number of males over 15, and number of males over 4 but under 16. For female clothing they are total expenditure, number of females over 12, and number of males under 5 plus number of females under 13. Both the male and female children variables enter calculations incremented by unity, in the same way as the children variable in the other estimations. Households with no adult male or female were given the value unity to avoid the problem of log 0. Calculation of elasticity estimates using the independent variables common to the other dependent variables is unlikely to show any change in total expenditure elasticities. The other elasticities are not as meaningful as those chosen. It would be of some value to use the four independent variables designed specifically for the analysis of clothing expenditure in the relationships for both male and female clothing. This would give expression to a range of substitutionary relationships, for example, the extent to which adults forgo expenditure in favour of children. But it is likely that only AUSNZ would give reliable estimates with the 5 independent variables.

Appendix tables A5.10 and 11 present the estimates. Both male and female clothing have total expenditure elasticity estimates above unity, with the exception of WESMED and EWESRE. Many of these estimates

are significantly above unity. Only the WESMED and SEMED total expenditure elasticities for male clothing are significantly different from that for AUSNZ, both being lower.

The marginal AUSNZ male, adult or child, appears to have an almost proportionate effect on spending (it must be remembered that a_3 is not the elasticity itself, which is $\frac{Ea_3}{E+1}$ where E is the number of male children, and that the automatic incrementing of zero male households to unity will give an upward bias to the estimate of a_2). EEMED is significantly below AUSNZ on both adult and child coefficients. For adult males only SEMED is significantly below AUSNZ but all bar UKOLD and OTHERS are actually below the AUSNZ elasticity. The child coefficient presents only a slightly different pattern, with WESMED having a higher value rather than UKOLD.

Adult female elasticities are generally somewhat higher than child. There is no tendency for either set of coefficients to be consistently higher or lower than for AUSNZ. WESMED has a significantly lower adult elasticity, while SEREC has a significantly higher child value.

Table 5.8 shows that there does appear to be some degree of substitution between male and female clothing expenditure. The sign of the difference between expenditures by AUSNZ households and those of the other classes differs between male and female clothing for all but WESMED and OTHERS. The scale of the difference is similar for all but UKMED and SEMED.

Table 5.8

Clothing Expenditures Standardized

COPR	(1)	(2)	(3)	(1)	(2)	(3)
	Actual Expenditures	Mean, 2 Adults, 1 Child, \$3500 Total Expenditure	Difference between AUSNZ & Group j, Column (2)	Actual Expenditures	Mean, 2 Adults, 1 Child, \$3500 Total Expenditure	Difference between AUSNZ & Group j, Column (2)
AUSNZ	118	56.14	-	153	56.87	-
UKOLD	82	41.58	-25.9	108	66.12	16.3
UKMED	128	64.33	14.6	146	54.44	- 4.3
UKREC	129	55.76	25.3	133	48.52	-14.7
WESMED	109	63.90	13.8	141	62.52	9.9
EWESRE	147	76.90	37.0	144	33.46	-41.2
EEMED	164	46.29	-17.5	196	59.20	4.1
SEMED	135	73.11	30.2	146	45.47	-20.0
SEREC	132	79.39	41.4	98	42.03	-26.1
OTHERS	106	42.21	-24.8	142	39.46	-30.6

Minor Durables, Toys, Sporting and Travel Goods and Hobby Supplies

This item consists almost wholly of expenditures on goods which could be postponed, i.e. discretionary spending. This is reflected in the high values for total expenditure elasticity shown in Table A5.12, in the negative values for all but UKOLD adult elasticities and in the generally low though positive child elasticities, despite the fact that many of the goods falling into this item are specifically child related.

UKREC and WESMED have significantly higher values for total expenditure elasticities and significantly lower values for adult elasticity. UKOLD, with its high proportion of retired household heads, has a significantly higher value for adult elasticity, but still less than unity. No child elasticity is significantly different from AUSNZ.

When standardized expenditure (2 adult, 1 child, total expenditure of \$3500) are compared UKOLD at less than 10% smaller and SEMED at over 35% smaller amounts spent are the only two who spend less than AUSNZ. The remainder spend from 2% (EEMED) to 55% (UKREC) more on these goods and services.

Medical and Related Expenditures

Appendix Tables A5.13, 14 and 15 present the Engel functions for the two gross expenditure items, insurance and actual spending, and the net expenditure of the household.

Out of the 30 equations, 4 have insignificant F values. All three EWESRE equations fall into this group. For all but SEREC and UKMED both R^2 and F values are higher for Item 17, net expenditures, than for the other items. For both these groups, Item 16, gross expenditures, has a better R^2 and F.

The first, somewhat surprising, thing is that for all three items the total expenditure elasticity is greater than unity for most classes, while adult elasticities are low positive and even negative in a few cases. The a_3 values are predominantly positive, but they approach unity only for Item 16, actual expenses. It is possible that there is some relationship between the number of adults and total expenditures. Simple correlations between the logs of these two variables range from +.30 to +.62 for the ten groups. The relationship is doubtless very complex, with many of the family specific "nuisance" variables each having a small effect. While the indications for multicollinearity (high parameter estimates along with high variance estimates) are absent it is not impossible that the true effect of extra adults has been

analysed as an effect of extra total expenditures.

At the time of the Survey there existed considerable opportunity to vary health insurance premia. Medical insurance could vary over three levels, while rather more hospital tables were available. The Survey of Living Conditions in Melbourne found that only a little over three quarters of the total population was covered by medical or hospital insurance [Henderson *et al.* 1970, p.69]. This does not mean that $\frac{1}{4}$ of households had no hospital insurance, for many of the uninsured were non-dependent children or single boarders in a household where the head and his dependents were insured. But a considerable number of households, particularly more recent migrant households, were uninsured [*Ibid.* p.72]. A quite high total expenditure elasticity is not surprising. The unreliable equation for SEREC has the highest a_1 for this item. The other high a_1 is for UKOLD, with many pensioners who would carry no medical cover, and for many of these no hospital cover either.

Gross medical, hospital, dental and funeral expenditures may not at first be thought likely to have such a high total expenditure elasticity. But the means for modifying the incidence of such costs are evidently quite considerable. The proportion of medical etc. services that is discretionary is not negligible; and the price of services such as funerals, unavoidable hospital treatment and general medicine can be varied. Cheap general medicine was available at casualty departments of public hospitals. Note that the two classes with low values for a_1 on this item, UKREC and SEREC, both have higher a_2 values than any other classes, neglecting EWESRE, though not significantly above zero or different from a_2 of AUSNZ.

The values of a_3 , generally higher than a_2 for Item 16, indicate

considerable economies of scale. The more experienced parents tend to be better problem solvers than the less experienced, and are less likely to call on professional help. Some service providers may operate an informal quantity discount on some routine services. It is worth noting that SEREC not only has the lowest total expenditure elasticity, but also has the highest a_3 value, implying an elasticity value greater than unity for 2 or more children.

Item 17, net, before tax, expenditures on medical etc. services has the most satisfactory set of estimates of the three medical items. It reinforces the impressions given by the other two that these services are, for adults, not all necessary expenditures but ones which can to a large extent be adjusted by the household decision-makers. This applies least strongly to the younger classes UKREC and SEREC who do appear to treat these services as necessities, at least for their children. It is notable that UKREC with a standardized spending level of \$42 at \$3500 and \$50 at \$4500, is lower than AUSNZ (\$44 and \$63), the only one apart from OTHERS to have this property. That for SEREC, a class with a tendency to be underinsured, has a higher level than AUSNZ, though by no means the highest.

Other Annual Recall Items

Education Expenditures (Appendix Table A5.16)

This item contains all fees for, and other direct costs of, education whether for children or adults, professional, cultural, and sporting tuition, and additions to library provided these are related to formal teaching of some variety or to the maintenance of professional competence.

It is clear that many households had no expenditures on education, because the arithmetic mean expenditures for all classes ranged from \$23 to \$81 per annum, while the geometric means barely exceed \$10, with the lowest (UKOLD) under \$3.

UKOLD was also the class having the highest predicted (standardized) expenditures, and the highest ratio of predicted expenditures to arithmetic mean. This is due to the extremely high value of a_3 . This, in turn, may well be due to a demographic peculiarity in the class. Only 85 of the 242 UKOLD sample have children in the household, whether dependents or not. Many of these would not be under 16 years. Many in the sample are past retiring age (the median age group for head of household is 60-69 years) and unlikely to spend anything on education. Perhaps the obviously heavy spending by families with children is not on the children, but on head and other members, in directions which may not be common among the more elderly, such as cultural, sporting and professional fees and books.

All the elasticity estimates are positive, except for a_2 of the statistically worthless SEREC estimate. Only for UKMED is the total expenditure elasticity significantly greater than unity.

UKMED and UKREC appear to treat education as a luxury item. However, their absolute levels of spending differ in opposite directions from AUSNZ. All the European classes having a satisfactory F value, WESMED, EEMED and SEMED, have higher a_2 values than the UK groups. Perhaps more marginal adults in these classes tend to be still in the education process than those in the UK classes. The fact that the UKMED class has an older average age and is more mature in terms of family life cycle than these other classes adds some weight to this hypothesis.

Table 5.9

Means and Interpolated Values of Education Expenses

COPR	(1)	(2)	(3)	(4)	(5)	(6)	(7)
AUSNZ	56	6.04	7.69	6.98	8.99	-	-
UKOLD	41	2.48	9.48	10.45	12.53	49.7	39.4
UKMED	81	8.22	13.69	8.58	12.91	22.9	43.6
UKREC	32	8.58	7.41	5.73	8.58	-17.9	- 4.6
WESMED	60	10.62	9.42	7.82	10.21	12.0	13.6
EWESRE	27	7.57	7.95	6.08	8.06	-12.9	-10.3
EEMED	91	12.78	11.66	8.88	12.22	27.2	35.9
SEMED	43	8.40	5.85	5.04	6.00	-27.8	-33.3
SEREC	23	3.54	3.41	3.32	3.85	-52.4	-57.2
OTHERS	61	7.65	8.67	7.54	8.83	8.0	- 1.8

- (1) Arithmetic mean total expenditures: $\bar{C}$
(2) Geometric mean education expenses
(3) Interpolated education expenditure, $C = \bar{C}$, $A = 2$, $E = 1$
(4) Interpolated education expenditure; $C = \$3500$, $A = 2$, $E = 1$
(5) Interpolated education expenditure; $C = \$4500$, $A = 2$, $E = 1$
(6) Percentage difference between (4), row 1 and (4), row i
(7) Percentage difference between (5), row 1 and (5), row i

The two Southern European classes spend least on education, at standardized levels, and are the only classes to fall further behind AUSNZ at increasing total expenditure levels. Although none of the elasticity measures for these classes differ significantly from the AUSNZ values, and SEREC has an unsatisfactory equation overall, the expenditure level result is what may be expected intuitively.

The other noticeable variation in spending levels is that between the medium vintage classes, all except the Southern European greater than AUSNZ, and the recent classes, all less than AUSNZ, and in the case of SEREC much below SEMED. The reason for this difference almost certainly lies in the medium vintage classes being further advanced in the life cycle, involved in the more expensive stages of the education

process, households having children in high school and tertiary institutions. The difference would probably have been more considerable had all fees and direct costs been added in, and not only those paid directly by the household.

Dwelling Rent, Rates, Housing and Property Expenditures

(Appendix Table A5.17)

This item is an aggregation of a number of separate items:

"dwelling rent", "municipal and water rates", "Fuel, gas, electricity and telephone services", "household repairs and maintenance", "extensions and alterations" and "home and other property insurance premiums". The reason for aggregation into what is a very substantial item was that individual items were either not independent (rent or rates are paid but typically not both) or well defined ("repairs and maintenance" is not easy to distinguish at the margin from "extensions and alterations") or they were of little interest separately (fuel etc. includes telephone) thus destroying it as a measure of spending on either fuel or telephone. Together they make up a fairly well defined and complete measure of direct house expenses - incurred to ensure the continuing use of the property.

Total expenditure elasticities for this item, while all being significantly greater than zero, are all less than unity and none significantly different from that for AUSNZ. Direct house running expenses appear not to be a luxury item. Only 4 of the adult elasticities are significantly non-zero and all but the two Southern European classes have a negative value. Only two a_3 estimates are significantly different from zero, AUSNZ and SEMED, both being negative.

Spending on housing, to which this item amounts, is clearly homogeneous, with the OTHER class having the largest difference in standardized expenditure of 13%, and few of the a_1 significantly different from those for AUSNZ. It would be of more interest to see the variation in the quantity and the quality of housing with variation in family size. Clearly, total expenditure elasticities indicate that spending on housing is not seen as an income superior good. In Chapter 6 it will be seen that housing in Australia for the sample of British migrants surveyed, falling within the definition of UKREC in the Expenditure Survey, varied little in scale (3 bedrooms being the norm) and little in material (brick veneer for new, fibro and weatherboard for older houses). Perhaps to increase spending considerably requires moving to a new house, adding to or renovating the existing house, or spending a lot more time working on the house, and higher income earning heads are likely to have less time than lower earners for such work.

Recreational Overhead Expenses (Appendix Table A5.18)

Expenditures covered by this heading include club memberships, union and professional association fees, broadcast licences, hire of durable items, library fees and fines, annual subscriptions to non-educational bodies, capital cost of pets, or other domestic animals.

Total expenditure elasticities for this item seem to be about unity. The worthless SEREC estimate is the only one to be very far away from unity. It may seem surprising that such a discretionary sounding item should have such a low set of total expenditure elasticities. However, the list of expenditures included in this item show many that are not so discretionary.

Few of the adult or child coefficients are significantly different from zero. Only UKOLD (positive adult coefficient), WESMED (positive child coefficient) and SEMED (negative adult coefficient) are significant. It is understandable that children are unimportant to this item but not that an extra adult is sometimes possibly associated with a decrease in spending. That so many expenditures are aggregated makes the total meaningless in terms of household behaviour. Even the aggregate is small, so that many households' total spending under this item would relate to none of the same elements as the spending of another household on the same item.

Private Transfers and Miscellaneous Costs (Appendix Table A5.19)

This item includes "payments and gifts to friends and relatives overseas. Payments outside the family by way of gift, alimony, transfer of assets, or creation of trusts, contributions to charitable funds and appeals, church donations and tithes. Payments for domestic services: Cleaning woman or laundress, Maid, Baby sitter, Gardener, Moving expenses, Flat and Home unit Service fees, Other home care" (Survey Questionnaire).

It is unlikely that this item show very much regularity, both because the inclusion or otherwise of specific expenditures depends on memory of small things over a full year, and because the item itself, measured without error, is likely to have a large variance. Most of the variance would not be explained by variation in easily measured demographic variables. This expectation is fulfilled to the extent that R^2 values are low for all groups. But the elasticity estimates are remarkably uniform in sign, with a_1 being positive and greater than unity, and a_2 and a_3 negative in all but a few cases. In these few

cases, none differed significantly from zero. These expenditures appear very discretionary, and are competitors with spending on or for household members.

It does not appear that remittances overseas are a significant extra necessary expenditure for migrants. The more recent do not have higher standardized expenditures than the less recent, and the Southern Europeans do not have higher expenditure levels than non-Southern Europeans. It would seem that these remittances are effectively substitutes for other varieties of transfer payment and miscellaneous expenditure included in this item.

Conclusion

Little of substance has emerged from this investigation of migrant spending patterns. However, the results concerning distinctive patterns of migrants reiterated here as a summary of what has been achieved.

First, expenditures on foods (excluding food away from home) by Southern European migrants appears to be greater than the norm. The reason is probably related to the number of manual workers amongst the Southern Europeans, following Liviatan's analysis [1964, pp.46-48].

Second, the level of spending on cigarettes, tobacco and alcohol admitted to by migrants, especially Southern European migrants, is greater than that of Australians. This is unlikely to mean that Australian-born householders and their families are any more abstemious than the non-Australian born. It is more likely that Australians didn't let on, less likely that they smoke and drink on the cheap. The lack of difference in elasticities supports the former interpretation.

Third, though no significant differences in elasticities were discovered in spending on motor vehicles, the levels of spending differed somewhat. The Southern Europeans spent less than all the other classes. The displaced persons class similarly spent less than the seemingly comparable group from Western Europe.

Fourth, expenditures on education differed between the younger and the older classes, the younger (REC classes) spending less than the older (MED classes), while the one elderly class (UKOLD) spent very little. The Southern Europeans stood out as spending little on education.

Last, the important question of remittances overseas is not enlightened by analysis of the item under which it falls in the survey, namely, miscellaneous. Though personal transfers overseas is an item in the National Accounts of about the same importance as personal transfers from overseas, the latter consisting mainly of cash transfers to Australia by current immigrants, the expenditure estimates for miscellaneous items gives no hint that migrants may have an expenditure item peculiar to themselves. A conclusion is that such remittances by migrants are a substitute for other miscellaneous expenditures - intra-family transfers within Australia, charitable donations etc. It is unfortunate, but inevitable, that a general purpose expenditure survey fails to single out an item significant only to migrants.

The commentary just concluded shows very clearly the unsatisfactory nature of both the Survey of Consumer Expenditures as then available, and the conventional Engel curve analysis when applied to predetermined sub-classes in the population.

Two variations of technique may be suggested as improvements. The first has been mentioned above (p. 119), estimating Engel functions only for spenders. An analysis of non-spenders, in terms of establishing the existence of purchase threshold levels of the household's resources command and needs, could be carried out in conjunction with this.

The second variation would be to carry out first an analysis of a number of key expenditure variables, such as a food category, education, net medical expenditures, to discover what demographic characteristics most clearly distinguish expenditure levels. Country of origin and period of residence would be only two of many possibly important variables. It may well be that country of origin and period of residence would not be important, but that other factors may be important to the study of migrant patterns because these factors are related to migrant classes. Occupation and education level are obvious examples when the Southern European classes are considered. It is not unlikely that a sample of Australian born household heads with the same occupation and education profile as the Southern Europeans would show similar differences from the Australian norm.

It has been established that spending pattern differences exist at the level of aggregation possible, but not that these differences are due to cultural differences. Other demographic factors such as education level seem likely to be more basic. But given a much lower level of aggregation, both of expenditure items and migrant class, more positive results can be expected.

Appendix A5

Table 1

Item 1	Groceries										
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F
COPR											
AUSNZ	1.22	.36	21.0		.52	20.0		.34	24.6		1020
UKOLD	1.14	.40	8.63	.84	.44	5.83	-.94	.20	2.94	<u>-1.99</u>	113.03
UKMED	1.00	.44	5.40	.95	.39	3.56	-1.17	.37	6.52	.52	41.87
UKREC	1.64	.26	3.25	-1.22	.52	4.77	.03	.31	6.61	-.58	33.00
WESMED	-.45	.80	6.88	<u>3.77</u>	.67	3.76	.85	.39	4.76	.63	39.52
EWESRE	.94	.44	3.15	.58	.45	2.99	-.42	.43	4.99	1.08	21.89
EEMED	1.24	.35	3.02	-.04	.47	2.88	-.27	.41	4.49	.80	19.53
SEMED	1.31	.39	5.13	.43	.18	1.67	<u>-3.15</u>	.22	3.39	-1.89	15.96
SEREC	.59	.59	5.40	<u>2.09</u>	-.05	-.32	-3.64	.41	4.50	.74	21.12
OTHERS	1.30	.33	5.83	-.37	.49	5.89	-.30	.39	8.23	1.06	73.42
											.46

In all the tables of this Appendix, underlined F values are those not significant at the 5% level, and underlined Spt values are those significant at the 5% (two tailed) level.

Table 2

Item 2	Fruit and Vegetables										F	R ²
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃		
COPR												
AUSNZ	.32	.43	13.9		.41	8.67		.25	9.78		270.21	.17
UKOLD	-.09	.59	5.39	1.36	.16	.88	-1.36	.03	.19	-1.33	21.06	.21
UKMED	.69	.34	2.81	-.70	.23	1.40	-1.03	.30	3.54	.64	10.74	.11
UKREC	1.09	.21	1.04	-1.08	.49	1.74	.28	.19	1.57	-.46	3.04	.05
WESMED	-.86	.66	3.66	1.26	1.33	4.75	<u>3.25</u>	.35	2.73	.80	20.92	.34
EWESRE	.42	.37	.79	-.14	.76	1.53	.71	.26	.92	.06	2.18	.10
EEMED	.003	.47	2.30	.19	.91	3.16	1.72	.24	1.50	-.02	10.90	.17
SEMED	.15	.53	3.15	.57	.39	1.67	-.09	.05	.36	-1.37	7.02	.12
SEREC	.05	.61	2.26	.67	-.30	-.80	-1.85	.15	.68	-.41	2.12	.10
OTHERS	1.17	.16	1.19	-2.04	.78	4.07	1.88	.30	2.81	.53	13.35	.13

Table 3

Item 3	Meat, Fish and Poultry										
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	R ²
COPR											
AUSNZ	.36	.51	19.85		.54	14.07		.11	6.03		.27
UKOLD	.25	.55	5.99	.44	.57	3.81	.19	.02	.16	-.75	.36
UKMED	-.02	.63	5.21	1.01	.38	2.32	-.98	.05	.61	-.82	.18
UKREC	.78	.39	2.73	-.79	.51	2.60	-.15	.02	.27	-1.16	.13
WESMED	-.43	.72	4.42	1.28	.68	2.74	.55	.03	.25	-.82	.25
EWESRE	-.22	.64	2.45	.51	.85	3.01	1.09	.16	.97	.20	.36
EEMED	.06	.62	3.84	.67	.40	1.79	-.62	.30	2.40	1.40	.21
SEMED	.42	.55	5.81	.40	.31	2.42	-1.71	.16	2.08	.48	.29
SEREC	-.50	.85	5.76	2.27	-.03	-.13	-2.72	.08	.67	-.35	.41
OTHERS	.49	.45	4.16	-.51	.79	5.02	1.51	-.004	-.04	-1.40	.23

Table 4

Item 4	Food Away From Home											R ²
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	
COPR												
AUSNZ	-5.88	2.03	30.01		.23	-2.29		-.09	-1.68		404.13	.23
UKOLD	-4.44	1.55	6.23	-1.84	-.14	-.34	.22	-.15	-.40	-.14	20.36	.20
UKMED	-4.02	1.44	4.39	-1.76	.20	.45	.95	.15	.64	1.01	9.03	.10
UKREC	-2.15	.93	1.76	-2.04	.72	.99	1.20	-.12	-.37	-.08	2.21	.04
WESMED	-4.15	1.59	3.60	-.98	-.88	-1.31	-.95	-.28	-.91	-.60	4.37	.10
EWESRE	-.37	.65	.77	1.62	-.46	-.50	-.25	-.54	-1.02	-.84	.50	.03
REMED	-4.82	1.68	3.85	-.78	-.17	.27	.11	-.12	-.35	-.08	6.09	.10
SEMED	-2.63	1.05	2.30	-2.13	.82	1.30	1.65	-.90	-2.36	-2.10	7.36	.13
SEREC	-4.26	1.70	2.39	-.46	-2.40	-2.41	-2.16	-.25	-.43	-.27	2.98	.14
OTHERS	-3.81	1.51	5.44	-1.80	-.46	-1.13	-.53	-.57	-2.47	-2.02	11.92	.12

Table 5

Item 5 Toilet Goods etc., Toiletries and Cosmetics, and Personal Appearance												
COPR	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-3.11	1.42	26.99		.07	.84		-1.8	-4.18		350.38	.21
UKOLD	-3.00	1.42	6.80	.03	-.35	-1.01	-1.17	-.18	-.60	-.02	21.54	.21
UKMED	-2.77	1.33	6.04	-.38	-.15	-.51	-.71	-.03	-.22	.89	13.86	.14
UKREC	-2.40	1.14	2.96	-.69	.39	.73	.60	.09	.41	1.17	4.52	.08
WESMED	-1.67	1.05	3.73	-1.25	-.06	-.14	-.29	-.25	-1.23	-.34	5.44	.12
EWESRE	-2.91	1.38	2.90	.07	.15	.30	.17	-.37	-1.26	-.66	4.51	.19
EEMED	-2.85	1.33	5.62	-.33	.48	1.45	1.21	-.34	-1.83	-.86	18.64	.26
SEMED	.10	.57	1.88	-2.77	.48	1.15	.97	-.61	-2.43	-1.70	6.10	.11
SEREC	-4.27	1.71	-2.51	.44	-.23	-.24	-.31	.13	.23	.54	<u>2.36</u>	<u>.11</u>
OTHERS	-1.89	.99	5.27	-2.14	.56	2.03	1.72	.10	.64	1.72	18.50	.18

Table 6

Item 6		Cigarettes, Tobacco and Alcohol										
COPR	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-4.06	1.59	21.32		.35	3.12		-.05	-.87		258.51	.16
UKOLD	-1.66	.85	3.08	-2.57	.82	1.80	.99	-.002	-.006	.12	11.14	.12
UKMED	-4.05	1.72	5.78	.42	-.33	-.83	-1.64	-.25	-1.19	-.91	12.10	.13
UKREC	-.90	.83	1.94	-1.77	.13	.23	-.37	.27	-1.08	-.85	1.98	.04
WESMED	-.11	.61	1.8	-2.81	.18	.35	-.31	-.28	-1.15	-.91	1.82	.04
EWESRE	-3.52	1.64	2.89	.08	-.16	-.26	-.82	-.81	-2.29	-2.11	4.77	.20
EEMED	-1.51	.99	2.83	-1.67	-.17	-.35	-1.04	.08	.30	.48	3.31	.06
SEMED	-2.86	1.38	4.22	-.64	.22	.49	-.29	.02	.09	.28	8.18	.14
SEREC	-1.94	1.13	2.22	-.89	.18	.25	-.24	-.02	-.05	.07	2.00	.10
OTHERS	-3.29	1.34	4.93	-.88	.58	1.46	.55	.32	1.43	1.61	15.66	.15

Table 7

Item 7	Newspapers etc. and Stationery										
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	R ²
COPR	- .57	.58	19.05		.22	4.85		-.15	-6.06		.14
AUSNZ	- .57	.58	19.05		.22	4.85		-.15	-6.06		.14
UKOLD	- .63	.63	5.61	.41	.05	.25	-.94	-.10	.62	.28	.19
UKMED	- .67	.67	5.09	.66	-.32	-1.80	<u>-2.96</u>	-.14	-1.53	.08	.09
UKREC	.20	.39	1.74	-.87	.34	1.12	.39	-.43	<u>-3.25</u>	<u>-2.08</u>	.10
WESMED	- .34	.46	2.29	-.58	.63	2.03	1.29	-.02	.17	.86	.11
EWESRE	- .15	.36	1.04	-.66	.97	2.60	<u>1.99</u>	-.13	.61	.08	.21
EEMED	-2.04	1.01	5.02	<u>2.10</u>	.30	1.08	.28	-.42	-2.66	-1.69	.22
SEMED	-2.93	1.28	5.31	<u>2.86</u>	.06	-.17	-.84	-.64	-3.22	<u>-2.45</u>	.26
SEREC	-3.73	1.57	3.28	<u>2.06</u>	-1.14	-1.70	<u>-2.03</u>	-.70	-1.76	-1.38	.19
OTHERS	- .96	.71	5.77	1.01	-.13	-.73	-1.92	-.03	-.31	1.12	.13

Table 8

Item 8	Entertainment and Recreation										
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	R ²
COPR											
AUSNZ	4.54	1.55	20.75		.28	.11		.42	.06		.14
UKOLD	-3.6	1.28	4.95	-1.02	.05	.13	-.51	-.38	-.99	.12	.14
UKMED	-6.51	2.20	6.72	1.94	-.32	-1.72	-1.31	-.93	-4.06	-2.16	.19
UKREC	-6.12	1.89	3.53	.62	1.15	1.56	1.16	-.28	-.90	.41	.13
WESMED	-1.77	.70	1.44	-1.72	.08	.11	-.26	.22	.64	1.8	.02
EWESRE	-3.02	1.23	1.52	-.39	-.36	-.41	-.72	-.87	-1.71	-.87	.08
EEMED	-5.76	1.92	4.33	.82	.17	.27	-.18	-.74	-2.12	-.90	.15
SEMED	-4.95	1.67	3.48	.24	.54	.81	.38	-.92	-2.32	-1.25	.16
SEREC	-8.16	2.65	2.73	.49	-.08	-.06	-.57	.31	.39	.19	.14
OTHERS	-3.42	1.24	4.14	-1.01	-.19	-.43	-1.04	-.26	-.25	.62	.07

Table 9

Item 9 Motor Vehicle Operating Expenses, Overheads, Repairs & Maintenance												
COPR	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-5.98	2.17	30.92		.70	6.65		.16	2.78		624.59	.32
UKOLD	-6.35	2.28	8.24	0.40	.56	1.23	-0.31	-0.26	-0.64	-1.01	45.64	.37
UKMED	-6.33	3.30	6.92	.41	.37	.84	-.72	-.09	.23	-1.04	21.50	.21
UKREC	-5.22	2.02	3.73	-.27	.70	.94	-.0006	.46	-1.44	-1.90	7.55	.13
WESMED	-4.41	1.71	4.15	-1.09	1.35	2.14	1.006	.04	.14	-.40	10.89	.21
EWESRE	-7.52	2.67	3.30	.62	-.31	-.35	-1.15	.07	.14	-.17	4.49	.19
EEMED	-5.27	2.00	4.54	-.37	.23	.37	-.75	-.32	-.91	-1.35	9.84	.16
SEMED	-7.23	2.42	4.41	.47	.25	.34	-.59	.31	.67	.33	8.37	.14
SEREC	-8.16	2.65	2.73	.50	-.08	-.06	-.57	.31	.39	.19	2.99	.14
OTHERS	-6.26	2.25	7.35	.28	-.20	-.46	-1.99	.39	1.55	.90	23.66	.21

Table 10

Male Clothing - Shoes and Accessories												
Item 18	a_0	a_1	t_1	Spt_1	a_2	t_2	Spt_2	a_3	t_3	Spt_3	F	R^2
COPR												
AUSNZ	-4.57	1.70	36.08		.82	9.25		.96	15.29		760.01	.36
UKOLD	-4.54	1.68	9.84	-.13	1.28	3.42	1.21	.74	1.75	-.53	58.09	.42
UKMED	-3.55	1.46	6.93	-1.09	.61	2.01	-.67	.56	2.41	-1.68	27.52	.25
UKREC	-4.23	1.70	4.43	-.003	-.07	-1.4	-1.75	.51	1.78	-1.58	8.97	.15
WESMED	-1.27	.77	2.45	<u>-2.95</u>	.64	1.39	-.39	1.21	3.96	.78	9.26	.18
EWESRE	-1.78	.99	2.52	-1.78	.27	.57	-1.14	.48	1.43	-1.39	3.90	.17
EEMED	-5.26	1.94	8.09	.99	-.08	-.23	<u>-2.50</u>	.12	.45	<u>-3.04</u>	25.32	.32
SEMED	-2.02	1.05	3.89	<u>-2.39</u>	.12	.36	<u>-2.05</u>	.56	2.01	-1.57	7.45	.13
SEREC	-5.54	2.04	4.15	.69	.22	.33	-.88	.71	1.18	-.42	7.67	.29
OTHERS	-3.91	1.47	7.75	-1.20	1.30	3.83	1.37	1.14	4.78	.70	41.67	.32

Table 11

Item 19		Female Clothing - Shoes and Accessories										
COPR	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-2.99	1.32	28.80		.91	12.66		.21	4.03		450.30	.25
UKOLD	-2.86	1.26	7.22	-	.31	1.16	2.74	.58	.67	1.43	.97	.26
UKMED	-3.38	1.41	6.29	.37	.98	3.29	.23	.43	.43	2.10	1.05	.22
UKREC	-3.08	1.34	4.01	.06	.94	2.67	.08	.02	.07	.07	10.22	.16
WESMED	-3.38	1.46	5.12	.48	.10	.26	-2.02	.02	.09	-	.74	.19
EWESRE	-5.63	2.03	3.83	1.33	1.14	1.68	.33	-.10	-.24	-.73	9.24	.33
EEMED	-4.35	1.67	6.66	1.37	.88	2.54	-	.10	.68	2.58	1.75	.31
SEMED	-3.41	1.45	5.10	.43	.64	2.18	-	.90	-.19	-.77	-1.58	.22
SEREC	-5.46	1.89	4.37	1.30	1.10	2.10	.35	1.32	3.40	<u>2.84</u>	13.84	.43
OTHERS	-2.53	1.17	5.56	-.99	1.27	4.57	1.26	.55	2.46	1.48	24.68	.22

Table 12

Item 10 Minor Durables, Toys, Sporting and Travel Goods and Hobby Supplies												
COPR	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-5.23	1.86	31.21		-.29	-3.17		.42	8.84		537.07	.29
UKOLD	-5.04	1.72	8.26	-.61	.75	2.20	<u>2.94</u>	.10	.31	-1.06	56.17	.41
UKMED	-5.80	2.09	7.92	.85	-.75	2.12	-1.28	.22	1.21	-1.06	23.38	.22
UKREC	-8.24	2.86	7.58	<u>2.63</u>	-1.60	-3.08	<u>-2.50</u>	.48	2.15	.24	21.82	.29
WESMED	-7.69	2.70	7.34	<u>2.26</u>	-1.45	-2.56	<u>-2.03</u>	.15	.58	-1.04	18.85	.31
EWESRE	-6.04	2.17	3.52	.50	-.44	-.66	-.23	.07	.17	-.93	4.80	.20
EEWED	-5.29	1.88	5.40	.07	-.39	-.79	-.20	.37	1.34	-.20	12.71	.19
SEMED	-6.56	2.19	5.49	.82	-.31	-.56	-.04	.23	.69	-.59	11.22	.18
SEREC	-5.16	1.86	3.23	-.00021	-.46	-.57	-.22	.50	1.05	.15	4.50	.19
OTHERS	-3.65	1.38	5.90	-1.97	-.17	-.51	.32	.71	3.68	1.44	20.14	.19

Table 13

Contributions to Medical and Hospital Funds												
Item 15												
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-3.02	1.20	22.94	.	.26	3.35	.	.12	2.85	..	325.74	.20
UKOLD	-4.60	1.62	9.67	<u>2.41</u>	.52	1.88	.89	.34	1.36	.86	74.66	.48
UKMED	-1.35	.72	2.89	-1.90	.37	1.11	.31	.12	.71	.02	5.38	.06
UKREC	-.84	.58	1.62	-1.67	.40	.80	.27	.39	1.83	1.25	2.93	.05
WESMED	-2.11	.97	3.03	-.69	.25	.50	-.03	.03	.11	-.41	4.10	.09
EWESRE	-2.32	.94	1.39	-.38	.22	.30	-.06	.24	.56	.27	<u>1.25</u>	.06
EEEMED	-1.51	.77	2.47	-1.34	.03	.07	-.52	.15	.62	.13	3.07	.05
SEMED	-1.46	.69	1.87	-1.36	-.37	-.72	-1.22	.79	2.59	<u>2.18</u>	3.34	.06
SEREC	-4.58	1.72	2.69	.82	-1.08	-1.21	-1.49	-.32	-.60	-.83	<u>2.49</u>	.12
OTHERS	-2.55	1.06	4.92	-.63	-.20	-.64	-1.44	.64	3.59	<u>2.84</u>	15.03	.15

Table 14

Item 16	Hospital, Dental and Funeral Expenses										
	a_0	a_1	t_1	Spt_1	a_2	t_2	Spt_2	a_3	t_3	Spt_3	R^2
AUSNZ	-4.43	1.58	25.23	.	-.20	-2.11	.	.66	13.01	.	.25
UKOLD	-4.64	1.60	7.72	.07	.33	.97	1.50	.58	1.89	-.27	.37
UKMED	-3.89	1.41	5.06	-.60	-.22	-.59	-.06	.94	4.81	1.40	.19
UKREC	-1.25	.58	1.27	<u>-2.21</u>	.83	1.33	1.63	.66	2.48	.01	.07
WESMED	-2.26	.96	2.36	-1.53	-.23	-.37	-.04	1.02	3.54	1.22	.14
EWESRE	3.02	-.53	-.81	<u>-3.20</u>	.71	.99	1.26	.26	.63	-.98	.02
EEMED	-4.56	1.61	4.78	.07	.14	.30	.71	.67	2.53	.03	.21
SEMED	-4.89	1.82	4.74	.61	-.80	-1.50	-1.11	.30	.93	-1.12	.13
SEREC	-1.31	.52	.82	-1.64	.66	.73	.95	1.81	3.41	<u>2.15</u>	.22
OTHERS	-3.63	1.41	5.47	-.66	-.56	-1.49	-.92	.21	.99	<u>-2.04</u>	.11

Table 15

Item 17 Medical Funds Less Reimbursement Plus Medical, Hospital, Dental and
Funeral Expenses

	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²
AUSNZ	-3.79	1.50	29.23		.14	1.84	.	.26	6.28	.	516.61	.28
UKOLD	-5.50	1.97	11.05	2.52	.31	1.07	.59	.34	1.29	.30	85.44	.52
UKMED	-2.82	1.23	5.54	-1.20	.15	.50	.02	.28	1.82	.14	15.78	.16
UKREC	-1.15	.70	1.89	-2.16	.50	.99	.70	.53	2.41	1.20	4.51	.08
WESMED	-2.67	1.25	4.30	-.83	-.32	-.72	-1.02	.25	1.23	-.03	7.48	.15
EWERSE	1.05	.08	.15	-2.65	.72	1.24	.98	.34	1.02	.24	1.11	.06
EEMED	-3.01	1.23	4.58	-.96	.56	1.49	1.09	.39	1.83	.59	15.17	.22
SEMED	-3.17	1.42	4.92	-.29	-.69	-1.73	-2.05	.28	1.18	.09	8.32	.14
SEREC	-2.26	1.04	1.98	-.85	-.08	-.11	-.30	.78	1.79	1.19	3.05	.14
OTHERS	-3.93	1.58	7.55	.38	-.39	-1.28	-1.69	.16	.95	-.54	22.15	.20

Table 16

Education												
Item 11	a_0	a_1	t_1	Spt t_1	a_2	t_2	Spt t_2	a_3	t_3	Spt t_3	F	R^2
AUSNZ	-3.30	1.01	17.03	.	.62	6.93	.	1.23	25.72	.	601.19	.31
UKOLD	-2.40	.72	4.53	1.68	.67	2.55	.17	2.15	9.14	<u>3.83</u>	74.42	.48
UKMED	-5.61	1.67	6.05	<u>2.33</u>	.62	1.67	- .0004	1.41	7.27	.87	42.29	.34
UKREC	-5.45	1.61	4.01	1.47	.59	1.08	- .05	1.08	4.55	- .65	15.93	.23
WESMED	-3.64	1.07	2.71	.14	1.66	2.76	1.71	.85	3.06	-1.37	11.00	.21
EWESRE	-3.33	1.12	1.74	.17	.25	.36	- .52	.22	.56	<u>-2.51</u>	<u>1.88</u>	.09
EEMED	-4.32	1.27	3.39	.69	1.11	2.12	.92	1.41	4.78	.58	19.46	.27
SEMED	-2.35	.69	1.75	- .81	1.24	2.27	1.13	.73	2.21	-1.53	5.19	.09
SEREC	-1.77	.59	.96	- .69	- .21	- .24	- .96	.92	1.82	- .62	<u>1.70</u>	.08
OTHERS	-1.74	.63	2.49	-1.48	.28	.76	- .91	1.02	4.91	- .99	13.13	.13

Table 17

Item 12	Rent, Rates and Housing Running Costs										R ²	
a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F	R ²	
AUSNZ	.66	.57	29.98	.	-.23	-7.97	-.08	-5.48		329.71	.20	
UKOLD	.82	.49	8.43	-1.31	-.01	-.12	<u>2.19</u>	.01	.16	1.13	41.04	.34
UKMED	.73	.56	7.36	-.18	-.33	-3.24	-.95	.06	1.21	<u>2.69</u>	19.87	.19
UKREC	.08	.73	4.07	.89	-.10	-.40	.52	-.12	-1.10	-.30	6.37	.11
WESMED	.06	.71	6.13	1.19	-.19	-1.08	.21	.09	1.07	<u>2.06</u>	14.14	.26
EWESRE	.76	.55	2.77	-.09	-.26	-1.19	-.13	-.20	-1.58	-.89	3.12	.14
EEMED	.84	.53	5.80	.35	-.46	-3.54	-1.73	-.02	-.26	.88	11.55	.18
SEMED	1.07	.43	4.02	-1.25	.04	.24	1.75	-.21	-2.30	-1.34	10.24	.17
SEREC	.13	.70	3.76	.71	.08	.32	1.18	-.18	-1.15	-.60	5.46	.23
OTHERS	.35	.67	7.43	1.05	-.26	-1.98	-.21	.004	.06	1.17	19.53	.18

Table 18

Item 13	Household Recreational Overhead Expenditure										F	R ²
a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃			
AUSNZ	-2.85	1.15	26.81	-.07	1.11		.009	.27			344.74	.21
UKOLD	-2.51	.98	6.35	-1.04	.65	2.56	<u>2.76</u>	-.18	-.78	-.81	36.72	.32
UKMED	-1.99	.94	5.28	-1.14	-.23	-.97	-.65	-.11	-.86	-.91	9.86	.11
UKREC	-.92	.61	1.88	-1.64	.23	.50	.66	-.07	-.35	-.39	<u>1.83</u>	.03
WESMED	-1.95	.76	2.85	-1.43	.46	1.12	1.28	.83	4.37	<u>4.25</u>	11.86	.22
EWESRE	-2.92	1.17	2.35	.04	-.15	-.27	-.14	-.36	-1.16	-1.18	2.49	.18
EEMED	-1.71	.82	3.69	-1.48	.06	.18	.40	-.02	-.10	-.15	6.31	.11
SEMED	-1.55	.81	2.96	-1.24	-.86	-2.27	-2.09	.01	.03	0	4.69	.09
SEREC	-.15	.31	.74	-2.04	.23	.40	.52	-.02	-.05	-.08	.33	.02
OTHERS	-2.34	.95	5.09	-1.07	-.13	-.49	-.22	.29	1.91	1.80	12.22	.12

Table 19

Item 14	Private Transfers and Miscellaneous Costs										
	a ₀	a ₁	t ₁	Spt ₁	a ₂	t ₂	Spt ₂	a ₃	t ₃	Spt ₃	F R ²
AUSNZ	-3.70	1.36	20.72		-.82	-8.32		-.14	-2.68		149.88 .88
UKOLD	-3.13	1.23	5.14	-.51	-.56	-1.43	.65	.1009	.29	.68	11.70 .13
UKMED	-4.80	1.72	6.19	1.26	-.91	-2.43	-.22	-.49	-2.53	-1.74	13.65 .14
UKREC	-6.38	2.19	4.86	1.83	-.99	-1.60	-.27	-.42	-1.56	-1.01	8.38 .14
WESMED	-4.63	1.62	3.73	.60	-.70	-1.05	.18	.06	.19	.64	4.83 .10
EWESRE	-3.63	1.17	1.69	-.27	.79	1.05	<u>2.13</u>	-.33	-.73	-.44	<u>2.72</u> .13
PEMED	-4.38	1.50	3.91	.36	.06	.16	1.62	.31	1.03	1.48	7.76 .13
SEMED	-4.45	1.53	3.89	.42	-.44	-.81	.70	-.06	-.18	.26	5.43 .10
SEREC	-4.58	1.68	2.45	.47	-1.15	-1.20	-.34	-.55	-.97	-.72	<u>2.20</u> .11
OTHERS	-5.23	1.90	7.43	<u>2.06</u>	-1.26	-3.39	-1.13	-.63	-2.97	-2.24	20.33 .19

Appendix B5

ELASTICITIES OF TOTAL EXPENDITURE WITH RESPECT TO INCOME

An interesting by-product of the analysis of particular expenditure items is the generation of three sets of double log equations estimated by Ordinary Least Squares, of the forms

$$C = a_o Y^{a_1} \quad (1)$$

$$C = a_o Y^{a_1} N^{a_2} \quad (2)$$

$$\text{and } C = a_o Y^{a_1} A^{a_2} (E+1)^{a_3} \quad (3)$$

where C is total expenditure

Y is net weekly household income

N is household size

A is number of persons aged over 15 years

E is number of persons aged under 16 years.

These estimates of what can broadly be considered consumption functions are simply a by-product, as they were calculated only because of the availability of the appropriate sums and cross products, calculated for the particular expenditure estimates of Chapter 5.

Estimation of consumption and savings propensities from cross section data has not attracted very much attention in Australia, a neglect that can be attributed partly to the lack of suitable data and partly to lack of intrinsic interest relative to the models using time series data developed for macroeconomic policy purposes. But the savings and consumption propensities of migrants have long been the subject of arm-chair speculation. General belief would seem to be that migrants save more than non-migrants, in particular that Southern Europeans tend to save a large part of their incomes. Because my analyses do not give this

belief much support it seems worthwhile presenting the results, perhaps to stimulate more thoughtful and rigorous work.

The most obvious limitations of the analyses are first that the double log specification may well not be the best one, second, that the COPR class system is certainly not as appropriate as a system which would require a sample designed specifically to yield enough migrants of each significant origin and period of residence; third, that the data are not set up to yield a measure of income or total expenditure fully satisfactory for the estimation of a cross section consumption function.

It is worth making a few comments on this last problem. A consumption function is a relationship between two flow concepts, income and expenditure, whose rate of flow can be reliably measured over a period not less than one year. Income probably requires a longer term measure than this [Friedman, 1957]. Adequate measurement for the purpose of a cross section consumption function requires construction of households' annual balance sheets and "trading accounts" to show the change in "net worth", i.e. savings, over the year, giving an appropriate and consistent method of accounting for cash outflows that are in the nature of savings such as life assurance, repayment of capital debt, etc.. The Survey of Consumer Finances, not available at the time this work was carried out, does provide a set of household accounts in this form. No doubt there will be a consumption function estimated from this data, though not for specific migrant classes. The total expenditure measure available is simply the sum of all the expenditure items. It is made up of items with various recall periods expressed as an annual rate. It is not exhaustive, nor does it avoid the inclusion of some items which should properly be classed as savings. "Private transfers" is

an item which not only has a savings element, but may also be expected to be differently composed for migrants, for some of them send remittances to their home countries. This item makes up between one and two percent of total expenditures.

Neither the gross nor the net income concepts of the Survey are fully appropriate to a consumption function. But the net concept is less appropriate than the gross concept for the consumption function. "Pay as you earn" taxation deductions and superannuation are excluded from net income, but not life assurance premia, hire purchase and mortgage repayments and so on, all of which have a savings element similar to P.A.Y.E. deductions and superannuation. More irregular parts of household income are not included at all, such as seasonal overtime or part-time employment, non wage income of many kinds, and windfalls and capital gains on liquidation of assets. All of these increase effective income, and partly explain the finding that average total expenditure for each of the ten classes is greater than average nett weekly household income, expressed as an annual rate. Total expenditure ranged from 102% to 110% of net income.

Table B5.1 presents the estimates of specification (1), the simplest form of a double log consumption function. The explanatory power of this model varies greatly between the COPR classes. But variation in the coefficient of determination is not associated with sample size except that the two very small classes, EWESRE and SEREC have very small r^2 . EWESRE has proved to be rather unsatisfactory in the Engel function analysis. The implication is that it is not as homogeneous even as the other classes. The avowedly heterogeneous OTHERS class, while it has a relatively high r^2 and small standard

error for a_1 , is almost the least different from the non-migrants of AUSNZ.

The meaning of a_1 is that for a one percent increase of net income, an a_1 percent increase of total expenditure is predicted. Had each class an identical value of a_0 , a higher or lower a_1 would unambiguously mean a higher or lower tendency to spend out of income. As this is not the case, two concepts need to be used. The first is a_1 itself, the elasticity of total expenditure with respect to income. The second is the average propensity to spend, defined either as the ratio of average total expenditure to average net income (arithmetic average propensity to consume), or, less usually, as the ratio of the average log total expenditure to average log net income (geometric average propensity to consume). This last can be used only when a double log function is being fitted to the data and even then it does not yield a measure as easily and usefully interpreted as the commonly used arithmetic average propensity to consume.

Bearing this in mind, Table B5.1 shows only two samples have an a_1 which can confidently be said to be different from that of non-migrants. Both UKMED and SEREC have a smaller a_1 than AUSNZ. But both have a larger a_0 value, which implies that the estimated functions, though flatter, start higher than for AUSNZ. This actually applies to all classes, estimates of a_1 which were lower than that for AUSNZ, apart from UKOLD. Thus, support for the "migrants save more" hypothesis is very much less than complete when this over-simple specification is used.

Differences between household composition of member households in a class will have two effects on the estimates of specification (1).

First, the less a class is homogeneous in household composition the less will be the power of the model which leaves it out of consideration, the more a set of observations with the same income will have different consumption. Second, and more certainly, the estimates of income elasticity of total expenditures, a_1 , will be biased if there is any relationship between income and household composition. If they are directly related, the bias in a_1 will be upward.

Specifications (2) and (3) take household composition into account at least to some extent. Tables B5.2 and 5 present these estimates.

Specification (2), with household size added, shows that both explanatory power has increased (Table B5.6) and the estimates of a_1 decreased, compared to the first specification. This last indicates that income and household size are positively related, a fact more directly observable in the positive correlation between them, ranging up to $r = .44$ of OTHERS, and the highest, $r = .63$ for UKOLD. This last class had only 73 observations out of 242 with more than 2 persons in the household. In two cases R^2 of specification (2) is more than twice r^2 of (1). These two cases were the worst, and remain poor but not by so great a margin. Clearly these two in particular have a wide range of household sizes. But the bias in a_1 of (1) would appear to be smaller in the case of SEREC than for most, an indication of little relationship between income and household size. For OTHERS a_2 appears to be not significantly different from zero. In this case improvement of explanatory power is smallest.

Again, specification (2) does not seem to increase support for the high migrant saving hypothesis. Only UKOLD, UKMED, and more doubt-

fully EEMED have a_1 estimates significantly different from AUSNZ. Both UKOLD, with its demographic peculiarity of agedness, and UKMED have a lower a_1 than AUSNZ, while EEMED has a higher a_1 . Of the remaining classes only SEREC and EWESRE have a_1 estimates smaller than AUSNZ, and both have a higher value for a_0 . SEMED with identical a_1 has a higher a_0 . But perhaps migrants tend to save more relative to the size of household? Four household size elasticity estimates appear to be significantly different from that of non-migrants. Three, including OTHERS, are lower while UKOLD is higher. Of the other five the two recent European classes have virtually the same a_2 as AUSNZ, EEMED and WESMED are a little lower, and SEMED halfway between zero and the AUSNZ value but significantly different from neither. The third specification throws some light on this last result. Migrant households do not seem to be greater savers relative to household size than non-migrants.

Table B5.3 calculates the marginal propensity to consume and the calculated consumption of the average sized household in each class for three different levels of net income, mean class income, \$50 per week and \$100 per week. Only three classes, UKOLD, UKMED and SEREC have a consistently lower marginal propensity to consume for both average income and \$100 per week, though the difference between AUSNZ and EWESRE is clearly insignificant. When the calculated consumption levels are compared, that for AUSNZ, having the second lowest average household size, has the second or third lowest consumption level. While this cannot be evidence for high migrant spending, since household size is not held constant, it is some indication that migrant households are unlikely to be providing proportionately more savings

to the national aggregate than non-migrant households. Analysis of the third specification will look at the spending of households of particular composition, and provide the best evidence that this analysis can bring to bear on the question of migrant consumption.

The estimates of the third specification, taking household composition into account by using the variables number of adults and number of children, are presented in Table B5.5. The explanatory power of these estimates is very similar in general to that of the second specification. But, as Table B5.5 shows, SEMED and EWESRE both have considerably better R^2 for (3) than for (2), and no groups have a much smaller R^2 for (3) than for (2). When the enhanced descriptive ability, the distinguishing of adults and children, of this third specification is taken into account it would seem that (3) should be preferred to (2) as a specification for a consumption function, at least in this double log form.

The estimates of a_1 are radically altered only for those two whose R^2 was considerably greater. In both cases a_1 was lowered, but not far enough to be significantly different from that of AUSNZ, at the 10% level. Only UKOLD and UKMED are different enough to pass this test, both being lower than AUSNZ. Nevertheless, only four classes have estimates of a_1 equal to or greater than that of AUSNZ, one of these being OTHERS. Here may be some support for the hypothesis: SEMED, SEREC and EWESRE, as well as UKOLD and UKMED, have lower a_1 than does AUSNZ, but the intercept of these three is higher than that of AUSNZ.

When the elasticities are converted into marginal propensities to consume, at a standard household size and income (Table B5.7), little difference is made to the ranking of the classes. Estimated consumption

levels at mean class income leaves AUSNZ at the third lowest, while for income of \$50 per week AUSNZ was second lowest, the four lowest being within a range of \$117.

The estimates of a_2 give rather less support to the hypothesis than the differently defined a_2 estimates of the second specification. Only one is significantly different from that of AUSNZ, and it is higher. Only three are more than 0.1 lower than AUSNZ. Table B5.8 calculates the increment to consumption of the 3 adult household compared to the 2 adult household, at mean class income and at \$50 per week AUSNZ lies fifth highest at mean income and fourth highest at \$50 per week.

The estimates of a_3 are probably the least reliable, because variation in number of children is not great. But three classes have a significantly smaller value, two of them not significantly different from zero. While the AUSNZ value is fourth highest, it is, apart from the least reliable UKOLD estimate (collinearity biases both a_2 and a_3 upward somewhat), within .01 of being the highest value. When the increment to consumption is calculated for second child and third child, AUSNZ becomes third highest at both mean income and \$50 per week.

Not much reliance should be placed on these more derived calculations, for the tentative nature of the specification and the not very strong statistical foundations should not be made to bear much weight of analysis. However, it can be said that in general the evidence for migrants being small spenders is not strong. The evidence of the third specification on what may be called the "cost" of an extra adult or extra child to a household gives a lead to what might be the most promising avenue for investigation of total expenditure of migrants,

that finer definition of household composition might reveal that there is some tendency for some migrants to take more advantage of economies of scale in households than do Australians. One final point may be that the truncation of household composition types due to migration, mentioned in Chapter 4, may be an important factor which this analysis was forced to overlook.

Table B5.1
Parameters of Simplest Consumption Function

COPR	a_0	a_1	Standard Error of a_1	t-Value for a_1	Special t-Value	Degrees of Freedom	r^2 of Regression
AUSNZ	2.51	0.57	.01	48.73	0	3972	.40
UKOLD	2.51	0.54	.04	13.38	0.78	240	.43
UKMED	2.83	0.41	.04	10.64	4.31**	251	.31
UKREC	2.67	0.50	.05	10.88	1.31	159	.35
WESMED	2.52	0.57	.08	7.61	0.02	126	.32
EWESRE	2.75	0.46	.13	3.47	0.82	58	.17
EEMED	2.47	0.62	.06	11.24	0.89	161	.44
SEMED	2.73	0.47	.07	6.29	1.40	151	.21
SEREC	2.88	0.36	.12	2.93	1.71*	58	.13
OTHERS	2.57	0.55	.04	12.50	0.56	263	.37

Special t is calculated in the same way as in Chapter 5.
The same caution is required in interpretation.

** Significant at 0.1% level, Special t statistic only.

* Significant at 10% level, Special t statistic only.

Table B5.2
Total Expenditure Regressed on Income and Household Size

COPR	a ₀	a ₁	ta ₁	Special ta ₁	a ₂	ta ₂	Special ta ₂	d.f.	R ²
AUSNZ	2.57	.45	40.45	-	.30	21.50	-	3971	.50
UKOLD	2.67	.33	6.99	2.50	.56	7.06	3.26	239	.53
UKMED	2.82	.37	9.26	2.12	.17	3.37	2.36	250	.34
UKREC	2.64	.47	8.62	0.40**	.13	2.16	2.88	158	.37
WESMED	2.43	.55	7.56	1.34**	.24	3.22	0.78**	125	.37
EWESRE	2.70	.40	3.12	0.40**	.29	2.75	0.11**	57	.27
EEMED	2.47	.55	9.80	1.74	.24	3.67	0.80**	160	.48
SEMED	2.68	.45	6.01	0.02**	.15	1.52**	1.54**	150	.22
SEREC	2.77	.33	2.74	1.04**	.31	2.43	0.07**	57	.21
OTHERS	2.60	.49	10.14	0.73**	.16	2.76	2.41	262	.39

** Not Significant at 10% level.

Table B5.3
Marginal Propensities to Consume Out of Income at Mean Household Size

COPE	(0) Mean H'hold Size	(1) Mean Income (Weekly)	(2) Calculated Consumption	(3) M.P.C. Consumption	(4) Consumption for \$50/wk.	(5) M.P.C. \$50/wk.	(6) Consumption for \$100/wk.	(7) M.P.C. \$100/wk.
AUSNZ	3.46	72.5	3706	.44	3135	.54	4283	.37
UKOLD	2.42	55.6	2876	.33	2776	.35	3489	.22
UKMED	3.49	75.2	4040	.38	3473	.49	4489	.32
UKREC	3.93	79.6	4080	.47	3278	.59	4541	.41
WESMED	3.84	78.7	4103	.55	3198	.68	4680	.49
EWESRE	4.03	78.8	4306	.42	3590	.55	4737	.36
EEMED	3.62	90.2	4779	.56	3455	.73	5058	.53
SEMED	4.42	75.6	4095	.47	3480	.60	4753	.41
SEREC	3.80	65.6	3542	.34	3239	.41	4070	.26
OTHERS	3.60	82.6	4249	.48	3323	.63	4667	.44

Sub-sample household size means used.

$$\text{M.P.C.} = a_1 \cdot \frac{\text{Annual Consumption}}{52} \cdot \frac{1}{\text{Income}}$$

a_1 is taken from Table B5.2

Table B5.4

Expected Extra Consumption for a Household of Size
4 Persons, Compared to a Household of Size 3 Persons
at Given Income Levels

COPR	(1)	(2)	(3)	(4)	(2) as Proportion of (1)
	Calculated Consumption $y_i = y_i$	$\Delta C, -$ $y_i = y_i$	Calculated Consumption $y_i = \$50$	$\Delta C,$ $y_i = \$50$	
AUSNZ	3550	320	3004	270	.09
UKOLD	3260	587	3147	548	.18
UKMED	3939	197	3386	169	.05
UKREC	3940	118	3166	95	.03
WESMED	3868	271	3013	211	.07
EWESRE	3954	316	3296	264	.08
EEMED	4569	320	3304	231	.07
SEMED	3952	158	3283	131	.04
SEREC	3293	296	3010	271	.09
OTHERS	4127	206	3227	161	.05

Table B5.5

Total Expenditure Regressed on Income, Number of Adults, Number of Children in Household

	a_0	a_1	ta_1	$Sp.ta_1$	a_2	ta_2	$Sp.ta_2$	a_3	ta_3	$Sp.ta_3$	df	R^2
AUSNZ	2.59	.44	36.38		.32	14.90		.16	15.11		3970	.50
UKOLD	2.66	.34	6.87	2.06	.54	5.46	2.16	.29	3.37	1.44*	238	.52
UKMED	2.84	.34	8.07	2.33	.27	3.44	0.70*	.08	2.11	1.98	249	.35
UKREC	2.69	.44	7.05	0.10*	.18	1.77	1.36*	.05	1.32*	2.58	157	.37
WESMED	2.43	.56	6.74	1.43*	.19	1.54*	1.08*	.16	2.96	0.04*	124	.37
ewesre	2.95	.26	1.62*	1.16*	.40	2.69	0.54*	.10	1.23*	0.73*	56	.29
EEMED	2.50	.53	8.58	1.44*	.28	3.01	0.46*	.12	2.38	0.80*	159	.49
SEMED	2.90	.31	3.20	1.34*	.34	2.72	0.10*	0.00	0.01*	2.38	149	.25
SEREC	2.81	.31	2.52	1.00*	.28	1.60*	0.23*	.17	1.60*	0.02*	56	.21
OTHERS	2.63	.47	8.84	0.49*	.20	2.28	1.29*	.07	1.48*	2.07	261	.39

* Not Significant at 10% Level.

Table B5.6

Improvement of Explanation due to Additional Variables

COPR	r^2 Simplest Form (1)	Increase of R^2 , Adding N		Increase of R^2 Adding A, E+1	
		Absolute (2)	$\frac{(2)-(1)}{(1)}$ (1)	Absolute (3)	$\frac{(3)-(1)}{(1)}$ (1)
AUSNZ	.3976	.1000	25.2%	.0993	25.0%
UKOLD	.4272	.0988	23.1%	.0937	21.9
UKMED	.3110	.0300	9.6%	.0418	13.4
UKREC	.3487	.0186	5.3%	.0190	5.4
WESMED	.3151	.0524	16.6%	.0556	17.6
EWESRE	.1722	.0969	56.3%	.1213	70.4
EEMED	.4398	.0436	9.9%	.0480	10.9
SEMED	.2073	.0121	5.8%	.0377	18.2
SEREC	.1290	.0817	63.3%	.0804	62.3
OTHERS	.3727	.0177	4.7%	.0186	5.0

Table B5.7

Marginal Propensities to Consume, 2 Adult, 1 Child Households

COPR Group	Mean Income	Calculated Consumption	M.P.C.	Calculated Consumption, Income \$50/week	M.P.C.
AUSNZ	72.5	3574	.42	3034	.51
UKOLD	55.6	3186	.37	3073	.40
UKMED	75.2	3831	.33	3334	.44
UKREC	79.6	3941	.42	3212	.54
WESMED	78.7	3956	.54	3068	.66
EWESRE	78.8	3922	.25	3485	.35
EEMED	90.2	4536	.51	3318	.67
SEMED	75.6	3842	.30	3381	.40
SEREC	65.6	3226	.29	2966	.35
OTHERS	82.6	4095	.45	3234	.58

Table B5.8

Expected Extra Consumption for Various Increases in Household

Size at Given Income Levels. $\hat{C} = a_0 + y_1^a 2^{a2} 2^{a3}$

COPR	Calculated		Calculated		Calculated		$\hat{\Delta C, 1st}$ Child	$\hat{\Delta C, 2nd}$ Child	$\hat{\Delta C, 1st}$ Child
	$y=y$ Consumption	$\hat{\Delta C, 3rd}$ Adult	$\hat{\Delta C, 2nd}$ Child	$\hat{\Delta C, 1st}$ Child	$y=\$50$ Consumption	$\hat{\Delta C, 3rd}$ Adult			
AUSNZ	3574	500	250	393	3034	425		212	334
UKOLD	3186	797	414	573	3073	768		399	553
UKMED	3831	460	115	192	3334	400		100	167
UKREC	3941	315	79	118	3212	257		64	96
WESMED	3956	316	277	435	3068	245		215	337
EWESRE	3922	706	157	274	3485	627		139	244
EEMED	4536	544	227	363	3318	398		166	265
SEMED	3842	576	000	000	3381	507		000	000
SEREC	3226	387	226	355	2966	356		208	326
OTHERS	4095	328	123	205	3234	259		97	162

To arrive at $\hat{C}$ for 3rd Adult for Household, add $\hat{\Delta C}$ to C .To arrive at $\hat{C}$ for 2nd Child for Household, add $\hat{\Delta C}$ to C .To arrive at $\hat{C}$ for zero child family, subtract $\hat{\Delta C, 1st}$ Child.

Chapter 6

HOUSING MIGRANT HOUSEHOLDS

Australia's immigration programme imposes a need for expansion of the housing stock more urgent than the need for any other item of the nation's capital stock. Each household introduced to the country must be provided, one way or another, with adequate house room.

N.G. Butlin [1964] has shown how the pattern of macroeconomic events between 1860 and 1890, particularly investment in housing, was affected by heavy immigration. His account gives one a sense of *déjà vu* when the post-war situation is reviewed. The housing shortage early in the period, accompanied by strong population growth, most of it supplied by immigration; the rapid expansion of both the housing construction industry and housing finance institutions; the high proportion of owner occupation; the growth of speculative building and "land developers"; the development of a few, two in Butlin's period [*Ibid.* p.222], standardized design concepts for the Australian suburban bungalow [*Ibid.* p.211-287 and especially pp.211-223], all of these can be found in the post-war period.

Demand for housing in the early post-war years was stimulated by both the backlog of demand from the zero net investment of the war years and the immigration programme [Hall, 1961, pp.3-5]. However, after 1952, the supply of housing grew at an average rate of less than 1% per annum [*Ibid.*]. The dominant feature of the house building industry was fluctuation in activity, for the industry bore the brunt of the major weapon of the Australian government's stabilization measures of the 1950s, that of monetary policy [*Ibid.* p.6]. The development and operation of financial institutions to service the demand for new housing in this

period made few innovations in the field [Hill, 1959, *passim*]. The problem of the "deposit gap" arose periodically as land prices, in particular, rose more quickly than other prices [Neutze, 1972, p.372]. This was basically a result of endemic rationing conditions, where housing finance from institutional sources was priced somewhat too low relative to prices of money in alternative uses [Vernon Report, Vol.1, pp.268-70; Hill, *op cit*, p.140].

However, the problem of housing supply was not merely one of finance, but one of the capacity of the home building industry and of provision of social overhead capital to service the increased population and new housing [Vernon Report, Vol.1, pp.66-7, 68, 90, 241]. Construction of much of the social overheads used the same real resources, viz. building materials, semi-skilled and skilled building workers, as did home building. This meant that choices about the level of home building implied certain levels of provision of social overheads. The result of allowing market forces to allocate these resources was an inevitable bidding up of prices and creation of poorly serviced suburban areas such as the western suburbs of Sydney and Melbourne.

Housing tenure in Australia is organised mainly for the owner/occupier rather than the long term tenant. This system has long been regarded as part of Australia's heritage, "landlordism" being an evil from which the country was relatively free as early as the 1880s [Dingle and Merrett, 1972, p.21]. The strongest support for this view has been from Butlin [*op cit*].

Butlin's argument begins with the 1911 Census which revealed that "almost exactly 50% of all housing was occupied by owners, the rest tenanted or vacant" [*Ibid.* p.259]. The depression of the 1890s "produced

havoc with both instalment purchasers and building societies" [*Ibid.* pp.259-260]. Thus the period prior to the depression, a period of high rents, low construction costs and relatively full employment [*Ibid.* pp.275-277], could not have been one of any *lower* proportion of owner occupancy, and may well have been one of a rather higher proportion. However, this view is qualified by Dingle and Merrett [*op cit*] and R.V. Jackson [1970] and their analysis is supported by Kelly [1970]. Jackson points out that even at the 1911 Census, quoted by Butlin, there was a considerable difference between the proportion owner-occupied in the metropolitan areas (36%) and that outside these areas (57%). There was also considerable variation between different metropolitan areas, from Brisbane (47%) to Sydney (31%) [*Ibid.* pp.138-9]. Jackson's analysis of Assessment Books of a number of suburban municipalities shows that more heavily built up areas where land prices were higher were more sparsely owner-occupied than the fringe areas. Kelly's detailed analysis of the sub-division of an eight-acre estate in Paddington between 1875 and 1890 [1970] clearly shows the shift in importance from owner-occupation to small scale landlordism (owning 3 to 8, often living in one) as development became more intensive. Thus on the evidence of Jackson and Kelly the long prosperous period contained forces tending to increase tenancy. And, as Butlin would agree, high rents and low construction costs are an incentive to rentiers, as well as to renters to purchase their own housing.

Dingle and Merrett [*op cit*] show further, from Rate Book evidence, that the disruption of the 1890s depression did not, in Melbourne at least, have any great effect on the level of tenancy, though there were changes in the pattern of tenancy within the metropolitan area. Much of the institutional repossession in the 1890s was from small landlords rather

than from owner-occupiers. Moreover, much of the new building in Melbourne between 1901 and 1911 was for owner-occupation, leading to a small rise in the level of owner-occupation over the decade. Their conclusion is that the high rate of owner-occupation in Melbourne in the 1920s and 30s was a new phenomenon rather a return to normalcy of the pre-1890 period [*Ibid.* p.35]. It would seem unlikely that Sydney's experience was significantly different.

None of this academic investigation bears directly on the mythology of home tenure in Australia, a mythology already well established in the 1880s [Dingle and Merrett, *op cit.* p.21] though it points out clearly the existence of factual limits to the myth. It does point out that it has not always been the case that owner-occupation was predominantly preferred by households deploying their resources to secure housing, to the extent that post-war tenancy levels have been of the order of only 30% or less.

If all the market-places in which housing, and housing related services are bought and sold were efficient and competitive there would be no reason to suppose that owner-occupation would be any cheaper than renting accommodation. High rents would attract capital to the rental housing business and send householders into the purchase market, and rents would fall, relative to mortgage repayments. However, the level of efficiency in the market is not such as to bring about nice adjustments, and institutional and social forces combine to maintain a cost difference against renters and entry barriers against would-be renters.

The major element in post-war Australian society which has prevented rental accommodation from being an attractive alternative to owner-occupation has been the presence of a positive rate of inflation, and the expectation of its continuation, throughout the period. One

element of that inflation not directly or adequately reflected in the price indices is the price of urban land [Neutze, 1972, pp.359-360]. This price (or set of prices) has risen rather faster than the price indices [*Ibid.* p.371]. An owner-occupier has been hedged against inflation of land prices, and, provided his earnings do not fall behind the general rate of inflation, that part of this real income devoted to direct cost of houseroom declines. It could be argued that he is ignoring the opportunity cost of not realizing his capital gains, but if the inflation is continuing in the housing market at a higher rate than in other markets his prospects of finding as good an investment for his gains outside housing are not good. The only way to enjoy a real gain are by moving to a cheaper area, or cheaper style of housing, or by refinancing the existing house and land, taking capital gains and increasing cash repayment liability. This last option is not generally available to the private owner-occupier in Australia.

A second reason rental accommodation is rarely a permanent abode for the middle-classes is the effective subsidy element implied by interest rates on first mortgages for owner occupation being lower than those applicable to mortgages on other real property, overdraft rates and personal loans, a subsidy financed largely by depositors with savings banks.

There is a third reason, the failure to tax imputed rent received as income by owner occupiers. Households paying rent to a landlord pay it out of their incomes, on which they pay tax. Owner occupiers, in effect, receive the income and pay the rent, but pay no tax on the income. Reece [1975, pp.227-9] showed that, on conservative assumptions,

owner-occupiers were saving an average of nearly 3% of their tax liability from this "loophole" in the tax system. Renters, consequently, pay about twice that extra to make up (since there are about twice as many owner-occupiers as renters).

Demand for rental accommodation is maintained by two elements. The first comprises households which expect to move elsewhere, or expect to disintegrate, for whom ownership is more expensive than renting. The second comprises households who would purchase but for poverty or the imperfections in the market place required by the basic imperfection of interest rate regulation by the monetary authorities. Such devices as cash deposit requirements, preference for smaller loans, for higher income earning household heads, for males and for the dominant socio-cultural group, are all used. Small landlords paying commercial rates of interest on funds to be invested find it difficult to compete with subsidized intending owner-occupiers. Thus the stock of rental accommodation is kept to a level consistent with rents high enough to yield a profit on commercial interest rates. Therefore, the cost of renting is maintained higher, in real terms, than that of owning.¹

Appleyard [1962] drew on the work of Hill and Hall in an analysis of the situation facing immigrants during the 1950s and early 1960s. Because over 70% of post-war immigrants arrived in Australia as members of a family they made immediate demands on the housing stock.

1. Neutze's analysis of the cost of housing *Economic Record*, Sept. 1972 is a more complete exposition of the question sketched briefly here.

The provision of initial accommodation was arranged in two ways for a large proportion of migrants. All Commonwealth nominated assisted migrants were entitled to stay up to two years in a Commonwealth Hostel, where they paid for board and lodging. All personally nominated assisted migrants, and unassisted Southern European migrants, had to be guaranteed accommodation acceptable to the Department of Immigration by their nominator or sponsor. But a nominator-landlord could evict a nominee-boarder should the boarder prove difficult [*Ibid.* p.11].

Migrant households, once provided with this very temporary respite from the open market, were then left to compete for more permanent housing as best they could. Appleyard saw migrants competing under a number of handicaps. The first is the "deposit gap". Migrants arrive with limited assets all in liquid form. Once household effects are purchased, new or on a secondhand market more difficult for buyers than sellers, few households have sufficient funds for a deposit. Evidence for this is examined below (pp. 255-256). The second handicap is that in a market as imperfect as the market for houseroom, there exist informal rationing systems which almost inevitably discriminate against many migrants. The "deposit gap" is itself a rationing device. If, at current levels of interest rate, there are applicants for more loans than available, then lenders tend to make a greater number of small loans rather than a smaller number of large loans. Another device is to lend to persons with more secure employment. This clearly puts recent migrants at a disadvantage. Not only are migrants more likely to be manual workers than are non-migrants (see Chapter 4, Appendix Table A4.7), and so subject to the vicissitudes of trade, but the more recent are closer to being "last on" and thus "first off" under the standard practice of Australian industry. The area in which the greatest

handicap was, and continued to be, felt by migrants is, somewhat paradoxically, that of public housing, the State Housing Commissions and Housing Trusts, excluding that of South Australia. The demand for subsidized housing being greatly in excess of supply, the queuing period for such housing is a matter of a number of years for all but the very needy and migrants join the very needy only by reason of accident to the wage earner, desertion or some other misfortune after migration. It is not surprising that the Melbourne Survey found very few migrants as tenants of or purchasers from the Victorian housing commission (see below p.).

Appleyard discovered an isolated few examples of provision specifically for migrants. The Netherlands Government and an Italian institution for emigrant welfare both sponsored and partly financed building societies for Dutch and Italian emigrants to Australia. These provided much finance, but in total the proportion of their nationals helped was small [*Ibid.* pp. 24-5]. A few self help projects were mentioned by Appleyard [*Ibid.* pp. 25-6], but again, the scale of assistance relative to the migrant population was tiny.

Migrant Housing in Melbourne

It is a popular belief that migrants demand less housing, cheaper housing, older housing or higher density housing than do non-migrants. Mrs. McCaughey has commented on some of these beliefs:

It is sometimes said the Greeks and Italians like to live in large composite households - that they do so by choice, not from necessity. But....it seems clear that, whatever their feelings when they first arrive in Australia, most of them move into homes of their own as quickly as possible [Henderson *et.al.* 1970, p. 315].

Tenancy means different things for different migrant groups. For many British and Northern Europeans it means a self-contained flat in a middle class suburb, and this is within reach only of high wage earners. For many Italians and Greeks it means renting a few rooms in an old house, often sharing kitchen and bathroom facilities [*Ibid*].

Most Greeks and Italians prefer to buy old houses in the inner suburbs.....[*Ibid*, p. 138].

The hard work and skill of many migrants, especially the Italians, have helped to transform some of the inner city areas of Melbourne. Twenty years ago, Carlton looked dingy and depressed. Now, very largely due to the work of the Italians, many of the old houses have been restored to something of their former charm, and it is an attractive suburb with a style of its own [*Ibid*. p. 139].

The truth behind the myths is considerably more complex than the myth would suggest, as Mrs. McCaughey implies.

Appendix Tables A6.1 to A6.8 summarize information about housing from the Melbourne Survey.² The size and composition of households is of obvious importance to the household economy, and to the adequacy of housing and the financing of housing by the householder.

A number of points emerge from Tables A6.1, 2 and 3. Not unexpectedly, there is a smaller proportion of householders among the more recent. For example, only 34 of the 88 most recent Greeks IUs were householders. The remainder were boarding, either with close relatives as part of the family or as non-family boarders. For the recent Southern European classes this is reflected in a small proportion of IUs living in single IU households and a larger than expected proportion in households of 4 or more IUs.

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2. There are tables using both the IU as the unit of analysis and the household. In some cases care must be taken to distinguish between a table using one or the other. For example, Table A6.1 is number of IUs per household for IUs. This is quite a different concept for number of IUs per household for households.

Among the less recent, where the proportion of householders amongst IUs approximates the Australian average, the number of persons in households does not tend to be very different from non-migrant households. Differences seen in Table A6.2 could well be simply a life cycle effect. The migrants of the 1950s tend to be at the stage where families are complete but not departed from the parental home. It cannot be said that this evidence supports the idea that migrants, particularly southern European migrants, as a general rule, live in larger households than do Australians.

If households are not much larger for migrants they may yet be more complex. Table A6.3 indicates that all origin groups except Western European have a higher proportion of IUs living in an extended family situation or as non-family boarders. For all origins except Western Europeans this proportion is higher for the recent groups, post 1960, than for the earlier ones. While any class considered on its own may not differ from the Australian norm on the conventional statistical tests, the consistency of this tendency towards complexity of household of residence is enough evidence that migrants more likely to be both family and non-family boarders, and joint householders, than non-migrants. The cause of this may be either a continued flow of new immigrants requiring board, finding it in the home of their countryman, or economic circumstance, forcing householders to take in boarders to help make ends meet, or cultural factors which encourage extended families. For United Kingdom groups only the post 1960 arrivals have a greater proportion of IUs living in households with boarders than the Australian norm. This supports the economic reason for taking boarders, as the earlier United Kingdom migrants do not have a lower average income than non-migrants. However, a British migrant is much freer in his choice of accommodation,

even if it must be in lodgings, as there are fewer cultural barriers between him and the native Australian. The three reasons suggested for a higher proportion of lodgers and lodgings cannot be distinguished as their indications appear in the same circumstances: the economically less well off Southern Europeans whose flow of immigrants was continuing at the time of the survey are thought to have a tradition of extended families.

Information about household size and complexity does not take us very far toward understanding the standard of housing. Information on size and quality of the dwelling is needed before judgements can be made. Unfortunately this sort of information is very difficult to collect. Is the number of rooms a more reliable guide than total area? Is the material of the exterior walls a guide to "quality", if so which aspects of "quality", e.g., insulation properties, maintenance costs, correlation with size of house and size of rooms? Is a "house" (detached) always or usually bigger or better than a semi-detached or terrace house? Are households in flats always or usually worse off than those in dwellings with a ground floor and plot of land? Are owner-buyers usually better served by their housing than are renters?

The Melbourne Survey obtained information on sharing of domestic facilities and the interviewer's assessment of the dwelling (the interviewers were professional social workers), which are more likely to reveal the housing conditions of respondents than the conventional Census measures (number of rooms, exterior walls, house or flat).

Evidence from Tables A6. 4-8 confirms that differences between ethnic classes in pattern of dwelling types exist and that some are by

choice and others due to force of necessity. Second, it shows that recent and Southern European households are more likely than other classes to have to share domestic facilities. Third, interviewers appear to observe a clear difference in housing standard between Greek and Italian IUs. Fourth, there is a variation in the proportion of owner-occupancy, Southern Europeans being more likely to be owner-occupiers than other origin classes. Lastly, weekly payment for housing, whether rent or mortgage repayments, seem to be somewhat greater for migrants generally than for non-migrants, and greater for more recent than less recent arrivals.

Tables A6.4 and A6.5 on type of dwelling show that British migrants and Western Europeans were more often found in flats than non-migrants, while Southern Europeans were more often in semi-detached and terrace houses and in rooms than were non-migrants and other migrants. As Mrs. McCaughey pointed out [*op. cit.* p. 138] the disproportion of semi-detached and terrace houses arises from deliberate choice of old, inner suburban dwellings in preference to new or newer ones. Burnley [1970] has shown that ethnic groups shift continuously from areas inhabited by the most recent immigrants towards areas where less recent migrants from the same ethnic group live. The type of dwelling chosen by the longer established Southern European migrant illustrates this movement: the proportion living in detached houses rises with period of residence while the proportion in rooms falls. The proportion in semi-detached and terrace houses stays roughly the same. The implication is that these migrants move to more conventional Australian style housing with the passage of time.

The second point is a general tendency for the more recent migrant

IU to share domestic facilities and for Southern and Eastern Europeans to share more than other origin classes. This indicates that the demands on real housing resources of an increase in immigration may be lower in the immediate short term than after a number of years, and the greater the proportion of Southern (and possibly Eastern) Europeans. However, this is not necessarily so. The first reason for doubt is that the supposedly cheaply housed may well require more resources for repairs and maintenance than the more adequately housed. Another reason for doubt is that future Eastern European migrants are unlikely to be similar to those surveyed who were mainly displaced persons from the second World War and future Southern European migrants may be culturally different from those in the survey. Confining our attention to the sample, it can be said that if these cohorts of Southern and Eastern European migrants are more content than are Australians to share their domestic facilities throughout their lives then the demand for housing resources will be a little less than otherwise. However, it is more likely that most of these sharers do so as a result of economic and possibly cultural disabilities, that is, they endure these housing conditions by force of necessity.

The interviewer's assessment of respondent's housing provides an interesting insight to the quality of housing. This is the difference between Greek and Italian housing. About 1/3 of Greek born IUs live in dwellings rated less than adequate, while only about 10% live in a more than adequate dwelling. Surprisingly, the proportions are almost reversed for Italians, and Western Europeans seem not to fare as well as Italians. Maybe this exposes a basic difference in priorities or preferences between Greeks and Italians, who appear not dissimilar in respect of occupation and income and are said to share a largely subsistence background.

Mrs. McCaughey's impression that Carlton has been restored "very largely due to the work of Italians" [Henderson *et al.* 1970, p. 139] appears to have captured a very important distinction. It is not being implied that Greeks are lazier or necessarily less inclined to better their housing standards than Italians. The difference probably arises from a much more complicated variation in the circumstances of the two classes. For example, a more rapid intra-family chain migration system may keep Greek households overcrowded for a longer period thus preventing house improvements. The larger number of recent Greek immigrants found in the survey and the relative frequency with which they board in the homes of earlier arrivals gives some support to this contention. It may, on the other hand, be that Greek immigrants have a larger tendency to invest what savings they have in other forms of asset, such as loans to relatives for fares or housing deposits, or in business ventures of their own or their family's. A third possibility is that family solidarity among Italians creates economies of scale in efforts at home improvement. The truth is doubtless more complicated, with almost certainly a less clear distinction between the behaviour of Greek and Italian population in Melbourne than the data would indicate.

The level of owner-occupation is probably less a measure of the quality of housing than of the permanency with which the housing is occupied. Nevertheless, it is still true that owner-occupiers invest time and money both to make their housing more comfortable and to increase the value of their investment. On the other hand, if rental accommodation is severely limited or culturally less acceptable than owner-occupation ownership through mortgage may be the only way to secure housing of any kind. Bearing in mind the analysis (above pp.184-186) which sought to show that the housing market in Australia

favours the owner-occupier at the expense of the small landlord in particular, the evidence of Table A6.8 once again provides some confirmation of preconceptions.

The proportion of owner-occupiers amongst householders varies somewhat between early vintages of migrant. Southern European householders have a higher proportion of owner-occupiers than other migrant classes. While this difference may not be statistically significant when considering an isolated vintage origin class against another, the direction of the evidence of Table A6.8 is all the same: Southern Europeans have the highest proportion of owner-occupiers and the lowest proportion of tenants; Eastern Europeans and British migrants have a somewhat lower proportion of owner-occupier and higher proportion of tenants; Western Europeans an even lower proportion of owner-occupiers whole over 40% of early vintage householders are tenants.

The reason for this difference in household behaviour is not readily apparent. It may be that more British, Eastern and Western Europeans can afford to rent on a permanent basis. Certainly they are not more common as Housing Commission tenants. Perhaps the tenure system in their countries of origin favoured tenancy rather than ownership (but did not advertising of emigration to Australia in Britain contain elements about home-ownership?). Are pressures to purchase, incentives or community help, stronger within the more closely knit ethnic communities of the Southern Europeans? Is there more self-help required by the economically disadvantaged Southern Europeans? None of these questions are answered by the present surveys.

The Melbourne Survey confirmed a number of impressions about the

housing of migrants, at least for the Melbourne metropolitan area. Southern Europeans and Western Europeans do have, it appears, some differences in preferences for types of housing and in their preference for, or toleration of, non-nuclear family situations. Economic circumstances explain much of Southern European behaviour, but not all, while they explain little of the Western European preference for tenancy or flats. Whether Western Europeans prefer flats, which implied tenancy, or did not wish to buy and so had to occupy flats rather than bungalows, or whether they tended to prefer both flats and tenancy, is a question which does not have an answer as yet. The British Migrants Survey provides much insight into the class of British migrants who arrived in the late 1950s and early 1960s. From the Melbourne Survey it appeared they were rather unexceptional, except for rather a large proportion living in housing assessed by the interviewer as just adequate (Table A6.7, class 4), and a still large proportion in rental accommodation. Section 6.2 attempts to explore the British Migrants Survey for further information on housing conditions for this class of migrant.

Housing and the British Migrant Family

This analysis of the British migrants survey follows the progress of the group as they settled into Australia. They were asked to answer questions about their housing at three points in time. The first was their initial accommodation in Australia, defined as the dwelling in which they first stayed for one week or more in Australia. This accommodation was not necessarily permanent but neither was it merely part of their journey. It was their accommodation when they first arrived at the end of their migration. The second was their accommodation as at the first follow up interview, some 18 months after arrival. In many cases

this stage represents the permanent long term dwelling of the household, being purchased under mortgage. But in many other cases it was still temporary accommodation such as a Commonwealth Hostel. The third point at which their housing was "measured" was at the second follow up, nearly 7 years after arrival in Australia. Households whose progress in Australia had been uninterrupted were, by and large, as settled in their holdings as non-migrant households at a similar stage in the family life cycle. But there were many households who were not so settled, some because they had been back to the United Kingdom for a period and then re-emigrated to Australia, some because they had not yet reached the stage of "settling down", some who were transient by habit or misfortune and who were not likely to settle anywhere. Some of the group were interviewed at the second follow up in the United Kingdom, having returned, mostly for ever, but some for a short term, as had those re-emigrants interviewed in Australia.

The hypothesis that provides a framework for this analysis is that settlement depends positively on the ability of the household to command houseroom and negatively on its need for houseroom. On this hypothesis a migrant unit arriving with more capital and greater earning ability will settle more quickly than one with less, while a migrant unit containing more dependents will settle less quickly than one, otherwise identical, with fewer dependents [Richardson, 1971, found that migrant parents with three or more dependent children were more likely to be dissatisfied with their socio-economic situation in Australia than parents with two or fewer children].

This broad hypothesis must be qualified by one other difference

between migrant groups apart from differences in ability and need. This difference is made by method of nomination of the migrant unit. The two main methods were by the Commonwealth, which then undertook to provide accommodation usually in a Commonwealth Hostel, or by a person, who had to satisfy the Immigration Department that he could provide accommodation adequate to the needs of the intending migrant household [Appleyard, 1964, pp. 87-89]. Of the other types of nomination, of a less important kind in numerical terms, the only type materially different is the waiving of nomination for single persons and childless couples. They are presumed able to look after themselves. A consequence of this form of non-nomination is that virtually all Commonwealth nominees have dependent children. The Commonwealth nominees were, and are still, selected on the basis of skills required in Australia. While it cannot be called manpower planning in the full sense it is an attempt to ensure that jobs are available for the immigrant. However, the Commonwealth nominee has no friends or relatives for support in the early months of residence. Apart from the Commonwealth Employment Service there are no helping services available short of the welfare agencies concerned with acute social problems and dysfunctions. The Commonwealth nominee, it is hypothesised, has a double transition to make. The first is to the hostel with its peculiar life style, the second to the broader Australian community. Other migrants are typically set down in the community directly, with a life style not too unlike that which they left in the United Kingdom, and with the support of their nominator.

Analysis of the first follow up information will distinguish Commonwealth from non-Commonwealth nominees. Differences will be found to be considerable. Analysis of second follow up information dispenses

with the distinction in view both of attenuation of the sample and the presumption that the 7 years from arrival have erased the difference.

Evidence to support the hypothesis at the three points of "measurement" is organised around three variables collected at first and second follow-up (total family income, household size and family composition) and two variables collected once (capital transfer at first follow-up, liquid assets at second follow-up). These five variables are the measures of the household's ability to command houseroom (income, capital transfer and liquid assets) and of the household's need for houseroom (household size and family composition). The evidence in support of the hypothesis is arranged in contingency tables showing simple relationships between an "explaining" variable and some or other aspect of household settlement, for example, time spent in initial accommodation, number of times the household moved between first and second follow-up.³

Initial Accommodation in Australia: A Bleak Welcome

The facts of the housing problem in Australia are made plain to

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3. Tabulations are available from the author which give some guidance on two statistical problems. The first is the representativeness of the atenvated sample: tables show that the sample does not become biased in any important direction at the two follow up stages. The second is interrelationship between pairs of variables used as explanatory variables. The pair of resource command variables are related, and the pair of household composition variables are related. This lack of independence means that cross tabulations must be interpreted without clear distinction between the two variables within a pair. For example, it may be that a large number of housing moves appears with high income and large capital transfer. It cannot be said that one is more important usually than the other. One might, in fact, be irrelevant.

immigrants on their arrival by the nature of their initial accommodation. The Commonwealth nominee disembarked into a Commonwealth hostel, usually in the suburbs of one of the metropolitan cities. He looked out at Australia from a community of immigrants living a pseudo-communal life in, at that time, a sub-standard ex-army camp or warehouse, an often squalid ghetto, isolated both from Australian people and places of employment, a ripe environment in which discontent and disillusionment could fester. The image of the "whinging Pom" is surely a product of the hostel. The choice of the city in which he is disembarked is not finally the migrant's, but that of the Immigration Department, as many survey respondents found. The Department's decision is based on short run considerations of demand for particular labour skills, estimated very roughly, and the level of unemployment. On the assumption - probably correct - that the migrant household contributes more immediately than it requires, in terms of physical output of goods and services, no account is taken by the Immigration Department of lags in the provision of social overhead capital such as roads, schools and hospitals, or of the type of housing required in the long run for households living as typical Australians.

The bulk of other British migrants begin their life in Australia boarding with their nominators. Anyone brought up in the nuclear family of British and Australian tradition, who has stayed as a family with even close friends for a week or more can well imagine the difficulties that these personal nominees faced. Only a small proportion were taken care of in accommodation socially adequate for more than a very short time.

All but a handful of Commonwealth nominees (204 out of 219) and a fifth of the others (88 out of 450) stayed initially in a Common-

wealth hostel. Of the few other Commonwealth nominees 3 were renting unfurnished accommodation and one furnished. Of the other non-Commonwealth nominees 123 of 450 may conceivably have been content with their initial accommodation. These were the migrant units who owned their house (7) or were renting furnished or unfurnished accommodation.

One might expect those in the least congenial physical circumstances, the hostel dwellers, to be the first to break out of their initial accommodation while those better placed initially would tend to stay longer. But this does not appear to be the case. Table A6.9 shows that non-Commonwealth nominees moved much more quickly than Commonwealth nominees. It took only 6 months for well over half of the non-Commonwealth nominees to move, a large enough proportion to include nearly all the boarders (remembering that single people were nearly all boarders who may not have been discontented). But only 40% of Commonwealth nominees had moved in less than 6 months, and over a third had not moved within 18 months, i.e. they were still living in a Commonwealth hostel. This indicates that these migrants had considerable problems in finding suitable housing even if the November 1960 "credit squeeze" had some effect in slowing the movement out of hostels this occurred at least 12 months after the last of the sample group arrived. Intuitively one might reason, along the lines of the basic hypothesis, that large poor families would be the slow movers. However, the speed of movement for Commonwealth nominees is not (from the cross tabulation) related to whether there are few or many children, or whether total family income is large or small. Large capital transfer (\$500 and over) may be associated with a shorter stay, but Table A6.10 and the X^2 number calculated for it show that the existence of a definite relationship is by no means beyond question. Perhaps it is hostel life itself which

reduces the capacity of the household head to improve his household's accommodation [see Richardson, 1974, pp. 83-88].

The fact that all but 3 of the 88 non-Commonwealth nominees who were initially in a hostel had moved out by first follow-up does not have any bearing on this last argument. The main reason is that Commonwealth hostels are for those nominated by the Government and no other migrants are entitled by right to stay there. Clearly, other migrants do live in hostels, but generally it is only a transient stage in their introduction to Australia. Of the 88, 53 were unnominated "CG500" migrants, that is, single people or couples with no dependents who were expected to look after themselves immediately they arrived. A further 20 were personal nominees who would be expected to move on to the accommodation guaranteed by their nominator. A few of these were, no doubt, put in a hostel due to their nominator's provision for them disappearing - accident to person or property must occasionally throw plans awry. The remaining 15 were "state group nominees" whose nominating body, usually an employer, had to guarantee not only accommodation but also a job as a condition of nomination [Appleyard, 1964, p. 89].

Living in a hostel, with no personal contacts in the wider community, appears to slow a migrant household's ability to begin to set up as a normal household in Australia. That this is undoubtedly a bad thing from the point of view of the household, will be shown by the information on quality and cost of initial accommodation.

Initial Housing Quality

Quality of initial housing can be assessed only via two measures

in this Survey, the type of house - detached, semi-detached, flat, Commonwealth hostel, etc. - and the number of rooms. The first measure yields little new information, since Commonwealth hostels predominate for Commonwealth nominees, and the suburban bungalows of personal nominees' nominators for the others.

When type of accommodation and type of house (Tables A6.11 and A6.12) are compared for non-Commonwealth nominees it is seen that nearly half were in full board outside Commonwealth hostels (65% in full board less 20% in Commonwealth Hostels), and nearly all of these were not in commercial boarding houses etc. If we assume that all non-commercial boarding was in detached houses, we can subtract these boarders from the total number living in detached houses (58% less 45%), which leaves about 15% of non-Commonwealth nominees living as independent households, or in a few cases as co-households, in detached houses. This 15% is about half of all those living initially as independent households. The only comparison available for this figure is with the Melbourne survey in which the proportion of non-migrant households living in detached houses is nearly 3/4. On the assumption that Melbourne is representative of Australia, and the Melbourne survey representative of Melbourne, the difference between non-migrants and the very newest British personally nominated migrants may be thought surprisingly small.

Initial type of house can best be distinguished with the two dichotomies boarder/householder and hostel/nominator's house. The need and ability characteristics of the household are not related to type of house chosen except for a predominance of single people in commercial board situation. But very few (31 migrant units) were in such a situation so it is hardly valid to say that single people have a tendency to board

commercially. One surprising feature of single people is that about 30% lived in Commonwealth hostel, the same proportion as other non-Commonwealth nominees. This supports the argument that hostel accommodation was transient for all non-Commonwealth nominees.

The number of rooms not shared by the migrant unit with other households or with the host household is an important aspect of the quality of housing. For both Commonwealth and other nominees the number of rooms not shared in initial housing varies with the physical requirements of the migrant unit, but clearly with the minimum requirements. Commonwealth hostels accommodation is based on the number of people in a family unit, and there is little evidence that hostels underprovide. But other nominees were often placed in a situation of less adequate provision.

Table A6.13 shows the basic distribution for both types of migrant unit. The median for Commonwealth nominees is 3 rooms, while for the others it is one room. Table A6.14 shows that 84 of the 112 couples with not children had a single room while over 1/3rd of single men and half the single women had no rooms at all for their exclusive use. The median for those with dependent children was 2 for those with small families and 3 for those with at least 4 children, but the mode is one for both groups. Household size at first follow up does not show a close relationship to the number of rooms not shared by the migrant unit because of the large number still boarding not in a Commonwealth hostel at first follow-up ("household" included non-members of the migrant unit except for those in a hostel where the "common pot" part of the definition of household was neglected.)

It is very clear from Table A6.13 that on initial arrival in

Australia all types of British migrant were, on average, far worse off for living space than they had been in the U.K. And from the comments made by so many respondents about the low quality of hostel life and the difficulties of sharing housing with a nominator the impression given about initial accommodation is sadly very negative. A perhaps extreme reaction was that the hostel "was not fit for humans to live in", others found them very unsuitable for children, socially isolating and full of "odd" people. Among the personally nominated there were no doubt many like the respondent who fell out with his wife's relatives, who were their nominators, after 6 weeks of boarding.

The question must be asked, of Australia's immigration policy, whether a much higher status for hostel accommodation would not yield worthwhile benefits to Australia as a whole. Even the modern hostel, physically pleasant, forms something of a ghetto and is too dependent on close supervision by an all too often indifferent bureaucracy. A migrant housing agency, buying, letting and selling modest accommodation within the general community, operating more as a housing trust than a camp management, may provide a less dysfunctional setting for new migrants. Certainly it would require a large stock of housing, (though not as large now as when immigration was at a high level) and a relatively high vacancy rate to allow some security of accommodation for new arrivals, but the expense may well be more than balanced by the benefits.

Cost of Initial Housing

The price paid for initial housing must be considered in two categories, board and rent. Board and rent are payment for two quite different bundles of services, board including many more services than

rent. Of the 219 Commonwealth nominees only 9 were not paying board, and 6 others not to Commonwealth Hostels Ltd. Of the 450 other migrant units 88 were in Commonwealth hostels and 215 were boarding elsewhere, mainly with their nominator.

For Commonwealth nominees the scale of charges levied by Commonwealth Hostels Ltd. gives a good idea of the reason for variation in cost between units. Appendix B reproduces their Application for Board and Lodging current in 1959. From Schedule A of that document it can be seen that hostel tariffs were dependent on the composition of the family and the employment situation of members. Until the migrant unit head, the "breadwinner", found employment after arrival the Immigration Department paid the board. Concessional tariffs applied where the "nominal wage" income of the migrant unit head fulfilled a set of conditions relating to minimum amounts left over after payment of the unit's board. It should be noted that these concessions, as with the basic charge for workers aged under 21 years, depended not on actual take-home pay, including overtime, bonuses, and presumably a second job, but on the regular agreed weekly wage of the migrant unit head.

The charge for a typical family of four might be as follows:

£4.12.6	Adult male worker
£3. 1.0	Adult dependent
£1. 5.0	Child, 5-10 years
£1. 0.0	Child, 1-4 years.

When this amount is compared with the award payments reported by survey respondents it is less than the median class interval tariff paid by a Commonwealth nominee family of four persons, £11 to £12 per week (Table A6.15). For a family of four to pay at least £11 per week, either the wife must work (£4.2.0) and one of the children must be a higher age group, or with the wife not working the children would have to be much

older, at least one aged 16 to 20, and the other not less than 11 years old. With one 16 to 20 and the other 11 to 15 the total is £11.2.6. The hostel levies other miscellaneous charges, such as for using too much electricity. These do not appear to be treated as part of the price of board and lodging. However, it is not impossible that many respondents added something to their reported board payment to cover these charges. Even with this it is doubtful that many would have increased the board payment by more than a small amount.

From Table A6.15 it can be seen that only for families of 5 persons and 8 persons does the non-concessional hostel tariff for 5 and 8 persons fall within the median board payment class when the youngest set of children (excluding twins etc.) are used in calculating board. If we accept that "board paid" by Commonwealth nominees is determined by Schedule A of the document in Appendix B it confirms the evidence of the Expenditures Survey (see Chapter 4, Table A4.2) that many families are more advanced in the life cycle than might have been expected if the British migrant unit head was typically beginning his settled adult life in Australia, a pattern which appears more typical of Southern Europeans (again, see Chapter 4, Table A4.2).⁴

It is clear from Table A6.15 that some families are paying concessional rates. Some respondents no doubt put down the zero tariff applying before the "breadwinner" took his first job in Australia. But the only income information available was that being earned at first follow-up, some

4. This may reinforce the view that migrants from the United Kingdom are trying again to begin their lives or to give their children an opportunity they believe to be better than that which they had themselves. [Appleyard, 1964, pp. 177-8].

18 months after arrival, and only total family income is being used in this analysis. It is not possible to definitely assign any but a very few to the concessional rate class from Table A6.15. But units in the highest income class (£40-£52 per week) do have a greater chance of paying more in board. As Table A6.16 shows, the median board paid for these units is £12-£13 and the mode is £13 and over, while the median and mode for the rest is £12-£13. The reason for this is probably that the extra board has some association with more earners through the rate structure of the hostels, and also with larger units more advanced in the life cycle. These also are those likely to have more earners.

Non-Commonwealth nominees who paid board generally paid far less than Commonwealth nominees. Table A6.17 shows the very considerable contrast between the two groups, even when confined to those with dependent children. One possible offset of this difference is that the 88 non-Commonwealth nominees who were initially in a Commonwealth hostel would have been asked to put down the tariff paid in their hostel stay. If, as hypothesized earlier, these 88 were in the main very transient hostel dwellers they would very probably have been in the position of the Immigration Department paying their board, as thus zero board would be shown. But if the zero payers are excluded, and the "no replies" are excluded from both Commonwealth nominees and others with dependents, the difference between the distribution persists. About 1/4 of the others who paid at all paid under £7 and another 1/4 over £11, while only 2 Commonwealth nominees paid under £7 and 3/5 paid over £11. Clearly, many non-Commonwealth nominees were either accepting lower quality housing and services than hostels (!) or were paying a marginal cost board or were contributing to housekeeping informally on top of their board or

were simply being subsidized by their nominators.

The lower board payments by non-Commonwealth nominees, especially those with dependent children, would have made a considerable difference to their financial position. It may have been important in allowing a speedier movement into less temporary accommodation and home ownership, the expressed aim of about 4/5 of the family migrant units (see Table A6.35).

The contention that initially boarding non-Commonwealth nominees were paying an amount for housing based on their requirements, and not a purely arbitrary figure, is borne out by the relationship between board payment and migrant unit family composition. Table A6.18 shows that zero payers and those paying less than £7 are represented more amongst those without dependent children and those with up to three dependent children than for those, admittedly few, with 4 or more dependent children. It is interesting that nearly twice the proportion of single females paid no board compared to single males.

When total family income of the migrant unit at first follow-up is taken into account, those non-Commonwealth nominees earning under £25 per week generally paid less than those earning at least £25. Table A6.19 shows a clear difference in the proportion paying more or less board, but no difference in the proportion paying nothing. This supports the idea that zero payers were mainly temporary hostel dwellers, if we accept that more is paid by those with larger incomes, if they pay at all. Comparing Table A6.18 with Table A6.16 there is obviously a more direct relationship between board paid and income for non-Commonwealth nominees than for Commonwealth nominees. This result is

what would be expected of arrangements entered into between friends and relatives for a short period during which the newly arrived migrant was finding his way.

One hundred and fifty two non-Commonwealth nominee units said they were initially renting accommodation. Seven owned or were buying the house or flat in which they were living. Another seven were boarding by the time of the first follow-up, a curious regression not wholly confined to single people.

Total family income at first follow-up does seem to bear some relationship to rent paid. Though tests of statistical significance may not reveal this, the consistent increase of the ratio of high to low rent payers as income increases is probably sufficient evidence.

The seven who owned their initial accommodation all married, 6 with dependent children, were not a particularly wealthy group in terms of income, as Table A6.20 shows, nor were they wealthy in terms of capital transferred to Australia. Two brought between £100 and £199 while four brought £500 and over (1 no reply). Immediate purchase seems not have been primarily dependent on wealth, but on other factors, probably differing between cases. Some Australians may have been returning to a family home after marrying in the United Kingdom.

The evidence of the sample confirms the impression held in the community that the immigrants' met a difficult environment, with a standard of living they judged to be substantially lower than that which they left. Whether this condition was overcome within 2 or 3 months or not is not really the important question. British migrants clearly were, and undoubtedly still are set down in a situation worse than most of

them left, and clearly worse than either that which the Australian community in general tolerates or that which they could expect for their own future. The changes made a hostel accommodation since the time of the survey go some way to overcoming these problems, but the basic requirement is still of a change in orientation from a belief in cheap (and usually nasty) housing to a humane approach, such as that taken with respect to the small numbers arriving under State group nomination, whose housing is generally of the standard common to suburban Australia. This may not seem much of a goal but it represents a large step from hostels and rooms in the homes of the friends and relatives who nominate immigrant families.

The First Two Years: Progress or Stagnation

The first follow-up survey was taken in 1961, some 18 months to 2 years after the sample of migrants had arrived. This time lag had allowed many in the sample to solve their housing problem in the long run, purchasing, or in a few cases renting, a dwelling in which they expressed themselves content to stay. But another sizeable proportion had made no progress, and were still living in their initial temporary accommodation, 86 of them in Commonwealth hostels. Between these extremes lay those who had moved from their initial accommodation, but had plans to move to a more permanent dwelling, plans to purchase or build, or in some cases to rent, their permanent home.

Many migrant units were not intending to settle but were ready to move on to other parts of the world when at least two years had elapsed, or were moving around Australia, or had decided that Australia was a terrible place and were planning to return to the United Kingdom. A not

insignificant number of the single people had little original intention of settling, though some did. The evidence of the sample is that the working holiday part of the migration programme is not negligible, despite the broad thrust of official policy being against it, and despite some hostility on the part of Australians who feel that these people are cheating by not intending to settle as good migrants "should". In view of the considerable outflow of young Australians to work in the U.K. for a limited period before settling down it is surprising that no attempts have been made to encourage the inflow of people on "working holidays", who are without dependents in Australia or in their homeland, require minimal social overhead capital and are often at the peak of their productive life if they are female clerical workers or male skilled and semi-skilled workers.

As with the rest of the chapter, this section will be mainly concerned with the people who are intending to settle in Australia. The patterns of behaviour of the transient migrants, assuming the patterns differ from those of settlers, is a distortion of the information about patterns of settlement whose presence must be borne in mind in the analysis of the data.

Four areas of interest or aspects of behaviour ("behaviour variables" broadly) have been selected for analysis. First are variables concerned with speed of settlement or permanency of current dwelling. Second are variables concerned with the type and quality of housing. Third are variables concerned with cost of rental housing or board. The fourth set of variables are those concerned with plans and expectations about purchase.

Settlement at the First Follow-up

The extent to which our cohort of migrants had settled by the first follow-up may have been affected by conditions in the Australian economy over the 1959-61 period. In 1959-60 output and employment were expanding after the moderate downturn of 1957-58. The calendar year 1960 was one of rapid expansion to high boom. Import restrictions were imposed during the year, but the effect of these in restraining the growth of activity to a sustainable level did not appear to be sufficient. In November 1960 strong monetary and fiscal measures, which have become known as "the Credit Squeeze" had an immediate effect on activity. By June 1961 unemployment had reached four times its boom level of only 34,000 in October 1960. After improving slightly in the third quarter of 1961, the number of registered unemployed climbed to a peak of 130,000 in January 1962, well over 3% of the workforce. Thus the first follow up survey (January to May 1961) fell in the early stages of the Credit Squeeze recession.

Number of Moves

Over the period between arrival and first follow-up many migrant units had moved once or twice, but a large number had not moved at all, and another large number had moved three or more times. Both extremes signal the possibility of difficulty in finding suitable accommodation: the Commonwealth nominee, unable to find a suitable alternative to the hostel; the personal nominee moving from one suitable place to the next.

Table A6.21 is the evidence that Commonwealth nominees react differently to adversity in accommodation from other nominees with children. The median number of moves for both types of nominee is the

same, one move. No one with children moved more than six times. But the distributions are quite differently skewed. More of the Commonwealth nominees had not moved at all, while more of the others had moved 2 or 3 times. The difference between these two distributions is significant.

The inference from this is that a large minority of Commonwealth nominees found great difficulty in leaving the hostel, while other nominees moved more easily from their initial accommodation, and with a happier regard for housing in Australia, despite the pressures faced by the many personal nominees who stayed initially with their nominators.

The evidence for this is first, that nearly 40% of Commonwealth nominees, 83 units, were still living in a hostel at first follow-up, while some of those who moved at least once moved from one hostel to another, and not into Australian society. The second piece of evidence is that the opinions of both heads and wives about their housing in Australia compared to U.K. were much more negative for Commonwealth nominees than for the others (Table A6.25). The third piece of evidence is that the proportion of Commonwealth nominees who purchased a dwelling by the time of first follow up was much lower than that for others even when differences in wealth and to some extent ability to save (capital transfer) are taken into account.

At the other end of the scale, only some 10% of Commonwealth nominees moved more than twice while some 20% of those others with dependent children moved more than twice. Of those who moved at least once, 17% of Commonwealth nominees moved twice or more, compared with 24% of other nominees. The difference when only movers are considered is smaller than the differences when all are considered. But it still

appears that there were amongst non-Commonwealth nominees a problem group of units which moved many times, larger than the equivalent group amongst Commonwealth nominees.

So far reference has been made only to those migrant units in which there were dependent children. For those without children the distribution appears much the same as for those non-Commonwealth nominees, but with a longer tail to the distribution. This does not necessarily indicate a problem, as many of the single people in particular moved about merely to fulfill their aim of seeing Australia. It is perhaps surprising that so few moved 6 times or more.

Types of Accommodation. If progress from transitory to permanent housing is marked by a movement from boarding to renting to owning, then consideration of the type of accommodation at first follow-up is a useful way to judge this progress. Table A6.22 shows that Commonwealth nominees as a whole had not progressed as far as the others, even with the single people and couples without dependents included. Over a third of Commonwealth nominees were still boarding. Only a few more than 10% were purchasing a house of their own, and living in it.

Within the group of Commonwealth nominees it may be expected that the 83 "full boarders" might differ from those living in more normal circumstances, in their ability to command resources or their need of accommodation as suggested by the basic hypothesis. In fact it seems there were few differences between them. Household size and family composition distributions are indistinguishable between the boarders and the remainder. Eighty per cent of boarders were families with up to three children, as against 77% of non-boarders. Median household size was 5 persons for both groups. Turning to capital transfer, there

was a slight difference between them but not one greater than a chance variation in the sample. Similarly, there was a small variation in total family income distribution, fewer boarders having very low or very high incomes. The hypothesis has not proved useful in explaining why the 83 "full boarders" were still in hostels.

If there is no way of distinguishing hostel dwelling Commonwealth nominees from those not boarding at first follow up, is there any reason for supposing that differences between Commonwealth nominees and the others in the so called explanatory variables has any real bearing on the observed differences in behaviour? This is not a question which can be answered with any certainty given the data. However, in respect of this particular behaviour it does seem likely that the contrast between the two types of nominee is due more to the different initial environment than to a difference in wealth, income or family composition. The well known phenomenon of "hostel malaise" [Richardson, 1974, pp. 81-88] would seem to have more importance than material differences.

Be that as it may, the contrast between the two groups is considerable, when only those with dependent children are considered. While a roughly similar proportion of both groups were renting accommodation, few Commonwealth nominees had yet purchased housing, while few of the others were boarding. This is yet another indication of the differences in the haste with which the two groups approached their housing problem. When hostel dwellers are excluded from the Commonwealth nominees, the proportion of those remaining who had purchased is still only about 22%, significantly less than the 35% of non-Commonwealth nominees with dependent children who had purchased by first follow-up.

The main limiting factor in purchasing a house is the initial

lump sum required as deposit. Once this payment is made there is little difference in weekly cash outgo terms between the repayment and rent of a comfortable dwelling. If anything, rent would most often be greater (see above, pp.184-6). Bearing this in mind, it may be expected that purchase so soon after arrival would be related to the amount of capital brought to Australia. This does appear to be so, as will be shown below (pp.226-233), where purchase and purchase plans are examined.

But for those boarding and renting, there is again little to distinguish between them.

Quality of First Follow-up Housing

The quality of housing at first follow-up is not necessarily better than that in which they were initially placed. Commonwealth hostels, despite their considerable faults, did provide sufficient physical space to satisfy most households' requirements and nominators had to satisfy the Immigration Department that the accommodation they could provide for their nominees fulfilled certain quality regulations.

The experience of many migrants, though not a majority, was to move temporarily into rented accommodation, of a standard lower than they said they would tolerate on a long term basis. Some lived in caravans, a few lived in a garage while building on their block of land (a stage in a progression well known in Australia: see John O'Grady's *The're a Weird Mob* for its enshrinement as the "typical" Australian way). Many lived in a weatherboard or fibro cottage which they judged to be of a far inferior standard to that in which they had lived in the United Kingdom [see Table A6.25].

Number of Rooms. The number of rooms used exclusively by the migrant unit increased between initial accommodation and at first follow-up. Where initially Commonwealth nominees had been better off in terms of number of rooms than other nominees, by first follow-up the position had been nearly reversed (Table A6.23). But there were still many married couples without children who were living in only one or two rooms. A number of these were elderly couples rejoining their children. One couple joined their family in one of Melbourne's south-western suburbs. At first follow-up they were living in a shed at the bottom of the garden having come from a relatively new council house, rented at a subsidized rate, in the United Kingdom. Unfortunately, the change was apparently not doing much good to either grandparent or parent household.

The need of a household for houseroom does seem to be related to the number of rooms they actually have. Table A6.23 shows quite clearly that Commonwealth nominees, all but three with children, and non-Commonwealth nominees with children use more rooms than those married without children, who in turn occupy more rooms than single people. The ability of a household to command houseroom, its income and wealth, does not seem to make as much difference to the number of rooms not shared by the migrant unit. While for non-Commonwealth nominees an increase in total family income from under £20 to over £40 is accompanied by a change in the median number of rooms not shared from one room to four rooms, no such variation is present for Commonwealth nominees. The change in median number of rooms for non-Commonwealth nominees is not uniform enough in direction to give much confidence in the existence of a direct relationship. There is much more to quality of houseroom than the number of rooms. A family enjoying a higher income could well choose

a more convenient location to more rooms than needed to satisfy its basic requirements.

It will be recalled that for the great majority of migrant units initial housing contained many fewer rooms than they had in the United Kingdom. It may well be expected that by first follow-up most units would have improved their situation to something comparable to their United Kingdom position. However, Table A6.24 shows that there was still a predominance of units worse off for rooms than they had been in the United Kingdom. The disturbing aspect of this table is that nearly two thirds of the sample was worse off for rooms and nearly one third markedly worse off, with minus 3 or more rooms in Australia. When migrant unit family composition is taken into account the proportion of previously existing households worse off is just over one half for non-Commonwealth nominees and just over four fifths for Commonwealth nominees.

But there are some kinds of migrant unit less likely to be occupying fewer rooms at first follow-up than in the United Kingdom. These are the ones who either had a high income or had brought a relatively large amount of capital. When capital transfer is taken into account the median change in number of rooms not shared is zero for those who brought £200 or more. This is probably due to the greater number of those who brought £200 or more who had already purchased a house. Similarly, non-Commonwealth nominees with family income under £25 per week had a median loss of one room, and had but one or two more of these units lost two rooms the median loss would have been two rooms. Those with higher incomes had a median of no rooms. This relationship may largely be due to the fact that single

persons lost more rooms than family units and single persons also had relatively low family incomes. But this cannot explain the fact that, of the Commonwealth nominees, those whose total family income was over £35 suffered no loss at the median.

Opinions about Housing. The measures of quality of housing used so far have been very narrow, though quite well defined. The amount of information about the household's housing has been very limited. In the case only of "number of rooms not shared" it is possible to be fairly sure that some few of the migrant units did not have adequate housing, viz., those families with dependent children living in 2 or fewer rooms. There are a pair of other measures in the first follow-up survey which convey more information about the migrant unit, but at the cost of a precise definition of what is being measured, apart from the state of mind of the respondent. These measures are the opinion of the head and of the wife about their current, first follow-up, housing relative to their pre-migration housing. Clearly, the "objective" aspects of the two housing situations being compared will be of great importance in these opinions, but individuals will weight different aspects differently, and their opinions will, rightly, be heavily coloured by their more general feelings of satisfaction or frustration with life in Australia.

Table A6.25 shows that two thirds of Commonwealth nominees felt they were in worse housing than they had had in the United Kingdom, as against only about 40% of the others. Twenty per cent of Commonwealth nominees and 30% of the others felt they were better off for housing in Australia.

Family composition also distinguishes units in their opinions

about housing. Husbands do not always agree with wives, but the proportions giving a particular response are virtually the same. Single persons differ from all other units, and between males and females, with over 40% of males, and just one quarter of single females feeling worse off. Large Commonwealth nominee families were more likely to feel worse off than small (70% as against 55%), while for other nominees the reverse is the case (40% as against 47%). This may be explained in terms of large Commonwealth nominee families only moving from the hostel when suitable accommodation had been found, such that they were no worse off than in the hostel, while large non-Commonwealth nominee families did not have the option of staying in a hostel, inevitably rate "worse", which at least gave some necessary minimum of houseroom.

Those who brought more capital do not tend to be less displeased with their housing than those who brought less capital. Capital is not related to housing satisfaction, despite capital being strongly related to purchase, as will be shown. Neither is there a positive relationship between income change and housing satisfaction. The belief that a positive change in relative income would give a happy colour to judgments about Australia is not borne out, despite the opportunity on improvement in income might give to fare relatively better in the housing market in Australia than in the United Kingdom. But again there is no relationship of the kind which might have been expected. The richer immigrants are just as prone to think themselves worse off for housing as the poorer.

The obvious conclusion to be drawn from response to this question is that housing remained a problem for British migrants at the first

follow up. Typical judgement on the Australian housing were that houses were probably constructed from inferior materials, for example, weatherboard and fibro; that both heating in winter and insulation against the heat of summer was inadequate; that sewerage was not available, and drainage inadequate; and perhaps surprisingly that rooms were smaller. The only sort of favourable comment on housing that was made by any number of respondents was that the garden was relatively large and useful for adults and children, in contrast to the gardens of the semi-detached and terrace houses from which they had come.

Location of housing and the amenities enjoyed in that location by the household has not been mentioned. However, it might be expected to colour the judgement made on the house itself. This judgement typically would be on the negative side, for all but a few fortunate migrants complained of the lack of things like public transport, kerbing, guttering and footpaths, and of long journeys to work entailed by the location of the newer dormitory suburbs of the metropolitan cities.

The Cost of First Follow-up Housing

In this section only the weekly cost of housing, either rent or board, will be dealt with.

The Cost of Board and Lodging. Nearly one third of Commonwealth nominees were still in hostels, and thus still paying board. The tariffs paid for hostel accommodation appear to differ only very slightly from those paid initially. None were on a zero tariff, implying that all migrant unit heads have been in employment at least for some time since arrival (the Immigration Department pays the board of the new arrived up to their employment). Hostel tariffs are related to household size and

family composition as they are at the initial stage. But there is also a relationship between total family income and hostel board, as Table A6.26 shows, and this relationship is consistent with the Schedule of Tariffs in the document Appendix B to this chapter.

Unlike Commonwealth nominees, all but 15 of the non-single person, non-Commonwealth nominees had moved from lodgings into rented or purchased accommodation. Eighty of the 131 single people were paying board.

Of the 15 non-single units paying board 10 had up to 3 dependent children, while 5 had none. Nine of the 10 had brought less than £200 to Australia, one had not replied to the capital transfer question, but their incomes ranged from under £15 per week to between £45 and £52 per week, the highest class interval required in the first follow-up observations. The five units without dependent children were not lacking in wealth. On unit only may have been a grandparent couple drawing a pension, but the others had greater than pension sized income, and 3 of the 4 had transferred between £1000 and £2000.

Rent. Migrant units paying rent at first follow up have been divided into those paying a low rent (under £5 per week) and those paying higher rent (18 paid a zero rent). Table A6.27 presents the distribution for the non-boarding sample.

Comparing the non-Commonwealth nominees in this table with Table A6.20 it seems that as well as the number of owners increasing to nearly 40% of the group, the proportion of those actually paying rent who were paying £5 and over had increased. Comparing initial rental accommodation with that at first follow up (Tables A6.11 and 22), there was clearly a

movement towards the cheaper and more permanent unfurnished accommodation. This means that the increase in the proportion paying £5 and above must represent some type of quality improvement, whether of size alone, as there had been an increase in the number of rooms overall (including lodgings), or of location, construction and amenities. This is on the assumption that little significant movement took place in the price of house rental over the period (The Housing Group of the Consumer Price Index rose by 12% over the two years June 1959 to June 1961. One quarter of the Housing group related to rental items, 3/4 to ownership [*Labour Report* Bureau of Census and Statistics, 1962-3, p. 22, p. 32]).

When Commonwealth nominees are compared to non-Commonwealth nominees who are married or have dependent children it can be seen that there appears to be substitution between high rent and ownership, for 65% of both groups either paid £5 or more in rent or were owners. This is certainly related to the greater ease with which the better off are able to purchase housing.

Total family income seems to be the most important determinant of whether a unit paid a low or a higher rent. For Commonwealth nominees, income is the only variable to make a large difference to the proportion who paid a high rent (Table A6.28), while for the other nominees income makes the most obvious difference (Table A6.31). But capital transfer makes a large difference to both the proportion of non-Commonwealth nominees who paid a higher rent, and to the aggregate of owners and higher rent payers. For Commonwealth nominees this is not so clear, mainly because very few fell into the highest capital transfer category, but also because capital transfer is not related to total family income

for these units.

Households with 3 or more dependent children did not tend to pay a higher rent, but tended, if anything, to have more chance of paying under £5 per week. The reason for this, applying to both types of nominee, bears some speculation. Large families did not tend to be on lower incomes, but they brought less capital. It may be that the household head earned less income, but that extra incomes made up the gap, giving the income distribution seen in the Tables. If the head's income alone was generally used as the criterion for the rent they could afford, then the larger proportion paying low rent is explained.

The Rent/Income Ratio. From the point of view of the household's ability to buy other goods, and to save out of income, the ratio of rent to income is important. Table A6.32 shows this information cross-tabulated by household size for all renting households for which the information is available. The median rent/income falls consistently from the 20% and over of one and two person households down to 10-15% for the households of 6 or more persons. A number of factors probably enter into the cause of this relationship. First, there are economies of space available to the household larger than 2 persons. Kitchen, bathroom, laundry, living room even a garage, are used by a 4 person household somewhat more than by a two person household, but with no necessity to use any more room. The second possible reason is that a larger household is more likely to command a second wage income, therefore income would tend to be higher. In fact this tendency seems to be an offset to a lower income for the breadwinner. The third reason is that larger households generally paid less absolutely in rent than smaller households.

The overall median rent was 15-20% of income of the household. In

terms of the Australian standard this was not too high. But there were still many households paying 20% and more of their incomes in rent. The proportion paying 25% or more, the level regarded as a limit by lending institutions for housing loan repayments, is not negligible. Half the single female headed households paid this much. When subsidiary incomes are excluded the position of more median sized households is seen to be worse than the Table (A6.32) might have us believe. Rent is a problem in the household budget, and a problem for the long run plans to save for house purchase of most of these migrants, despite their being a relatively favoured group, as the Melbourne Survey showed.

House Purchase and Long Run Plans

Long run plans for housing and the ownership of house and land tend to be synonymous in the Australian mind. This is not necessarily the case for a person in the United Kingdom. In Australia over 70% of householders live in the houses or other dwellings which they own or are purchasing. In the United Kingdom, on the other hand, this proportion was only about 30% at the time the sample group left (Appleyard, 1964, p. 73). The supply of rental housing by United Kingdom public authorities, not only for low income households, makes ownership less imperative in order to minimize cost. Aspirations of the sample group at the first follow up reflect their experience. But achievement by first follow up, and modification of earlier plans, reflects Australian patterns of ownership. Second follow up (see below) will give a stronger indication of this trend. This section analyses the incidence of ownership at the first follow up, the plans and aspirations held for the future, and the immediacy and level of reality evident in responses to questions about their plans.

The Incidence of Ownership. Tables A6.27 - 31, included primarily for the discussion of rent, also show the proportions of various sub-groupings who owned their dwelling by first follow up. These show that there was a considerable difference between Commonwealth nominees and the others, after allowing for differences in family composition, and after allowing for differences in family income. But there was little difference between them after allowance for capital transfer. This suggests the not unreasonable proposition that capital is of some importance to purchase. Table A6.33 shows the proportion of buyers for each capital transfer class for the whole sample. Apart from the £300 - £499 class, whose proportion was slightly smaller than the £200 - £299 class, the proportion of purchasers rose with each class interval, from a negligible proportion of those who brought less than £100 to nearly 3/4 of those who brought £2000 or more. Carrying out a similar exercise with income distribution gives a far less clear cut picture, suggesting that while very low income goes with not buying a house, high incomes do not greatly increase the likelihood of purchase.

Thirty one per cent of the first follow up sample had been owners in the United Kingdom, a figure quite close to the average for the United Kingdom. Of the Commonwealth nominees 27% had been owners, while of the others 36% of married couples with no dependent children or with not more than 3 dependent children had been owners. The only family composition groups very different from the overall average were single people and those with more than 3 children, both of which contained only about 10% who were owners in the United Kingdom. The high proportion of married couples without children who were owners in the United Kingdom suggests that many of these were parents or grandparents joining children. The few previous owners in the United Kingdom amongst the

families with more than 3 children suggests that the large families which migrate were not without economic difficulties in the United Kingdom.

Table A6.34 cross-tabulates capital transfer by United Kingdom ownership for the two types of migrant. This shows that most of the capital transferred to Australia was the proceeds of the sale of a house. This being so, we could expect most of the previous owners to have a head start in the housing market, as well as being inclined by past experience to ownership as a worthwhile and realistic form of tenancy of their dwelling. However, the sample is not large enough for a firm relationship to emerge between prior ownership and ownership at first follow up. More surprisingly, perhaps, the fairly small group who had owned in the United Kingdom and were already owners in Australia did not appear to be better off for income, when family composition was taken into account.

Long Run Housing Plans. The first follow up questionnaire asked no less than four separate questions about the long run housing plans of the migrant unit. The questions were first, whether the unit intended in the long run to buy (including those who had already bought) or rent a house ("build one myself" was given by a number of units and is shown as "self-build" in the tables); second, how long would it be before these plans were to be put into effect; third, whether plans formulated in the United Kingdom had been fulfilled, would be fulfilled but not as quickly as envisaged, or had been abandoned; fourth, what was the amount they expected it would cost to fulfill a plan to purchase.

Many different factors are likely to affect the long run plans of a migrant unit. Some of the more obvious are differences in previous

experience, wealth and income. Table A6.35 shows that there is a clear difference between types of nominee and different family composition groups in whether they planned to buy, rent or build themselves, or had no plans. Commonwealth nominees had the highest proportion planning to rent, with smaller families (20%) less inclined to rent than larger (30%). Those units were both less likely to have a reasonable sum available from capital transfer to put down as a deposit on a house and more likely to be still within a migrant hostel isolated from Australia in many ways.

All types of non-Commonwealth nominee were less likely than Commonwealth nominees to wish to rent in the long run. Married couples and units with children were more likely than Commonwealth nominees to plan to buy. The less settled single persons in general made no plans at all. While this might in effect mean they would continue to board or rent, it is probably significant that they did not see themselves renting forever. In fact, for every single person whose long run plan was to rent, there were two who planned to purchase property. When only those units with children are considered, the χ^2 statistic to Table A6.35 shows that there was a significant difference between Commonwealth nominees and the others in their plans at the first follow up.

Family income does not appear to be related to plans. Only for non-Commonwealth nominees was capital transfer of importance. This may, of course be due only to the correlation between plans and family composition, as single persons brought less capital. This interpretation is strengthened by the fact that capital transfer is related to proportions planning to buy and having no plans, and not with a variation in the proportion planning to rent.

Plan Horizons. The time by which a household thought it could achieve its plans is a measure also of the extent to which the plans were plans for action or simply expressions of a far away ideal. Table A6.36 shows that a roughly similar proportion of Commonwealth and non-Commonwealth nominees, with or without children, single or married, intended to purchase "within 10 years", that is, they hoped some day to buy a house. Similarly, for the non-single person units roughly the same proportion, something less than 10% were planning to purchase within a year. Table A6.37 throws some doubt over the likely success of "within one year" people. It can be seen that, for both classes of nominee, bringing £300 or more capital does not make any difference to the proportion holding expectations of early fulfillment of plan. Perhaps this is of no consequence, for these units, less than 10% of the sample, would have nearly three years in which to save the necessary deposit. It may be that purchase more than three years after arrival is correlated with small capital transfer - these bringing more capital having purchased earlier.

Certainly the "within 10 years" group contains an over-representation of those who brought little capital, which could mean those who find saving a problem, but whose consumption tends to be grand. For example, one family arrived with less than £100, but the head had had plans to buy within 6 months. On arrival he found employment with accommodation provided. At the first follow up survey they had "plans" to buy a very pleasant sort of house - a little stone colonial house in the country, with 4 bedrooms, for £5000 which they would save up within about 2 years and pay for in cash. Their current cash balance was still less than £100. At the second follow up survey they were still in the same

employer's accommodation. Their liquid assets were still negligible. Their plans had modified to a brick bungalow for £7 or 8000, for which they would save a deposit, but only when the head changed his job, at some very indefinite time in the future. At both follow up surveys they said they were worse off for housing, but liked the life. At a guess they are still living in that same employer's accommodation.

Plan Fulfillment. Plans made originally in the United Kingdom and recorded at the original interview were judged at the first follow up. Table A6.38 shows that one third of non-Commonwealth nominees, but less than one fifth of Commonwealth nominees had fulfilled their plans within about the time expected. Nearly half the Commonwealth nominees had abandoned their plans, while only one quarter of non-Commonwealth nominees had done so. The greater disappointment rate for Commonwealth nominees may be either cause or effect of the higher levels of dissatisfaction, greater isolation and propensity to return to the United Kingdom shown by Commonwealth nominees at the second follow up.

The difference between the two types of nominee is the most significant one with respect to the progress of housing plans. However, as Tables A6.39 and 40 show, greater resource command does not go with greater disappointment. The positive relationship between resources (income or capital) and success in fulfilling plans should not be exaggerated, for plans tend to be greater for those with greater resources. Single people, with a tendency to have a low income, are also most likely to abandon plans (two thirds of single persons who had plans abandoned them). But their plans are also least likely to be of great importance to their life in Australia.

Whatever the variation in progress of housing plans the overall

position is not very encouraging, with nearly a third of those having formed plans for their housing in Australia abandoning their plans within two years of arrival, despite the very high social value placed on home ownership in Australia.

Expected Cost of Planned Purchase. It may be that this disappointment in respect of housing was due to poor information or poor reality testing by migrants. One crude measure of this is in the price respondents expected to pay for a house and land (not land only, this being specifically excluded by the question).

Table A6.41 shows that of those who both expected *at first follow up* to buy and had expectations about the price they would pay, nearly half expected to pay less than £4000 and about 15% less than £3000. An unusual feature of this result is that there is virtually no difference between the types of nominee. It is important to remember that these expectations were held at the first follow up, and do not relate to those whose plans were abandoned by this stage.

Clearly, the lower the price the unit expected to pay, the greater the chance of disappointment when they went into the market place to buy. At the time of the first follow up it would be reasonable to say an expectation of paying less than £4000 would put one in some danger of disappointment. Some migrant units were able to buy house and land for as little as £2000, but these few were in provincial towns with old houses. The metropolitan centres, particularly Sydney, required rather higher prices. On this assumption nearly half of those with some idea about what they wanted were courting disappointment. It may not be so surprising that many had had to abandon or defer their early plans for

purchasing housing.

Progress or Stagnation?

The first 18 months or 2 years after arrival are likely to be the most difficult and unsettled in the immigrant household's experience. The evidence of the British Migrants Survey is that the search for permanent housing is by no means over for most migrants by the end of this time.

Personal and other non-Commonwealth nominees clearly tend to be in a better position by this time than do Commonwealth nominees. More of them have moved into permanent residences, they are more likely to enjoy the use of better housing than they had had in the United Kingdom and their plans are more likely to have been satisfactorily achieved.

By contrast, many Commonwealth nominees were still living in the ghetto atmosphere of the hostel, few were satisfied with their housing and most regarded it as worse than the housing they had in the United Kingdom. Few even of the relatively well off had begun to purchase a house.

Are there any reasons for these contrasts? The most important appears to be the debilitating effect of the hostel. Richardson's analysis of this is incontrovertible [Richardson, 1974, pp. 81 - 88]. Added to the hostel problem is the extent to which the presence of dependent children limited the ability of Commonwealth nominee households to find suitable alternatives to the hostel where, at least, there was an adequate minimum of physical space which families may be loath to forgo even in the short run, and the availability of rudimentary child minding facilities which enabled the wife to work. A final

hostel-related factor is the weekly outgo of board payments. The services enjoyed - accommodation and meals - must be taken as a whole. The household cannot trade off accommodation or food for more cash saving for a deposit on housing or consumer durables. Where the household renting accommodation can economize, the household which boards must accept the charges and buy goods which it may prefer to forgo.

Perhaps the hostel cannot be blamed for the whole problem. The hostel system did not decree that its boarders would tend to be lower down the wage scale than personally nominated migrants. But the Commonwealth nomination system can be blamed for not seeing that the process of growing into a new community is not helped by isolation from the community and by lack of support from within that community for the initially friendless Commonwealth nominee.

Firmly Settled? The 1966 Follow Up in Australia

The final contact was made with the British migrants sample at the second follow up, in 1966. At least six years had elapsed since they had come to Australia, enough time for most families to become firmly entrenched in Australia. Those who had arrived with teenage children were beginning to see them setting up households of their own. Younger children, and the many under six years olds, born in Australia, differed little from any other Australian children, growing up in the Australian community, to what many of their parents were hoping were the brighter opportunities of the young country. But there were found, at the second follow up, many who had not settled. Some of these were back in the United Kingdom and were interviewed there (see below). Some were still in Australia by force of circumstances. Some had returned

to the United Kingdom for a short time and had then re-emigrated.

The Re-emigrants

The second follow up found 468 of the original 860 willing to respond and living in Australia. Seventy-two of these were the re-emigrants mentioned above, that is, a little over 15% of the total remaining sample. These 72 seem to fall into two categories - the returnees who find on their return that the United Kingdom does not live up to their expectations, or does not solve the problems it was expected to solve, and those whose return was in the nature of a holiday, business trip or family event [Richardson, 1974, pp. 130-137].

There was amongst the re-emigrants an over-representation of single people and couples without dependent children. However, 38 of the units who made the journey had dependent children, at least 3 with more than 3 dependent children. However, not all wives and children would have gone on business trips or to wind up the estate of a deceased relative.

The re-emigrants tended to have been amongst those who brought £500 or more to Australia originally. Table A6.42 shows that 36% of re-emigrants had brought more than £500, while only 24% of the others had done so. Table A6.43 shows a bimodal type of distribution of capital transfer for the 72 units. Inspection of coding schedules showed that most of those in the lower part of the distribution were single people at the time of the original survey. Many of them, though not all, had moved on to later stages in the family life cycle by the second follow up. It is likely that these were the fortunate ones amongst re-emigrants, whose travels were not attempts to solve marital and other family or personal problems.

The Progress of Settlement

Housing Mobility. Re-emigrants aside, we can still expect the housing mobility of the sample to be greater than that of the population in general. The Melbourne Survey showed that British migrants resident longer in Australia, on average, than the present sample tended to move more than twice as much over a two year period as the Australian born. Eighty-five per cent of the Australian born had not moved in the two years preceding interview, while only 57% of British migrants arriving between 1940 and 1964, the median arrival date being about 1956, had not moved.

Table A6.44 shows that, of the British migrants sample, only a quarter had not moved since the first follow up. It may not be assuming too much to say that these 114 units were settled by first follow up. There are a number of cases where the household had not moved, but they still expected, or hoped, to move. For example, at first follow up one household was found to be renting a house from the South Australian Housing Trust in a small provincial centre. They were not very satisfied with the house or with the town and had applied for a Victorian Housing Commission house. However, the household head was a skilled operative in a trade carried on only in that town in South Australia, and in only about half a dozen other centres around Australia. At the second follow up the household was still in the same house and the head had a different job in the same industry. While they still thought the house unsatisfactory and the town a dead hole, their "plans" for the future were in the realm of fantasy, something which they recognised and accepted. But if employment were found in a more congenial place (they thought Melbourne!) the family would certainly move. They did not regard themselves as permanently settled in the town.

Of the three quarters of the sample who had moved since first follow up, nearly a third had moved 3 or more times. The median number of moves for all single people was 2. But the median for all the non-single person migrant units was one move. Householders who were in rented accommodation, apart from those renting from public authorities, were more likely to have moved two or more times. This illustrates the segment of the housing market filled by private rental, that of short term housing. This is illustrated further by the high proportion of the most mobile type of unit, single persons, who rented their accommodation (Table A6.45).

Type of Occupancy. Progress towards permanent types of occupancy of housing can clearly be seen from comparison of Table A6.45 with Table A6.22. Some units are still living in what seem very temporary categories such as full board, even some units with dependent children. Some of these may be recent re-emigrants. One boarder, at least, was living in the manager's residence of his employer's establishment, and looked like being there until retirement.

Family composition has a role in the choice of occupancy. Single people are less likely to obtain public authority housing.⁵ The class "Rented from Government" can be treated as a permanent form of occupancy, for outside South Australia, public authority housing is for those who cannot cope on the open market. It is thus subsidised and subject to non-price rationing, mainly by queues. Being cheap but difficult to obtain, such housing is not lightly relinquished. When "Rented from Government" is added to "Owned or Buying" the proportion of those with

5. It is not clear that coding distinguishes purchase from public authority from renting from public authority. See the next paragraph.

dependent children in probably permanent accommodation is 80% as against about 60% of those without dependent children.

Table A6.8 provides some comparison from the Melbourne Survey with the second follow up occupancy data of Table A6.45. Of Australian born heads of household, about 75% were either owners or buyers. Some 5% were buying from the Housing Commission. Tenants of the Housing Commission comprised a little over 5% of Australian born householders. Of British migrants who arrived between 1955 and 1959, virtually the same proportion, 75%, were buying, or owned, their home but of those who arrived between 1960 and 1964 only 1/3 had commenced purchase. Small numbers forbid certainty about the proportions of Housing Commission buyers and tenants in these migrant groups. But it would seem that there may be more buyers and fewer tenants, balancing out to roughly the same proportion of these migrants using the services of the Housing Commission as there were of Australian born householders. None of this is greatly at odds with the British Migrants Survey sample when "Rented from Government" is not distinguished from buying, in Table A6.45. However, if "Rented from Government" does exclude people purchasing from public authorities, 12% is undoubtedly higher than the Melbourne Survey figures, and more than twice as high as the 1966 Census figure of 5.3% of all private houses and self contained flats being occupied by tenants of government authorities [*Commonwealth Year Book*, No. 56, 1970, p. 197]. So either "Rented from Government" includes those purchasing, or our sample of British migrants had an unusual propensity to become tenants of government authorities, perhaps by settling in areas such as the town of Elizabeth in South Australia where the Housing Trust provides much of the housing.

The size of households tends to be larger for those renting from

public authorities, the median being 5 persons, than for any other type. Owners and buyers had a median of 4 persons, while those renting privately, and those rent free both had a median of 2. This emphasizes the difference between renting on the open market and from public authorities. It suggests also, that renting privately was confined to the ends of the family life cycle.

It is to be expected that resource command should be related to occupancy. The first follow up showed how important it was for would-be purchasers to have an initial capital stock. An income high enough to allow saving might be thought to be of more importance after six years residence than it was after two.

Tables A6.46, 47 and 48 summarize the information. Table A6.46 shows that purchasers have the same proportion, about 1/4, with a family income less than £30 per week as those who rent from the government. All the other categories have a higher proportion with income below £30. But this table tells us more about family composition and size than it does about resource command. The larger families in public authority housing compensate with extra workers for a smaller earning ability possessed by the head. Their income distribution truncates above £65, with only two observations greater than £70 per week. The other three occupancy types (columns 1, 4 and 5 of Table A6.46) are all either young or old, and their low incomes are unlikely to be a cause of their choice of occupancy. But Table A6.47 puts the data another way, drawing a line at a slightly lower income level and looking at the proportion of those who are owners with incomes under £25 per week, and the proportion who are owners with income £25 per week and over. There is a clearly significant difference in the proportion. No doubt, were allowance to be made for family composition and initial capital the proportions would

be closer together. Nevertheless, a low family income is likely to have an independent influence on home purchase, whether by lowering aspirations or frustrating them.

Table A6.48 shows that there is a clear and obviously direct relationship between the capital stock they brought to Australia and their purchase of a house. Again, this relationship depends to some extent on family composition or stage in the family's life cycle. But, more strongly than for income, it can be argued that the possession of a lump sum of liquid capital even six years previously played a part in causing or allowing purchase of a house at some time during the six years. But, fundamentally, this evidence points to a more innate characteristic of a household, its ability to save. This depends not only on household income relative to household needs but also on personality traits of husband and wife (thrifty or spendthrift, clever or ineffectual budgeters) and the household's inter-personal behaviour patterns. A household able to save is more likely to have brought capital to Australia than one less able to save. A household able to save is more likely to have embarked on purchase than one less able to save. In other words, if we could measure ability to save directly it would be found to be related even more strongly than capital transfer to home purchase at this stage.

Long Run Housing Plans. The final, but not conclusive, measure bearing on the degree to which these "settlers" (as they were recorded in the Commonwealth Statistician's net migration figures of 1959) had in fact settled is their response to the question about their intentions in the long run, to buy or rent housing. Unfortunately, this question was not usually asked of those who had purchased a house, implicitly assuming that purchase meant permanence. Of the non-purchasers who were asked

this question a number replied that they had no intention of moving, and were added on to those who had already purchased as being settled. A few purchasers who were obviously not settled were asked their long run intentions, and were classified "bought, but intend to move". Table A6.49 shows that nearly two thirds were classed as settled. Of the rest, about half intended to purchase a house. Again, there is some doubt about this figure, for perusal of some schedules turned up a number who said they planned eventually to buy, but on further examination those plans were in the realm of plans for the disposal of lottery winnings. Another third of these had various intentions that were too vague or too unusual to classify. Strangely enough, there were not enough planning to return to the United Kingdom for this to be a classification.

Plans to Rent. Of the more definite and classifiable types of plan the most significant is the plan to rent. Only twelve units had plans to rent another house in the long run. To these can be added the renters who do not intend to move, 47 units. This figure is derived by subtracting the 269 purchasers from the sum of the settled and the "bought but intend to move. These 58 settled renters plus planners to rent another dwelling are 12.6% of the 468 units left in the sample. This proportion is virtually the same as the 91/669 who planned to rent, in the long run, at first follow up (Table A6.35). But it is larger than the 53/579 who, at the original survey said they intended not to purchase [Appleyard, 1964, p. 189]. The first comment which could be made is that it is remarkable that despite plans undoubtedly changing between the two follow ups, and despite attenuation of the sample the same proportion were content to rent, despite the higher long run cost of renting especially given the well founded expectation of continuous inflation. Perhaps a low level expectation is easily fulfilled. The other comment is that despite the cost of non-ownership in Australia, despite the large

difference between proportion of occupiers who own in the United Kingdom and in Australia, it would seem not unlikely that more who planned to buy changed their plans to renting than the other way around. Far from aspirations shifting from a United Kingdom level, where less than one third are owners, to an Australian level, where nearly three quarters are owners, the movement, if any, was in the opposite direction. This suggests that home ownership is "sold" to migrants as one thing everybody can achieve in Australia (and there is some evidence of this in the questionnaire schedules), that what is not attainable in the United Kingdom is readily available in Australia. While this may not convince the prospective migrant that he should plan to buy, it clearly would persuade some not to admit to plans to rent.

The Settled Ones. The group who either claim to be "settled", or have that claim made for them by the fact of purchase, consist of 251 purchasers and 47 others. Tables A6.50, 51, and 52 show that family composition and family income both distinguish purchasers from the others. Interestingly, capital transfer does not distinguish them at all when binomial confidence intervals are placed over the distributions. These give a fairly conservative guide to inference about the behaviour of 1959 vintage British migrants in 1966, given the sample was well designed and that error of non response can be neglected. Thus a family with up to 3 dependent children, is clearly less likely to be settled renting in the long run than a single woman. This family is nearly as clearly less likely to be so than a couple with no dependent children, a family with 4 or more dependent children, and a single man, in that order of certainty. The small numbers of single men prevent a stronger judgement from being made. There may be a real difference between single man and single women, with the men less likely to be happy to rent. This may

be because society expects behaviour to be different between men and women. It may be due to the reluctance of lending institutions to lend to women. Those units with family income exceeding £40 per week (101 of them) are clearly less likely to be settled renting than are those whose income is less than £40. Because the income and family composition distributions are by no means independent, the two results cannot be independent. Single people tended to have a lower income than others. In fact, only one, a single man, had an income over £40 per week. But rationalisations can be made for either large income or small family being less likely to be happy to rent: Greater income means greater present ability to save and is almost certainly associated with greater past ability to save; single people are not likely to want to stay settled for very long, and are more likely to prefer to spend their incomes on other sorts of consumer goods than housing, i.e., to not save; large families are more likely to be able to obtain subsidized rental housing than are small ones. There are probably some elements of truth in all of these.

Quality of Housing at Second Follow up

Quality of housing at the second follow up stage largely reflects the level of quality at which the migrant units will spend much of the rest of their lives. The 298 of 468 who are "settled" (Table A6.49) would expect this to be the case. Many of the 170 others would also expect so. The 17 with vague intentions, probably held some resentment at settling for less than they had hoped for, like the skilled operative mentioned above (p.236). Some of the 20 units in the residual classification had no intentions, but presumably did not wish to admit they had settled. Some of the 81 who intended to buy had not fulfilled

an intention held over the whole period of their residence in Australia, and were unlikely to fulfill their intention at all.

The two indicators of quality available in the survey, number of rooms and type of house, can be compared with data from the total Australian population taken at the 1966 Census.

Types of House. The first consideration with respect to type of house is the change from the first follow up situation, which was clearly dominated by non-permanent housing. Table A6.53 cross-tabulates types of house at first and second follow up surveys. Cells enclosed by horizontal rectangles, above the main diagonal, indicate the unit at second follow up was living in a "less preferred" type of house than at first follow up. Cells enclosed by vertical rectangles, those below the main diagonal, indicate a movement to a "more preferred" type of house. These movements do not by any means imply that in every case the movement in quality of housing was in the indicated direction. There are in Australia any number of poor quality detached brick houses, to which anyone would prefer any number of good quality houses not made of brick. But in general the order of the classification is in accord with what the surveyors saw to be a preference order. For a "typical" nuclear family, for a given cost, it was reasoned, a detached house of brick construction is the most preferred, a Commonwealth hostel the least preferred, the others taking respective intermediate positions. If this piece of casual empiricism is accepted, Table A6.53 assumes some meaning.

It would appear that some 35% of the sample moved to a more preferred type of dwelling, while 14% to a less preferred type. Nearly 45% did not change their type of dwelling, while 6% were "no reply" or unclassifiable. Fourteen per cent of the movers moved between brick and

other detached houses. The percentage of the sample living in a detached house rose from 58 to 77, a clear movement towards the Australian norm. The Australian Censuses of 1961 and 1966 do not distinguish detached, semi-detached, etc., probably because the detached house is overwhelmingly predominant, but they do give the proportion of all occupied dwellings that are self contained flats. In 1961 this was 7.72%, and in 1966, 11% [*Commonwealth Year Book*, No. 56, 1970, p. 195]. These compare without sample, in 1961 when 16% lived in a "flat or tenement", and 1966, when 11.5% did so. The closeness of the Census figure to this last is obviously co-incidental, but the movement for this category is, again, toward the Australian norm. The Censuses of 1961 and 1966 also recorded the material of outer walls of occupied dwellings. The Census figures for brick (including brick veneer) are, for 1961, 31% of all houses, excluding flats, and for 1966, 35% [*Commonwealth Year Book*, No. 56, 1970, p. 196]. On the assumption that semi-detached and terrace houses have brick outer walls, the comparable figures for the sample are 28% in 1961, and 38% in 1966. The "overshooting the norm" that the sample appears to have achieved can probably be explained by the higher proportion amongst the sample who moved into new housing mainly of brick veneer, which had largely replaced fibro and weather-board as the building material in cheap but not subsidized housing.

Table A6.54 shows that family composition is important in distinguishing type of house at second follow up. Married couples without dependent children, and single people, are much more likely to be living in a flat than are those with dependent children. Families with more than 3 dependent children are more likely to be living in a semi-detached house than are those with fewer dependent children. Those with up to 3 dependent children more often live in a detached house with

brick outer walls than any other type, but the difference is statistically insignificant. The differences seen already in this chapter between the smaller families (with dependent children) and the larger have all pointed to the larger family being less able economically, on average, than the smaller. The incidence of semi-detached and non-brick houses strengthens this evidence. To look at this from another side, units residing in semi-detached houses tend to consist of more persons than the sample average (median is 5) and to have a lower median income (£30-£34 per week as against £35-£39 for those living in a detached house).

Number of Rooms

The second "quality" measure is the number of rooms. Here, the most worthwhile comparison of the distribution of the sample at the second follow up, when their long run equilibrium has been established in Australia, is with their last permanent dwelling in the United Kingdom. Table A6.55 presents this comparison for various family composition groups. This table does not show the change in number of rooms for each family, because many families moved from one class to another over the seven year period.

For those without dependent children the median is the same, at 4 rooms not shared, but the mean number of rooms would appear to be higher in Australia. Two factors could explain this. First, the existence in the original survey of some newly formed households, those who emigrated soon after marriage, which would increase the proportion in the United Kingdom having few rooms to themselves. Second, the families whose dependent children had by second follow up, become independent. These would tend to live in houses to suit families with children, many still living in the family home though no longer dependent.

For those with up to 3 dependent children, 8% fewer units commanded less than the median number of rooms (5) in Australia than in the United Kingdom, and 6% fewer commanded more than the median number in Australia than in the United Kingdom. This may well show that Australian housing is less varied in respect of number of rooms than is housing in the United Kingdom. For families with more than 3 children the median was again 5 rooms in both Australia and the United Kingdom. But the distributions are quite different. Only 8% of the units at second follow up had fewer rooms than the median, whereas 28% had fewer in the United Kingdom. Five per cent more second follow up units had 6 or more rooms than original survey units.

Table A6.55 can fairly be said to show that *on average* none of the three types of household did better in Australia, but that there were fewer of all types worse off for rooms than had been the case seven years earlier in the United Kingdom, and more of those with 4 and more dependent children better off on average than had been the case in the United Kingdom. It would probably be justified to say that British immigrants are more likely to enjoy the use of more rooms in their permanent housing in Australia than they would have had in the United Kingdom, in that fewer have a less than average number, and more have the average (median) number of rooms.

The second useful comparison that can be made with respect to number of rooms is with the 1966 Census in Australia. Table A6.56 compares the distribution of number of rooms of all private dwellings with the number of rooms used by families with dependent children from the second follow up sample. The two distributions have the same median, 5 rooms, and the same proportions in the two classes adjacent to the median, i.e., 4 rooms and 6 rooms. But the proportion with the median

is much higher, at 50% for the sample than for the Census, which has only 35% with 5 rooms. This is due partly to the small size of the sample which reduces the chance of observing the rare extreme cases, and partly to the smaller household units in the sample being excluded from consideration. This was done because the measure used for the comparison, number of rooms used, would have given a double chance of counting dwellings in which two or more households lived. But there may be a real basis for the difference in that many of the migrants were settling in newly built housing in the outer suburbs of the metropolitan areas. Housing in Australia overall, may well be more varied than the three bedroom brick veneer house repeated endlessly, thousands of minor variations on a theme dictated by an Australian passion for the quarter (or fifth) acre block and two to four children.

The second follow up found most of the British migrant sample still in Australia, and well over half permanently settled. Their housing was generally as good as that of the rest of the population and possibly more of them were better off in terms of rooms available than they would have been in the United Kingdom. But this does not mean they were better off when location and environment are considered as well as the four walls and 3 bedrooms. The outer suburbs of the great cities were at that time, and still remain, badly off for facilities to which the migrants were accustomed in the United Kingdom, such as footpaths, roads sealed kerb to kerb, a frequent and comprehensive public transport system, and perhaps most importantly, sewerage. The following section examines the eighty-four units who were interviewed at second follow up in the United Kingdom. The reasons many gave for their return included these factors, just as so many still in Australia put them on their list of unsatisfactory aspects of life in Australia.

Failed Migrants? Failed Country?

To generalize from the eighty four migrant units interviewed in the United Kingdom at the second follow up would probably be placing too great a strain on the properties of the sample. But they are interesting, and their characteristics are consistent both with the rest of the sample, especially the 72 re-emigrants, and (somewhat less) with the conventional views about the returned migrant held by Australians.

The returnees can be divided into three types. The first is the person or couple, more rarely a whole family, who were found in the United Kingdom while on a relatively short visit, for a holiday or on family matters. Many of the 72 re-emigrants were in this category. The second type is the returnee whose return was not due to any deficiency perceived in their life in Australia, but due to circumstances in the United Kingdom. Family matters again were important to these units. The third, those positively dissatisfied with life in Australia, are those who attract the attention of the news media, both in Australia and the United Kingdom, but they seem less numerous than media attention would have us believe.

Dissatisfied and Non-dissatisfied

On this basis the 84 units can be divided into two parts which turn out to be very distinct, the 31 units who expressed some dissatisfaction with Australia in their reasons for returning to the United Kingdom and the 53 units who did not. The former will be called "dissatisfied". The latter, rather more awkwardly, will be called "non-dissatisfied" both to avoid confusion with Richardson's

technical term "satisfied" and because there is no evidence that they were satisfied with Australia in the ordinary sense of the term.

Mode of nomination appears to be related to the chance of a migrant becoming a dissatisfied returnee but mainly because different modes of nomination select different family composition types. Of the 31 units 17 were Commonwealth nominees. The first follow up sample contained 219 Commonwealth nominees, and 207 others with dependent children, 112 couples without dependent children, and 131 single people. Assuming all three dissatisfied returnee couples without dependent children (Table A6.57) were not Commonwealth nominees, a fairly strong assumption because many first follow up families with dependent children had moved on in the life cycle by second follow up, 11 of the 207 non-Commonwealth nominees with dependent children had become dissatisfied, while 17 of the 219 Commonwealth nominees had. This difference is not statistically significant, though it is in the direction which might be expected. The large difference is in the small number of the more flexible units, those without dependent children, who returned dissatisfied.

Table A6.57 shows this large difference in family composition of the two types of returnee. None of the single people among the returnees had expressed dissatisfaction, despite the number of single returnees being nearly twice the number that would be expected from the 84 returnees in the sample of 552. Only 3 of the 12 couples with no dependent children had been dissatisfied with Australia. But of the 55 units with dependent children, 28 had expressed some dissatisfaction, only 27 had not; 4 of the 6 large families had been dissatisfied.

The non-dissatisfied over-represent the more mobile family types and the dissatisfied over-represent the less mobile. This suggests that the difference in response to the question "why did you return"? between the two types was a real difference, that "dissatisfaction" is related to a costly failure to settle, while non-dissatisfaction is related to ease of movement. Commitment to a home, a place to raise children, house, suburb, city or country, means staying there unless driven out by some force of circumstance or failure of expectation. In the case of these returnees the breaking of this commitment was as often a failure to achieve expectation (dissatisfaction) as it was some force of circumstance. It cannot be inferred that because families with dependent children are over-represented that the nuclear family is the cause of the trouble. It may be in some cases or in many, but the data does not give any clues. The more mobile simply do not allow pressure to build up, pressure of resentment and dislike for a particular environment. They move on to a new environment, a new house, suburb, city or country.

It seems that the problem of the dissatisfied returnee were not mainly or solely financial. The dissatisfied returnees had an above average capital transfer when they arrive in Australia in 1959, and 20 of the 31 said they were buying their house in the United Kingdom in 1966 (Table A6.60). This represents a high proportion than the sample still in Australia, and only a slightly lower proportion when adjusted for family composition.

Despite the obviously favourable financial position that many of the dissatisfied enjoyed, they are over-represented among those

who stayed a long time in their initial accommodation. Nearly half of them were "still there" or had stayed 18 months or more. Of these only 2 of 13 were not Commonwealth nominees, which means that probably all 11 units spent 18 months or more in a Commonwealth Hostel (Table A6.62 shows that there were 12 units in a Commonwealth Hostel at first follow up. At least one, and possibly more than one, moved between hostels between arrival and first follow up). Whether this was cause or effect of decisions to return to the United Kingdom is probably not really known to the migrants themselves, but a reading of the questionnaire schedules leaves a vivid impression of the degradation felt by families who stayed long in hostels, reinforcing Richardson's analysis of the evidence [Richardson, 1974, pp.81-83]. Among the specific causes of dissatisfaction mentioned by the returnees (Table A6.76) housing appears much more often for Commonwealth nominees than for the others, and it is supported by fewer other causes for the dissatisfaction of Commonwealth nominees. Of the 17 dissatisfied Commonwealth nominees 11 were dissatisfied with housing, and there were 19 other registrations of dissatisfaction. Of the 14 other dissatisfied returnees only 5 registered dissatisfaction with housing but 27 other registrations were made, 13 with employment.

The dissatisfied returnees clearly were displeased by more than just housing in Australia. It was an explicit source of dissatisfaction for 17 of the 31, while employment was a problem to 23. The recession of 1961-62 was probably an important cause of this emphasis. That jobs were a problem to more non-Commonwealth nominees than Commonwealth nominees may be some comfort to the selection process for the latter, though the difference is really not significant statistically. Given

full employment, and more careful selection it may be that employment would not become a cause of dissatisfaction for British migrants. But to eliminate housing as a problem would mean at very least replacing the old style Commonwealth hostels with what are not the newer style which eliminate the unfamiliar and discomforting communal aspects of the hostels, and provides, in effect, furnished flats.

As has already been pointed out (above p. 205) it would seem sensible for Commonwealth Hostels Ltd. to simply become the owner/managers of bungalows and blocks of walk up flats dispersed around the suburbs of metropolitan and provincial cities and towns. Subsidized accommodation is the basic requirement of the newly arrived migrant. The generally short period before taking up employment could easily be covered by cash benefits via the Commonwealth Employment Service. The initial shock of both ghetto and camp style living would be eliminated, and the Commonwealth nominee migrant's introduction to the Australian community would be as immediate as that of the personal or group nominee, fewer of whom seem to find difficulty in finding suitable housing.

Housing in the United Kingdom

All the returnees, and in particular those who left Australia to go home with no intention of re-emigrating, had the problem of settling back into the United Kingdom. While the sample is very small, and the period of their residence back in the United Kingdom variable, some aspects of their housing at the second follow up show a clear pattern.

It may be expected that the dissatisfied would find as much

difficulty in settling back in the United Kingdom as they did in Australia [see Richardson, 1974, pp.130-1, and Appleyard, 1962]. But as Table A6.59 shows, a somewhat larger proportion of dissatisfied returnees moved house only twice than of either the non-dissatisfied or the non-returnees (counting one move for the latter as equivalent to two moves for returnees who had to move once to return to the United Kingdom). The greater mobility of the non-dissatisfied can be explained by their more mobile family composition types, but it is surprising that the dissatisfied became so immobile in view of their failure to settle in Australia.

The large proportion of the dissatisfied buying their own house, mentioned above and shown in Table A6.60, strengthens the view that these families did settle in the United Kingdom on their return. But the proportion of non-dissatisfied buying their house is also large relative to the proportion of home ownership overall in the United Kingdom. If the dissatisfied returned to the United Kingdom soon after the two years in Australia was completed (the two years being in order not to repay the assisted passage), while the non-dissatisfied returned later, on average, the difference in the proportion of each group purchasing would be decreased when period of residence after return is taken into account. It is possible, also, that only the more successful dissatisfied returnees agreed to be interviewed again. It would be much harder to talk about failure to someone representing a country one had disliked so much, in the environment which had seemed to be so desirable when viewed from Australia. It is also possible, indeed probable, that only those migrants with capital or an income large enough to save out of could afford to return, dissatisfied with

Australia or not.

Quality of returnees' housing, in terms of type of house and number of rooms, shows the possibility, at least, of the period in Australia making some change to the migrant units who did the round trip. Table A6.61 shows first the difference between housing in Australia and the United Kingdom, with detached houses much more common in Australia, and flats more common than semi-detached or terrace housing in Australia. But it shows also that the two groups of returnees showed a net movement away from terrace and semi-detached, and towards flats and detached houses. The sample is too small for generalisation but it may be that experience of Australia influenced some families. It may also be that more flats were available in the United Kingdom in 1966 than in 1959, that movement onward in the life cycle affects the choice of house, and that the market for purchasing housing is weighted towards detached houses.

The number of rooms exclusively used by the migrant unit at second follow up is shown in Table A6.62. The difference between dissatisfied and non-dissatisfied at second follow up is clear. It reinforces the view that many of the non-dissatisfied were not settling permanently at the time of the second follow up, or that they had not been back as long as the dissatisfied. The first follow up situation clearly represents the low point for both types of returnee, even for the dissatisfied group, 12 of whom were trading quality for quantity by living in the just adequate number of rooms provided by a Commonwealth Hostel. Even allowing for the single people and couples without dependent children, the non-dissatisfied were clearly badly off

for rooms at first follow up, some living in less than adequate space. Assuming that all the non-dissatisfied single persons and couples without dependent children were living with the fewest rooms at first follow up, and making the same assumption about the three couples without dependent children amongst the dissatisfied, the median number of rooms enjoyed by both groups is the same, though the non-dissatisfied is a little more skewed towards having more rooms. This "advantage" to a non-dissatisfied group would disappear if some of the units without dependent children had more than the minimum number of rooms. If any inference is to be made from this, it is that real quality is of more importance to a family adjusting to its situation than the quantity provided by, notably, Commonwealth Hostels.

Conclusions

This analysis of a sample of British migrants has shown that the immigration policy followed by Australia since 1947 has a number of weaknesses, along with its undoubted virtues, in the area of housing.

The provision of initial accommodation is clearly the most pressing problem. As both the present analysis and Richardson's (1974) makes clear the migrant hostel system was a major cause of difficulty. Some part of this difficulty, the reaction to a poor environment and sub-standard amenities, can be alleviated, and has been since 1960, by investment in new hostels. But a major part of the problem is inherent in the hostel system - isolation from the community, inbreeding of antipathies through succeeding generations of long term hostel residents,

discouragement to saving by tying consumption of housing to consumption of other services, meals, etc. Suggestions for replacing hostels with subsidized housing of a conventional kind have been set out in previous chapters. The essential contrast is between the ghetto and open community. A subsidiary contrast is between a "take-it-or-leave-it" offer of goods and services with no choice as to quality (once being assigned to a given hostel), quantity or price, and a range of goods and services available at a range of prices, as in the private housing market, less the subsidy element.

The strength of the relationship between the transfer of capital into Australia and the ease and speed with which the household settled into permanent accommodation in Australia is, perhaps, the clearest result of the analysis. The implication of this result is that efforts to improve the effective wealth of migrants are likely to reduce difficulties related to housing. In addition to the suggestions about hostels, there are a number of avenues available to encourage saving and the wise deployment of funds.

The first and essential requirement is adequate and honest information carefully conveyed to the prospective immigrant about the cost of setting up a household. Despite the ready availability of current Australian newspapers both at Australia House and from many newsagents in major centres, the typical prospective immigrant does not succeed in ascertaining the real cost of setting up house in Australia. It is doubtful whether many try. There are many examples in the questionnaire schedules of householders selling household effects on a buyer's market in the United Kingdom and buying on a seller's (new or used) market in

Australia. Many migrants asked, by the interviewer, what advice they would give to intending migrants said that they should bring as much as possible of their household furniture, durable goods and effects. The advice given to actual migrants by the Immigration Department to merely take cash is good advice only to the Government and Australian shopkeepers. If it is too much for the migration programme to transport migrant furniture is it too much for the information to be correct, A possible framework for information which may overcome the "rose-coloured spectacles" syndrome found by Richardson [1974, pp.21-2] would be the preparation for each intending migrant household of a detailed budget or "balance-sheet" on a simple form having entries for all the items typically to be sold and re-purchased. The intending migrant would be asked to obtain realistic valuations from the people or institutions to whom or through whom he intended selling, while the Immigration Department would fill in prices currently obtaining for new or used items intended for purchase in Australia. Current, accurate information from Australia is essential to such an exercise. Newspaper advertisements may not be sufficient. Out-of-date estimates of housing costs that some migrants claimed to have picked up from Australia House, where current Australian newspapers are sold, give one some unease as to the ability of a bureaucratic structure to convey such detailed price information.

The second possible improvement, directly bearing an effective command over goods, is the availability of subsidized loans for new migrants to purchase furniture and household durables. Such loans should be available through institutions such as private banks and

credit unions for first purchase of a broadly specified set of household items, ranging from a car to cutlery and crockery, purchase being within, say, one year of entering rental or owner-occupied accommodation. Repayments to the bank or credit union would be subsidized by the government, thus extending the maximum indebtedness that the family could bear, given income and income prospects.

The hire purchase industry has doubtless benefited greatly from the immigration programme. Reliance on this high cost form of credit obviously reduces a migrant's ability to save for items such as a housing deposit. There is no reason to continue to provide as large a trade as they presently do, if the cost to Australia is dissatisfaction amongst them.

The period of time that a group of British migrants selected under the present system might expect to take to achieve a comparable standard of housing to which they had left in the United Kingdom, neglecting the environment of the housing, would appear to be not less than about 5 years. Those who arrive without dependent children and those who arrive with sufficient funds to both set up a new household and pay a deposit on a house that is adequate to their needs can achieve permanent and satisfactory settlement in a short time, less than a year, or in just a few weeks for the very lucky. But for those who cannot, or do not wish, to purchase quickly, the choice of rental accommodation is in general not an attractive one, the market place for rental housing not being geared to the provision of housing as cheaply as housing for purchase. For the same price, in weekly terms, the

purchaser can in general command far more or better quality housing than the renter.

The final point, one which has been made at two places earlier in the chapter, is that the British migrant will be fortunate if his permanent housing in Australia is all of the following: larger, as soundly constructed, as conveniently situated to public transport, workplace and shopping centre, and as adequately serviced by sewerage, sealed roads, curbs and gutters, as was his last permanent housing in the United Kingdom. His Australian house will probably be newer, with a larger garden and enjoy more sunshine. But a trade-off is almost inevitable. His satisfaction with this trade-off will be an important part of his satisfaction with his emigration.

Appendix A

Table A6.1

Number of IUs per Household for all IUs for 17 Country of Origin/

Period of Residence Group

Group		One IU	Two	Three	Four	Five	Six and Over	Total
Australasia	1	1538	1178	707	266	47	20	3756
		41.0	30.3	19.3	8.0	0.9	0.6	100
United Kingdom	2	72	48	23	3	0	0	146
		45.2	32.2	22.1	0.5	-	-	100
	3	35	17	7	0	3	0	62
		57.9	27.0	13.8	-	1.3	-	100
	4	46	34	11	1	2	0	94
		50.4	38.8	6.9	3.3	0.7	-	100
	5	16	10	5	2	2	0	35
		45.6	19.5	17.7	16.1	1.1	-	100
Western Europe	6	32	19	10	2	0	0	63
		63.7	22.4	10.5	3.3	-	-	100
	7	17	6	8	0	0	7	38
		59.5	17.9	16.5	-	-	6.0	100
	8	19	5	13	9	0	0	46
		32.9	11.0	44.4	11.7	-	-	100
Eastern Europe	9	65	34	4	2	0	3	108
		65.7	22.6	10.4	0.4	-	1.0	100
Italy	10	55	36	19	11	0	0	121
		48.7	29.1	11.8	10.4	-	-	100
	11	55	22	11	13	0	0	101
		57.9	21.2	10.5	10.5	-	-	100
	12	34	25	17	18	0	0	94
		46.3	15.8	20.1	17.8	-	-	100
	13	7	6	4	3	0	0	20
		13.3	69.3	9.1	8.3	-	-	100
Greece	14	22	11	8	7	1	-	49
		32.0	46.5	9.5	9.3	2.7	-	100
	15	61	33	8	7	8	0	117
		42.0	38.0	4.5	10.1	5.4	-	100
	16	71	51	30	21	9	0	182
		30.6	27.7	19.1	20.2	2.4	-	100
		24	21	18	13	12	0	88
	17	28.4	24.4	29.9	9.4	7.9	-	100

Tables A6.1 to A6.8 are from Melbourne Survey.

Table A6.2

Persons per Household for Households by 17 Country of Origin/

		Period of Residence Groups							Total
Group		1	2	3	4	5	6	7+	
Australasia	1	490	728	368	376	241	110	110	2413
		13.4	24.2	<u>15.9</u>	21.6	14.1	6.0	4.7	100
United Kingdom	2	11	36	16	19	14	4	9	109
		3.8	26.2	16.3	<u>25.1</u>	15.0	5.5	8.1	100
	3	3	14	7	<u>11</u>	9	4	0	48
		4.9	22.1	10.7	<u>22.1</u>	23.7	16.6	-	100
	4	8	14	11	<u>11</u>	13	3	4	64
		8.5	19.5	<u>22.9</u>	16.3	20.9	5.2	6.6	100
	5	3	9	1	5	2	1	0	21
		2.5	<u>60.9</u>	1.8	25.2	2.8	6.8	-	100
Western Europe	6	5	8	12	10	5	2	0	42
		5.8	26.2	<u>38.6</u>	19.2	9.0	1.1	-	100
	7	0	9	<u>7</u>	3	3	2	2	26
		-	23.8	<u>41.5</u>	8.2	15.2	6.0	5.3	100
	8	5	7	<u>4</u>	4	3	1	1	25
		27.0	<u>29.5</u>	6.0	8.5	7.6	17.7	3.7	100
Eastern Europe	9	29	27	15	7	8	2	2	90
		21.4	24.9	<u>23.8</u>	19.0	6.9	3.3	0.7	100
Italy	10	1	13	17	26	25	7	9	98
		0.5	9.7	24.8	<u>24.2</u>	24.9	9.1	6.9	100
	11	3	9	22	<u>24</u>	11	2	3	74
		6.8	14.6	18.9	24.1	27.8	6.1	1.6	100
	12	1	8	18	8	8	1	3	47
		11.6	10.9	<u>44.6</u>	4.4	25.7	1.5	1.3	100
	13	1	1	<u>4</u>	2	-	-	-	8
		16.4	10.2	<u>51.5</u>	22.0	-	-	-	100
Greece	14	3	3	7	11	5	3	4	36
		5.1	5.1	13.1	16.7	9.4	<u>41.0</u>	10.0	100
	15	3	5	25	37	11	8	6	95
		1.5	3.9	27.5	<u>42.1</u>	15.5	5.3	4.0	100
	16	11	15	27	<u>28</u>	14	4	8	107
		11.9	10.3	19.8	<u>22.4</u>	27.7	2.2	5.7	100
	17	7	12	4	2	4	3	2	34
		16.9	<u>53.8</u>	8.5	5.0	6.4	7.8	1.6	100

Median class interval underlined

Table A6.3
Household Composition for IUs by 17 Country/Period of Residence Groups

	Married Couple		One Person		Dependent Chn. only		Independent Chn. only		Both Ch. only		Extended Family		One Non-family Boarder		Other Non-family		Other & No Reply		Total
	496	490	552	774	482	657	154	16	3756	135	2.9	100							
Australasia 1	10.8	8.6	21.6	22.9	16.5	13.4	3.2	0.1	100										
United Kingdom	2	11	33	26	16	20	7	0	146										
	17.0	2.8	25.4	27.4	9.4	14.8	2.7	-	100										
3	13	3	19	2	16	8	0	0	62										
	16.9	3.8	37.1	0.9	30.1	7.5	-	-	100										
4	10	8	28	12	11	18	3	0	94										
	10.3	5.8	34.2	14.4	9.3	20.9	3.5	-	100										
5	6	3	7	0	4	6	2	2	35										
	25.9	1.4	18.3	-	3.8	18.6	16.1	1.1	100										
Western Europe	6	7	20	13	8	2	6	1	63										
	17.1	4.4	42.3	16.5	8.2	0.9	5.0	2.8	100										
7	5	0	12	6	9	2	1	1	38										
	10.9	-	48.7	13.5	7.8	13.1	1.4	1.5	100										
8	7	5	7	0	13	3	1	0	46										
	13.5	13.1	6.3	-	42.1	9.1	1.0	-	100										
Eastern Europe	9	21	15	7	5	19	6	3	108										
	20.0	18.6	27.1	6.4	4.8	17.2	3.0	2.3	100										
Italy	10	12	42	12	23	28	3	0	121										
	8.0	0.4	40.2	13.8	9.5	26.8	1.2	-	100										
11	7	3	45	15	6	24	1	0	101										
	10.6	5.3	41.9	5.0	9.5	27.4	0.2	-	100										
12	7	1	26	14	8	35	1	0	94										
	5.3	5.9	35.1	5.4	1.8	45.8	0.2	-	100										
13	1	1	5	1	0	12	0	0	20										
	1.6	2.7	9.6	2.9	-	83.8	-	-	100										
Greece	14	2	17	0	4	25	0	0	49										
	3.3	4.1	24.7	-	30.0	38.0	-	-	100										
15	4	3	54	5	8	42	1	0	117										
	2.7	1.1	38.2	16.8	17.4	23.5	0.2	-	100										
16	10	11	50	4	2	96	7	1	182										
	3.9	5.9	20.8	14.1	5.2	42.6	6.7	0.2	100										
17	8	7	9	1	10	44	7	1	88										
	12.9	7.2	8.3	0.3	8.1	40.4	21.3	0.3	100										

Table A6.4

Type of Dwelling for Householders Including Joint Householders by 17

Country of Origin/Period of Residence Groups

Group		House	Semi-Detached	Terrace	Flat	Room	Other & No Reply	Total
Australasia 1		1438	303	158	480	121	53	2553
		77.4	5.3	1.6	11.2	2.9	1.7	100
United Kingdom	2	69	8	3	24	8	2	114
		78.4	5.4	0.6	11.5	1.8	2.3	100
	3	26	9	1	8	4	1	49
		74.6	7.6	0.2	7.9	6.2	3.6	100
	4	24	3	5	21	11	3	67
		52.1	0.9	2.0	26.3	17.0	1.7	100
	5	5	4	0	10	5	0	24
		19.4	29.4	-	46.5	4.7	-	100
Western Europe	6	24	2	3	7	5	2	43
		66.0	0.7	0.9	20.4	7.7	4.1	100
	7	12	3	2	9	0	0	26
		66.8	1.9	4.2	27.0	-	-	100
	8	8	4	0	14	5	2	33
		15.9	18.4	-	19.6	34.1	12.0	100
Eastern Europe	9	47	3	3	13	23	4	93
		75.1	1.1	0.8	4.1	18.1	0.9	100
Italy	10	47	22	15	5	7	2	98
		78.7	8.2	3.2	2.0	7.7	0.2	100
	11	36	17	14	1	6	4	78
		70.9	8.6	5.9	0.4	12.6	1.5	100
	12	21	10	9	6	6	0	52
		54.5	8.4	5.6	5.9	25.7	-	100
	13	1	3	0	2	4	0	10
		8.3	29.0	-	16.9	45.8	-	100
Greece	14	15	8	3	2	6	2	36
		64.0	15.1	5.1	1.6	10.1	4.1	100
	15	42	16	13	5	12	11	99
		61.2	13.5	7.2	3.5	6.8	7.8	100
	16	43	23	9	3	37	6	121
		48.8	13.5	3.8	1.5	29.1	3.4	100
	17	2	6	4	0	27	1	40
		4.7	7.3	4.2	-	81.3	2.4	100

Table A6.5

Type of Dwelling for Income Units by 17 Country of Origin/Period of

Residence Groups

Group		House	Semi Detached	Terrace	Flat	Room/s	Other	Total
Australasia	1	2250	496	235	576	126	73	3756
		80.2	5.5	1.5	9.3	2.0	1.5	100
United Kingdom	2	92	10	4	25	10	5	146
		75.4	7.3	0.6	9.9	2.2	4.7	100
	3	35	13	1	8	4	1	62
		77.5	8.0	0.2	6.4	5.0	2.9	100
	4	35	8	7	29	12	3	94
		57.2	2.6	1.6	25.5	11.9	1.2	100
	5	12	6	0	12	5	0	35
		32.4	23.3	-	41.0	3.3	-	100
Western Europe	6	39	3	4	10	5	2	63
		70.5	1.0	0.9	18.3	6.1	3.2	100
	7	23	3	2	11	0	0	39
		70.0	1.4	3.0	25.5	-	-	100
	8	18	6	0	14	5	2	45
		31.1	28.6	-	12.0	20.9	7.4	100
Eastern Europe	9	54	5	4	14	25	6	108
		76.1	1.6	1.0	3.9	16.2	1.2	100
Italy	10	58	29	18	5	7	4	121
		78.1	9.7	3.4	1.7	6.7	0.4	100
	11	47	25	17	1	7	4	101
		70.2	11.7	5.5	0.3	11.0	1.2	100
	12	36	24	18	6	7	3	94
		66.3	10.1	5.3	3.1	14.5	0.6	100
	13	4	9	1	2	4	0	20
		64.6	20.9	0.9	3.7	9.9	-	100
Greece	14	19	13	5	2	6	4	49
		57.7	20.8	5.6	1.3	8.1	6.5	100
	15	54	19	15	5	13	11	117
		67.3	11.2	6.6	2.7	6.0	6.1	100
	16	75	37	16	3	41	10	182
		60.1	12.0	4.0	0.9	19.3	3.6	100
	17	24	14	10	2	36	2	88
		37.2	7.0	4.7	0.7	48.2	2.2	100

TABLE A6.6

Sharing of Domestic Facilities for IUs by 17 Country of Origin/Period of

		<u>Residence Groups</u>			Total
Groups		No Sharing	Bath & Laundry	Kitchen Bath & Laundry	
Australasia	1	3540	133	83	3756
		96.6	2.2	1.2	100
United Kingdom	2	134	9	3	146
		97.3	2.4	0.3	100
	3	58	2	2	62
		95.0	4.1	0.9	100
	4	80	8	6	94
		82.2	6.9	10.9	100
	5	30	3	2	35
		96.7	2.9	0.4	100
Western Europe	6	55	4	4	63
		92.5	4.2	3.2	100
	7	34	3	1	38
		95.1	3.5	1.4	100
	8	38	3	5	46
		76.5	2.7	20.8	100
Eastern Europe	9	67	14	27	108
		63.6	9.0	27.3	100
Italy	10	102	10	9	121
		85.7	4.0	10.3	100
	11	88	5	8	101
		72.2	2.8	25.0	100
	12	81	8	5	94
		83.7	2.1	14.2	100
	13	14	4	2	20
		84.7	10.8	4.5	100
Greece	14	35	1	13	49
		77.0	2.5	20.5	100
	15	88	5	24	117
		76.9	8.5	14.9	100
	16	112	7	63	182
		68.3	3.5	28.2	100
	17	42	4	42	88
		43.1	10.1	46.8	100

Table A6.7

Interviewer's Assessment of Housing for IUs by 17 Country of Origin/

Period of Residence Group

Group		Very Good	Comfortable	Just Adequate	Poor	Very Poor	No Assessment	Total
Australasia	1	155 6.1	898 33.3	1773 45.8	677 11.7	212 1.9	51 1.1	3756 100
United Kingdom	2	9 4.9	37 30.2	76 56.9	13 6.4	5 0.6	6 1.0	146 100
	3	1 4.0	16 30.9	28 50.9	13 7.6	2 0.6	2 6.1	62 100
	4	1 3.4	12 9.3	50 64.7	22 13.5	7 2.4	2 7.2	94 100
	5	0 -	7 13.4	23 83.4	5 3.2	0 -	0 -	35 100
Western Europe	6	0 -	13 19.3	38 65.0	9 14.6	2 0.6	1 0.5	63 100
	7	0 -	15 58.7	16 27.9	6 10.4	1 3.0	0 -	38 100
	8	0 -	7 12.1	21 27.7	16 58.4	2 1.8	0 -	46 100
Eastern Europe	9	1 2.6	23 38.9	54 42.9	13 7.4	13 5.3	4 2.9	108 100
Italy	10	1 3.4	18 40.7	69 39.5	24 12.8	7 1.8	2 1.8	121 100
	11	3 0.6	12 23.1	59 63.7	19 7.4	6 2.4	2 2.8	101 100
	12	0 -	8 23.6	59 66.3	20 7.3	7 2.8	0 -	94 100
	13	0 -	3 23.0	12 66.2	3 5.4	2 5.4	0 -	20 100
Greece	14	0 -	3 5.7	21 57.5	14 23.1	8 11.3	3 2.3	49 100
	15	1 6.1	7 11.5	69 62.8	24 12.0	14 7.2	2 0.4	117 100
	16	1 4.6	4 6.8	86 51.6	72 27.2	19 9.7	0 -	182 100
	17	0 -	1 0.3	41 62.2	33 26.7	12 9.8	1 1.1	88 100

Table A6.8

Occupancy of Housing by Households for 17 Country of Origin/
Period of Residence Groups

		Buyers		Tenants		Tenants		Tenants,		No	
		Owners	Housing Commn.	Buyers, Others	Housing Commn.	Tenants Others	Tenants Furnished	Rent Free	Reply	Total	
Austral- asia	1	1034	57	434	140	619	216	47	5	2552	
		40.4	4.9	28.8	5.4	13.4	5.5	1.5	0.1	100	
United Kingdom	2	27	2	37	3	28	14	3	0	114	
		20.3	4.3	50.9	0.8	16.9	4.7	2.1	-	100	
	3	9	3	14	2	15	5	1	0	49	
		22.8	11.2	39.0	1.2	14.3	10.9	0.6	-	100	
	4	3	4	12	7	24	16	1	0	67	
		4.3	4.3	23.6	4.3	46.8	16.1	0.5	-	100	
	5	0	0	2	1	10	10	1	0	24	
	-	-	6.2	1.3	49.8	35.3	7.5	-	100		
Western Europe	6	8	3	10	2	13	6	1	0	43	
		16.9	5.8	30.6	0.9	32.5	9.6	3.7	-	100	
	7	4	2	6	2	9	4	0	0	27	
		36.4	17.1	9.9	8.1	20.6	8.0	-	-	100	
	8	1	2	1	0	15	13	0	0	32	
	3.0	6.0	1.6	-	33.9	55.5	-	-	100		
Eastern Europe	9	35	1	17	1	14	21	3	1	93	
		35.0	5.8	33.9	0.4	11.8	10.4	0.5	2.2	100	
Italy	10	40	3	38	0	11	3	3	0	98	
		35.9	4.8	48.4	-	5.4	1.1	4.5	-	100	
	11	22	0	40	0	10	3	2	1	78	
		36.1	-	47.8	-	4.5	6.1	5.3	0.2	100	
	12	2	1	26	0	16	4	3	0	52	
		1.5	1.3	59.4	-	10.6	13.9	13.2	-	100	
	13	1	0	2	0	4	2	1	0	10	
	8.0	-	25.2	-	33.4	19.9	13.3	-	100		
Greece	14	14	1	9	0	8	2	2	0	36	
		24.9	3.3	53.6	-	12.1	4.1	2.0	-	100	
	15	23	2	45	0	20	8	1	0	99	
		31.1	1.9	44.6	-	10.8	11.3	0.3	-	100	
	16	12	0	47	1	23	36	2	0	121	
		12.9	-	45.1	0.3	15.0	25.6	1.1	-	100	
	17	0	0	0	0	12	26	2	0	40	
	-	-	-	-	16.2	80.8	3.0	-	100		

Table A6.9
Time in Initial Accommodation

	Commonwealth Nominees		Non-Commonwealth Nominees	
	Number	%	Number	%
Less than 1 Month	27	12.3	132	29.3
1 but less than 3 Months	26	12.3	84	18.7
3 but less than 6 Months	34	15.5	75	16.7
6 but less than 9 Months	10	4.6	51	11.3
9 but less than 12 Months	21	9.6	20	4.4
12 but less than 19 Months	21	9.6	33	7.3
"Still there" or over 18 Months	80	36.5	53	11.8
No Reply	0	-	2	0.4
TOTAL	219	100.4	450	99.9

Tables A6.9 to A6.62 are from the British Migrants Survey.

Table A6.10

Time in Initial Accommodation by Capital Transfer for Commonwealth Nominees

Capital Transfer	Under £200		£200 - £499		£500 - Over	
<u>Time</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Less than 6 Months	45	38.1	21	35.6	20	48.8
6 to 18 Months	26	22.0	15	25.4	11	26.8
19 Months and Over, "still there"	47	39.8	23	39.0	10	24.4
	118	99.9	59	100.0	41	100.0

$$\chi^2 = 3.65$$

$$\chi^2 .5, 4df = 3.36$$

% figures are for columns.

Table A6.11

Type of Accommodation, Initial

	Commonwealth Nominees		Non-Commonwealth Nominees	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Own House	0		7	1.6
Unfurnished	3	1.4	17	3.8
Part Furnished	0		5	1.1
Furnished	1	0.5	70	15.6
Furnished with Services	0		24	5.3
Bed and Breakfast	4	1.8	6	1.3
Full Board	210	95.9	292	64.9
No Reply	1	0.5	29	6.4
TOTAL	219	100.1	450	100.0

Table A6.12
Type of House, Initial in Australia

	Commonwealth Nominees		Non-Commonwealth Nominees	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Detached House - Brick	2	0.9	67	14.9
- Other	11	5.0	193	42.9
Semi-detached	0	0	18	4.0
Terraced	0	0	6	1.3
Block Flat/Tenement	2	0.9	37	8.2
Residential, Hotel, Hostel	0	0	31	6.9
Commonwealth Hostel	204	93.2	88	19.6
Other	0	0	8	1.8
No Reply	0	0	2	0.4
TOTAL	219	100.0	450	100.0

Table A6.13
Number of Rooms Not Shared By

	Pre-emigration Household		Migrant Unit, Initially			
			Commonwealth Nominee		Non-Commonwealth Nominees	
	Number	%	Number	%	Number	%
Zero Rooms	0		0		68	15.1
1 Room	18	3.1	12	5.5	235	52.2
2 Rooms	40	6.9	87	39.7	71	15.8
3 Rooms	59	10.2	100	45.7	28	6.2
4 Rooms	125	21.6	17	7.8	14	3.1
5 Rooms	166	28.7	2	0.9	12	2.7
6 Rooms	137	23.7			4	1.3
7 Rooms	23	4.0			2	0.4
8 +	8	1.4			1	0.2
No Reply	3	0.5	1	0.4	15	3.3
TOTAL	579	100.1	219	100.0	450	100.3

Table A6.14

Number of Rooms Not Shared by Family Composition for Non-Commonwealth Nominees

Family Composition	Married Couple, No Dependent Children		Married, up to 3 Dependent Children		Married, Over 3 Dependent Children		Single Male		Single Female	
	No. of Rooms Not Shared									
Zero	7		3		1		22		35	
1	84		78		6		34		33	
2	7		59		4		0		1	
3	5		18		4		0		1	
4	4		9		1		0		0	
5 and Over	0		13		6		0		0	
No Reply	5		4		1		2		3	
	112		184		23		58		73	

Table A6.15

Board Paid by Commonwealth Nominees on Arrival by Household Size

Board	2	3	4	5	6	7	8 and Over	Total
Zero		3	4	1	2	-	1	11
Under £9	2	3	3	-	1	-		9
£9 but under £10		17	2	4	1	-		24
£10 but under £11		7	18	6	3	1		35
£11 but under £12		3	18	20	1	4	1	47
£12 but under £13		1	10	14	5	-	4	34
£13 and over		-	8	10	18	7	2	45
No Reply	1	1	1		1	1		5
	3	35	64	55	32	13	8	210

Table A6.16
 Family Incomes at First Follow Up by Board Paid by Commonwealth Nominees
 On Arrival

<u>Income</u>	<u>Under £25</u>	<u>£25-£39</u>	<u>£40-£52</u>	<u>Total</u>
<u>Board</u>				
Zero	2	3	6	11
Under £9	4	5	-	9
£9 but under £10	6	13	5	24
£10 but under £11	11	18	6	35
£11 but under £12	12	26	9	47
£12 but under £13	7	15	12	34
£13 and Over	7	16	22	45
No Reply	2	1	2	5
	51	97	62	210

Table A6.17

Board Paid by Commonwealth and Non-Commonwealth Nominees on Arrival

Board	Commonwealth Nominees		Non-Commonwealth Nominees		Non-Commonwealth Nominees with Dependent Children	
	Number	%	Number	%	Number	%
Zero	11	5.2	80	26.8	27	25.0
Under £7	2	1.0	119	39.9	18	16.7
£7 but under £11	66	31.4	58	19.5	33	30.6
£11 and Over	126	60.0	19	6.4	19	17.6
No Reply	5	2.4	22	7.4	11	10.2
TOTAL	210	100	298	100.0	108	100.1

Table A6.18

Board Paid Initially by Boarding Non-Commonwealth Nominees by Family
Composition of Migrant Unit

Board Paid	Married Couple	Married, up to 3 Dependent Children	Married, Over 3 Dependent Children	Single Male	Single Female	Total
Zero	29	25	2	8	16	80
Up to £7	21	17	1	40	40	119
£7 - 11	24	33	1	1	-	59
£11 and Over	-	15	4	-	-	19
No Reply	2	8	3	4	5	22
TOTAL	76	98	11	53	61	299

Table A6.19

Board Paid Initially by Boarding Non-Commonwealth Nominees by
Total Family Income of Migrant Unit

Income	Under £25		£25-£39		£39-£52		Total
<u>Board</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	
Zero	37	24.0	26	29.2	17	30.9	80
Under £7	83	53.9	23	25.8	13	23.6	119
£7 but under £11	22	14.3	23	25.8	13	23.6	58
£11 and Over	2	1.3	8	9.0	9	16.4	19
No Reply	10	6.5	9	10.1	3	5.5	22
TOTAL	154	100	89	99.9	55	100	298

Table A6.20

Rent Paid Initially by Non-Commonwealth Nominees by Total Family
Income at First Follow-Up

Income	Under £25	£25-£39	£40-£52	Total
<u>Rent</u>				
Zero	4	6	-	10
Under £5	29	31	16	76
£5 and Over	13	20	13	46
Owners	2	3	2	7
No Reply	7	2	4	13
TOTAL	55	62	35	152

Table A6.21

Number of Housing Changes Various Groups

	Commonwealth Nominees		Non-Commonwealth Nominees		Non-Commonwealth Nominees with Children		Non-Commonwealth Nominees without Children		Total
None	70	32.0	52	11.6	20	9.7	32	13.2	174
1	86	39.3	165	36.7	89	43.0	76	31.3	416
2	38	17.4	106	23.6	51	24.6	55	22.6	250
3	13	5.9	62	13.8	25	12.1	37	15.2	137
4	8	3.7	32	7.1	13	6.3	19	7.8	72
5	3	1.4	17	3.8	5	2.4	12	4.9	37
6	1	0.5	8	1.8	3	1.4	5	2.1	17
7			2	0.4			2	0.8	4
8 and Over			4	0.9			4	1.6	8
No Reply			2	0.4	1	0.5	2	0.8	5
	219	100.2	450	100.1	207	100.0	244	100.3	1120

Three Commonwealth nominees without children had each moved once only. Note that if initial stay in Australia was in a "staging centre" the move from this was not counted as a houseing change. But "Type of house, initial" does use staging centre if more than one night was spent thereat. Direct inferences are therefore not possible between these tables.

χ^2 for table comprised of columns 1 and 3 = 35.677

χ^2 .0005, 5df = 22.1

Table A6.22

Type of Accommodation at First Follow Up

	<u>Commonwealth Nominees</u>			<u>Non-Commonwealth Nominees</u>				<u>Total</u>	
	Number	%	<u>Families with Dependent Children</u>		<u>Single and Married without Children</u>		Total	No.	%
			Number	%	Number	%			
Own House	30	13.7	73	35.3	23	9.5	96	21.3	126
Unfurnished	59	26.9	69	33.3	31	12.8	100	22.2	159
Part Furnished	13	5.9	7	3.4	6	2.5	13	2.9	26
Furnished	22	10.0	31	15.0	64	26.3	95	21.1	117
Furnished with Services	7	3.2	6+1	3.4	20	8.2	27	6.0	34
Bed and Breakfast	0	0	0	0	1	0.4	1	0.2	1
Full Board	83	37.9	10	4.8	84	34.6	94	20.9	177
No Reply	5	2.3	10	4.8	14	5.8	24	5.3	29
	219	100.0	207	100.0	243	100.0	450	100.0	669

Table A6.23

Number of Rooms Exclusively Used by Migrant Unit

	Commonwealth Nominees		Non-Commonwealth Nominees with Children		Non-Commonwealth Nominees Married Without Children		Non-Commonwealth Nominees Single		Total
No Rooms			1	0.5			41	31.3	42
1 Room	12	5.5	12	5.8	32	28.6	76	58.0	132
2 Rooms	43	19.6	27	13.0	21	18.7	5	3.8	96
3 Rooms	66	30.1	17	8.2	24	21.4	3	2.3	110
4 Rooms	34	15.5	30	14.5	19	17.0	2	1.5	85
5 Rooms	42	19.2	83	40.1	12	10.7			137
6 Rooms	18	8.2	22	10.6	4	3.6			44
7 Rooms	3	1.4	9	4.3					12
8 Rooms	1	0.4	2	1.0					3
No Reply			4	1.9					4
	219	99.9	207	99.9	112	100.0	127	96.9	665

$\chi^2 = 49.343$ for table comprising the first two column

Table A6.24

Change in Number of Rooms Exclusively Used by Migrant Units*

	Commonwealth Nominees		Non-Commonwealth Nominees with Children		Non-Commonwealth Nominees Married Without Children		Non-Commonwealth Nominees Single		Total
+4 Rooms & More	3	1.4	6	2.9	1	1.0			10
+3 Rooms	6	2.7	7	3.4	3	2.7			16
+2 Rooms	10	4.6	13	6.3	8	7.1			31
+1 Room	27	12.3	24	11.6	12	10.7	1	0.8	64
No Change	37	16.9	41	19.8	14	12.5	6	4.6	98
-1 Room	38	17.4	55	26.6	13	11.6	11	8.4	117
-2 Rooms	45	20.5	21	10.1	15	13.4	10	7.6	91
-3 or Fewer Rooms	53	24.2	31	15.0	35	31.2	84	64.1	203
No Reply	0		9	4.3	11	9.8	19	14.5	39
	219	100.0	207	100.0	112	100.0	131	100.0	669

* Coders used "Number of Rooms, Exclusive Use of Household Containing Migrant Unit" in United Kingdom, while at First Follow Up they used "Number of Rooms Exclusively Used by Migrant Unit". Thus virtually all the Single persons record severely negative change. Sixty two non-single person units did not comprise the entire household in the United Kingdom, but not all of these would have responded at the first follow up. There is then, some bias, exaggerating the tendency for units to be worse off at first follow up.

For table consisting of columns 1 and 2,

$$\chi^2 = 18.085$$

$$\chi^2_{.01, 6df} = 16.8$$

Table A6.25
Opinions of Housing at First Follow Up for Different Family Compositions

For Both Types of Nominee

Opinion	Better	Same	Worse	NR/DK	Total
Opinion Holders					
Commonwealth Nominees					
Head's	42	26	147	67.1	219
Wife's	42	27	147	67.1	219
Non-Commonwealth Nominees					
Head's	137	128	170	37.8	450
Head's, excluding single persons	107 (d)	77	127	39.8	319
Wife's (a)	89	72	110	38.3	287
Single Male's	13 (d)	15	25	43.1(c)	58
Single Female's	17	36	18	24.7(c)	73
Commonwealth Nominees					
Head of Family with up to 3 Dependent Children	30 (b)	17	119	70.8	168
Head of Family with over 3 Dependent Children	12	7	27	56.3	48
Non-Commonwealth Nominees					
Head of Family with up to 3 Dependent Children	68 (b)	40	73	39.7	184
Head of Family with over 3 Dependent Children	7	4	11	47.8	23

(a) Coding in-consistencies meant that 14 units coded as married without children were given single person opinion codes, and 18 units with up to 3 dependent children were similarly coded. Some of these 18 would be one parent families, but none of the 14 could be single person married couples. This accounts for the difference between heads (excluding single people) and wives. (b) .95 Binomial confidence intervals for these proportions are as follows: Commonwealth Nominee: 13.5%-26.3%; Non-Commonwealth Nominee: 30.9%-45.4%. It seems possible that there is a real difference between the two groups. (c) .95 Binomial confidence intervals for these proportions are as follows: Single Males: 30.3%-56.9%; Single Females: 15.4%-36.3%. The possibility of real difference cannot be discounted. (d) .95 Binomial confidence intervals for the proportion of better off non-Commonwealth Nominee heads with dependent children, or wife, and single males and females are as follows: Heads, excluding single persons: 28.6-39.8%; Single persons: 16.1%-31.2%.

Table A6.26

Board Payment of Commonwealth Nominees by Total Family Income Both at
First Follow Up

<u>Board</u>	<u>Under £10</u>	<u>£10 but under £12</u>	<u>£12 and Over</u>	<u>Total</u>
<u>Income</u>				
Under £25	2	10	4	16
£25 - £39	7	21	14	42
£40 - £52	4	5	15	24
	13	36	33	82

$\chi^2 = 9.16$ $\chi^2 .01/2df = 9.21$ One No Reply excluded.

Table A6.27
Rent Paid by Various Nominee Sub-Classes at First Follow Up

Sub-Class Rent	Commonwealth Nominees	Non-Commonwealth Nominees without Dependent Children	Married Non-Commonwealth Nominees with Dependent Children	Single People	Total
Zero	3	5	10	-	18
Less than £5	41	30	56	40	167
£5 and Over	60	46	53	8	167
Owners	30	23	73	-	126
No Reply	2	3	5	3	13
	136	107	197	51	491

% figures are of column totals

Table A6.28

Commonwealth Nominees Rent by Total Family Income at First Follow Up

<u>Income</u>	<u>Under £25</u>	<u>£25-£39</u>	<u>£40-£52</u>	<u>Total</u>
<u>Rent</u>				
Zero			3	3
Under £5	15	21	5	41
£5 and Over	15	25	20	60
Owners	9	11	10	30
No Reply		2		2
	39	59	38	136

Table A6.29
Rent Paid by Non-Commonwealth Nominees by Household Size at First Follow Up

	Number in Household							Total
	1	2	3	4	5	6 and Over	No Reply	Total
<u>Rent</u>								
Zero	-	3	2	4	2	4	-	15
Under £5	19	41	29	17	8	12	-	126
£5 and Over	5	39	21	18	17	7	-	107
Owners	-	21	22	28	20	5	-	96
No Reply	-	3	3	-	1	3	1	11
	24	107	77	67	48	31	1	355

Table A6.30

Rent Paid by Non-Commonwealth Nominees by Capital Transfer at First Follow Up

Capital Transfer	Under £200	£200 - £499	£500 and Over	No Reply	Total
<u>Rent</u>					
Zero	6	5	4	-	15
Under £5	73	43	10	-	126
£5 and Over	47	43	14	3	107
Owners	17	29	47	3	96
No Reply	5	2	2	2	11
	148	122	77	8	355

 χ^2 for sub-table consisting of rows 1, 2, 3 and columns 1, 2, 3 = 7.84

 χ^2 .1, 4df = 7.78

Table A6.31

Rent Paid by Non-Commonwealth Nominees by Total Family Income at First Follow Up

Income	Under £25	£25 - £39	£40 - £52	Total
<u>Rent</u>				
Zero	7	3	5	15
Under £5	74	41	11	126
£5 and Over	32	41	27	107
Owners	24	41	31	96
No Reply	2	4	5	11
	139	137	79	355

$$\chi^2 = 43.7$$

$$\chi^2 .0005/8df = 27.9$$

Table A6.32
Rent: Income Ratio by Household Size at First Follow Up

Household Size	1	2	3	4	5	6 and Over	No Reply	Total
<u>Rent/Income</u>								
Under 10%	2	3	6	13	5	13	-	42
10% but under 15%	5	16	11	9	8	<u>10</u>	-	59
15% but under 20%	2	16	<u>19</u>	<u>12</u>	<u>12</u>	10	-	71
20% and Over	<u>12</u>	<u>38</u>	27	30	19	6	-	132
No Reply	-	1	4	-	-	1	1	7
	21	74	67	64	44	40	1	311

Median is underlined

Table A6.33

Home Ownership X Capital Transfer

Capital A	0-9	10-49	50-99	100-199	200-299	300-499	500-999	1000-1999	2000 and Over
Total	26	87	108	115	67	81	77	55	43
% buyers to Total	3.8	4.6	5.6	13.0	14.9	12.3	31.2	40.0	72.1

Table A6.34
Migrant Unit House Ownership in the United Kingdom X Capital Transfer

	<u>Commonwealth Nominees</u>			<u>Non-Commonwealth Nominees</u>			<u>Total</u>	
	<u>Owned</u>	<u>Did Not Own</u>		<u>Owned</u>	<u>Did Not Own</u>			
<u>Capital Transfer No.</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>		
<u>Under £300</u>	20	34.5	119	74.4	24	21.4	73.0	401
<u>Over £300</u>	38	65.5	41	25.6	88	78.6	27.0	255
	58	100.0	160	100.0	112	100.0	100.0	656

Table A6.35

Long Run Plans by Type of Nomination and Family Composition

Plans	Commonwealth Nominees				Non-Commonwealth Nominees				Over 3 Dep.Chn.	Married, No Chn.	Up to 3 Dep.Chn.		Over 3 Dep.Chn.	Single	Total
	No.	%	No.	%	No.	%	No.	%			No.	%		No.	%
Buy	78	46.4	24	50.0	61	54.5	129	70.1	16	69.6	15	11.5	323		
Rent	32	19.0	15	30.3	14	12.5	20	10.9	2	8.7	8	6.1	91		
Self Build	12	7.1	4	8.3	9	8.0	5	2.7					30		
No Reply	46	27.4	5	10.4	28	25.0	30	16.3	5	21.7	108	82.4	222		
TOTAL	168	99.9	48	99.0	112	100.0	184	100.0	23	100.0	131	100.0	666		

$\chi^2 = 25.1$, $\chi^2 .0005$, $3df = 17.7$
 for Table consisting of sum of columns one and two
 and sum of columns four and five.

Table A6.36
Purchase Plan Horizons by Nomination and Family Composition

	<u>Commonwealth Nominees</u>		<u>Non-Commonwealth Nominees</u>			
			Married, with Children	Married, No Children	Single	Total
No Plans	101	49.3	67	37	96	301
Already Purchased	28	13.7	72	26	24.1	126
Purchase within 1 Year	16	7.8	17	8	7.4	43
Purchase within 3 Years	38	18.1	20	24	22.2	93
Purchase within 10 Years	22	10.7	22	13	12.0	67
	205	99.6	198	108	100.0	630

$$\chi^2 = 56.871$$

for table comprising Commonwealth nominees and non-Commonwealth nominees with children.

$$\chi^2 = 10.611$$

for table comprising non-Commonwealth nominees with children and married nominees without children.

Table A6.37

Purchase Plan Horizons by Nomination by Capital

	<u>Commonwealth Nominees</u>			<u>Other Nominees</u>			Total		
	Under £300	Over £300		Under £300	Over £300				
No Plans	56	50.9	44	46.8	114	56.4	81	37.9	295
Already Purchased	7	6.4	21	22.3	16	7.9	79	36.9	123
Purchase within 1 Year	7	6.4	9	9.6	12	5.9	15	7.0	43
Purchase within 3 Years	23	20.9	15	16.0	34	16.8	20	9.3	92
Purchase within 10 Years	17	15.5	5	5.3	26	12.9	19	8.9	67
TOTAL	110	100.1	94	100.0	202	99.9	214	100.0	620

$$\chi^2 = 15.762$$

Commonwealth nominees

$$\chi^2 .005 \text{ 4df} = 14.9$$

Non-Commonwealth
nominees

Table A6.38
Progress of Purchase Plans by Family Composition and Nomination

	Commonwealth Nominees	Non-Commonwealth Nominees without Dependent Children	Non-Commonwealth Nominees with Dependent Children	All Non-Commonwealth Nominees (a)	Total				
Fulfilled by or before	27	18.7	17	29.8	50	37.3	70	33.8	164
Fulfilled later	52	36.1	27	47.4	57	42.5	87	42.0	223
Abandoned	65	45.1	13	22.8	27	20.1	50	24.2	155
TOTAL	144	99.9	57	100.0	134	99.9	207	100.0	542

(a) Not all Non-Commonwealth Nominees are included in the two sub-groups of Non-Commonwealth Nominees.

$$\chi^2 = 22.5 \quad \chi^2 = 0.986$$

As for Table A6.36

$$\chi^2 .0005, 2df = 15.2$$

Table A6.39

Progress of Purchase Plans by Capital Transfer for Both Nomination Groups

	Commonwealth Nominees		Non-Commonwealth Nominees		Total
	Zero - £200	Over £200	Zero - £200	Over £200	
Fulfilled	10	13.0	17	25.8	93
Fulfilled Late	33	42.9	19	28.8	138
Abandoned	34	44.2	30	45.5	112
	77	100.1	66	100.1	343

$$\chi^2 = 5.02$$

$$\chi^2 = 4.02$$

$$\chi^2 .1, 2df = 4.61$$

Table A6.40
Progress of Purchase Plans by Income for Both Nomination Groups

	Commonwealth Nominees		Non-Commonwealth Nominees			Total
	Zero - £24	£25 and Over	Zero - £24	Over £200		
Fulfilled	5	22	18	52	37.1	97
Fulfilled Late	11	41	24	64	45.7	140
Abandoned	20	45	26	24	17.1	115
	36	108	68	140	99.9	352

$$\chi^2 = 2.17$$

$$\chi^2 = 11.19$$

$$\chi^2 .005, 2df = 10.6$$

Table A6.41
Expected Cost of House on Land by Type of Nomination

	Commonwealth Nominees	Non-Commonwealth Nominees	Total
Less than £25000	7	21	28
£2500 & less than £3000	14	18	32
£3000 & less than £3500	20	32	52
£3500 & less than £4000	23	46	69
£4000 & less than £5000	41	81	122
£5000 & less than £6000	18	31	49
£6000 and Over	6	24	30
	129	253	382
	100.1	100.0	

Table A6.42

Capital Transfer for Re-Emigrants and all in Australia at Second Follow Up

Capital Transfer	Re-Emigrants	Non-Returnees Excluding Re-Emigrants	Total
Less than £A500	45	295	340
£500 and Over	26	95	121
			73.7
			26.2
	71	390	461
	100.0	100.0	99.9

% figures refer to columns

Table A6.43

Original Capital Transfer of Re-Emigrants

Less than £A10	0
£10 to £49	8
£50 to £99	12
£100 to £199	10
£200 to £299	6
£300 to £499	9
£500 to £999	12
£1000 to £1999	9
£2000 and Over	5
No Reply	1
TOTAL	72

Table A6.44

Housing Changes Between First and Second Follow Ups

Zero	114	24.4
1	139	29.7
2	101	21.6
3	52	11.1
4	19	4.1
5	16	3.4
6	10	2.1
7	3	0.6
8 or more	6	1.3
No Reply	8	1.7
TOTAL	468	100.0

Table A6.45
Type of Occupancy for Various Types of Household

Occupancy	With Dependent Children		Married, No Dependent Children		Single		Total	
	Number	%	Number	%	Number	%	Number	%
Rent Free	6	1.7	3	4.5	4	7.4	13	2.5
Owned or Buying	225	64.8	35	52.2	9	16.7	269	57.5
Rented from Government	52	15.0	3	4.5	0		55	11.8
Rented Privately	59	17.0	21	31.3	23	42.6	103	22.0
Paying Board	5	1.4	4	6.0	12	22.2	21	4.5
Free Board					2	3.7	2	0.4
Bed and Breakfast			1	1.5	1	1.9	1	0.2
No Reply					3	5.6	4	0.9
	347	100.0	67	100.0	54	100.0	468	100.0

Table A6.46

Type of Occupancy by Income

(1) Rent Free	(2) Owned or Buying		(3) Rented from Govt.		(4) Rented Privately		(5) Full Board	
	Number	%	Number	%	Number	%	Number	%
0 - £29	52	23.8	12	24.0	36	42.4	12	85.7
£30 and Over	116	76.2	38	76.0	49	57.6	2	14.3
	168	100.0	50	100.0	85	100.0	14	100.0

Units not replying to income question excluded from table.

For table of columns 2, 3 and 4 $\chi^2 = 5.51$

$\chi^2 = .1$, 2df = 4.61

Table A6.47
Percentage of Sample Owning Homes by Income

	Number Of Owners	Total Number	Proportion of Owners	.95 Binomial Confidence Limits
Under £25 per week	20	72	27.8	17.9 39.7
Over £25 per week	198	305	64.9	59.1 70.5
TOTAL	218	377	56.5	

Note: 91 No Replies to income question excluded.

Table A6.48

Percentage Home Ownership by Capital Transfer

	Number of Owners	Total Number	Cumulative Frequency, Total Number	Percentage of Owners to Total in Capital Transfer Class
Less than £10	4	19	4.1	21.1
£10 but less than £50	24	72	19.3	33.3
£50 but less than £100	37	76	35.7	48.7
£100 but less than £200	42	74	51.5	56.8
£200 but less than £300	28	43	60.7	65.1
£300 but less than £500	32	56	72.7	57.1
£500 but less than £1000	35	48	83.0	72.9
£1000 but less than £2000	27	40	91.5	67.5
£2000 and Over	28	33	98.6	84.8
No Reply	4	7	100.1	57.1
	261	468		55.8

Note: Number of Owners is 8 less than for tables on income. This is due to the estimates being independently derived, with the present one having a larger number of "No reply" answers falling into cells in the "Total Number" column.

Table A6.49

Long Run Housing Plans

	Number	Percentage	Percentage, Excluding Settled
Intend to Buy House	81	17.3	47.6
Intend to Rent House	12	2.6	7.1
Intend to Build House Myself	6	1.3	3.5
Other Intentions	16	3.4	9.4
Vague Intentions	17	3.6	10.0
Bought, but have Plans to Move	18	3.8	10.6
No Intentions/Intend to Leave/No Reply	20	4.3	11.8
Intend to Stay, Settled	298	63.7	-
	468	100.0	100.0

Table A6.50

Settledness: Family Composition X Renting or Buying

	(1) Owner/Buyer, excluding Unsettled Owner/Buyers	(2) Total of Settled	(2)-(1)-3 Settled Non- Owner/Buyers	(4) Total in Group	(3) + (4)	.95 Binomial Limits
Married, 4 + Children	35	43	8	64	12.5%	5.6 - 23.2
Married, 3 - Children	176	190	14	283	4.9	3.1 -- 9.3
Single Women	5	16	11	28	39.3	21.5 - 59.4
Single Men	2	6	4	26	15.4	4.4 - 34.9
Married, No Children	33	43	10	67	14.9	7.9 - 27.5
TOTAL	251	298	47	468	10.0	

Table A6.51

Percentage Settled Non-Owners of Total by Income

	Number (1) Settled, Total	Number of (2) Settled Owners	Settled (3) Non-Owners	% (3) of Total	.95 Bionomial Confidence Limits
Income Less than £40 per week	138	105	33	14.9	10.6 21.7
Income £40 per week and Over	108	101	7	4.5	2.1 10.0
TOTAL	246	206	40	10.6	

NOTE: 91 No Replies to Income question excluded.

Table A6.52

Percentage of Non-Owners Settled by Income

	Settled Non- Owners	Total Non- Owners	%	.95 Binomial Confidence Limits
Income Less than £40 per Week	33	109	30.3	22.0 40.0
Income £40 per week and Over	7	50	14.0	5.8 26.8
	40	159	25.2	

NOTE: 91 No Replies to Income question excluded

Table A6.53

Type of House at First and Second Follow Up

Second Follow Up First Follow Up	Detached Brick	Detached Not Brick	Semi Detached	Terraced	Flat or Tenement	Residential Hotel etc.	Commonwealth Hostel	Other	Don't Know No Reply	Total
Detached, Brick	47	23	8	1	6					85
Detached, Not Brick	43	122	4	16	1			2		188
Semi-Detached Terraced	10	9	15	1	1			1		38
Flat, Tenement	1	2	2	2					1	8
Residential, Hotel etc.	22	27	2	21	3			1		76
Commonwealth Hostel	2	7		5	3					17
Other	13	25	3	3			1	1	1	47
Don't Know, No Reply	3	5	1							9
TOTAL	141	220	35	2	54	8	1	5	2	468

NOTE: It is assumed that anything is better than a Commonwealth Hostel or a residential, that a terraced house is better than a flat, a semi better than a terrace, a detached house better than a semi, and brick better than not brick. Vertical bars signify an improvement, horizontal, a decline.

Table A6.54

Type of House by Family Composition at Second Follow Up

	Married Couples, No Dependent Children	Families with up to 3 Dependent Children	Families with Over 3 Dependent Children	Single People
Detached, Brick	17	25.4	98	34.6
Detached, Not Brick	27	40.3	141	49.8
Semi-detached	4	6.0	17	6.0
Terraced	2	3.0		
Flat or Tenement	14	20.9	24	8.5
Residential, Hostel etc.			1	0.4
Commonwealth Hostel	2	3.0	1	0.4
Other	1	1.5	1	0.4
Don't Know; No Reply				
	67	283	64	54

Calculated for summarised table: $\chi^2 = 19.48$, $\chi^2 .005$, 6df = 18.5

Table A6.55
Number of Rooms Not Shared for Various Family Composition Groups

	Married Couples, No Dependent Children		Families with up to 3 Dependent Children		Families with Over 3 Dependent Children	
	Australia	U.K.	Australia	U.K.	Australia	U.K.
0			2	0.7		
1	5	7.5	7	2.5		1
2	5	7.5	10	3.5		7
3	9	13.4	12	4.2	1	1.6
4	17	25.4	51	18.0	5	7.8
5	20	29.9	125	44.2	30	46.9
6	8	11.9	51	18.0	17	26.6
7	1	1.5	8	2.8	8	12.5
8 +	1	1.5	7	2.5	2	3.1
No Reply	1	1.5	10	3.5	1	1.6
TOTAL	67	123	283	355	64	64

Note that particular families moved from one composition group to another, as they progressed over time. Thus the 64 units with 4 + children were not the same in the United Kingdom as in Australia, though some no doubt were.

$$\chi^2 \text{ (No-Dep.Chn)} = 11.6$$

$$\chi^2 .05, 5df = 11.1$$

$$\chi^2 \text{ (Up to 3 Chn.)} = 16.1$$

$$\chi^2 .025, 7df = 16.0$$

$$\chi^2 \text{ (Over 3)} = 10.0$$

$$\chi^2 .025, 3df = 9.35$$

TABLE A6.56

	Number of Rooms 1966 Census, all Private Dwellings, % (a)	Number of Rooms Used, Families with Dependent Children, %
1	1.6	
2	3.3	
3	5.7	2.4
4	15.7	16.1
5	35.3	50.3
6	22.8	23.5
7	9.9	4.8
8+	5.7	3.0
No Reply	0	
	100.0	100.0

$\chi^2 = 16.655$ for Deviation of Column (2) from Column (1)

$\chi^2 .01, 5df = 15.1$

(a) Commonwealth Year Book No. 56, 1970, p.196

Table A6.57
Family Composition for Dissatisfied and Non-Dissatisfied Returnees

Family Composition	Dissatisfied Returnees		Non-Dissatisfied Returnees		Total Second Follow Up Respondents
	(1)	(2)	(3)	(4)	
	%		%		
	(1) of col.(3)		(2) of col.(3)		(3)
Married Couple, No Dependent Children	3	3.8	9	11.4	79
Married, Up to 3 Dependent Children	24	7.2	25	7.5	332
Married, Over 3 Dependent Children	4	5.7	2	2.9	70
Single Male	0		5	16.1	31
Single Female	0		12	30.0	40
	31	5.6	53	9.6	552

Table A6.58
Dissatisfactions Registered by Dissatisfied Returnees

Dissatisfaction with:	Commonwealth Nominees	Non-Commonwealth Nominees
Housing	11	5
Jobs	10	13
Social Services	3	5
Other or Everything	6	9
TOTAL	30	32
Number of dissatisfied Returnees	17	14

Table A6.59

Number of Housing Changes for Dissatisfied and Non-Dissatisfied Returnees

Number of Changes Since First Follow Up	Dissatisfied Returnees		Non-Dissatisfied Returnees		Non-Returnees	
		%		%		%
Zero	0		0		114)	54.1
1	3)		6)		139)	
2	16)	61.3 (a)	13)	35.8 (b)	101	
3	7		18		52	
4	4		9		19	
5 and Over	1		6		35	
No Reply	0		1		8	
TOTAL	31		53		468	

(a) Binomial confidence interval: 42.2 - 78.2

(b) Binomial confidence interval: 24.2 - 51.2

Table A6.60
Occupancy of Housing for Dissatisfied and Non-Dissatisfied Returnees

Occupancy of Housing	Dissatisfied Returnees		Non-Dissatisfied Returnees		Non-Returnees	
		%		%		%
Rented, or rent free	11		26		172	
Boarding	0		6		23	
Owned or Buying	20	64.5	19	35.8	269	57.5
No Reply	0		2		4	
	31		53		468	

Table A6.61

Type of House at the Three Surveys for Dissatisfied and Non-Dissatisfied Returnees

Type of House	<u>DISSATISFIED</u>			<u>NON-DISSATISFIED</u>			Non-Returnee at Second Follow Up
	Original Survey	First Follow Up	Second Follow Up	Original Survey	First Follow Up	Second Follow Up	
Non-Brick Detached	2	8		5	14	4	220
Brick Detached	2	4	7		13	4	141
Semi-detached	16		15	22	3	15	35
Terrace	9		5	16		11	2
Flat	2	4	4	7	15	15	54
Boarding House, Hostel etc.		2			4		9
Commonwealth Hostel		12			3		5
No Reply, Other		1		3	1	4	2
TOTAL	31	31	31	53	53	53	468

Table A6.62

Number of Rooms Exclusively Used by Dissatisfied or Non-Dissatisfied Returnees

Number of Rooms	Dissatisfied Returnees			Non-Dissatisfied Returnees			Non-Returnees	
	Original (a) Survey	First Follow Up	Second Follow Up	Original (a) Survey	First Follow Up	Second Follow Up	at Second Follow Up	
0		2	1)		8	1)	9)	%
1	1	2	)	1	15	8)	30)	
2	1	6	1)	2	8	3)	25)	
3	9	9	1)	3	9	5)	29)	27.7
4	9	4	4	8	1	8	75)	
5	9	5	15	15	7	14	180	
6	2	2	8	14	3	7	78	
7		1		3		3	17	
8 and Over			1	4		1	10	
No Reply			1	3	2	3	15	
TOTAL	31	31	31	53	53	53	468	

(a) Number of rooms applies to the household from which the migrant unit was emigrating. The migrant unit is typically the complete household, but there are a number of exceptions, including some of the 84 units in this table, mainly those single persons and couples without dependent children amongst the non-dissatisfied.

% excludes No Reply

Appendix B

COMMONWEALTH HOSTELS LIMITED
(Incorporated in Victoria,

"D"

HOSTEL BOARD AND LODGING

APPLICATION FOR BOARD AND LODGING AT VILLAWOOD HOSTEL.....

Note: The term "resident" or "residents" referred to hereinafter and in the Schedules annexed means "boarder and lodger" or "boarders and lodgers" as the case may be.

To: COMMONWEALTH HOSTELS LIMITED

I hereby apply for board and lodging at the abovenamed hostel on a weekly basis for myself and the following members of my family (hereinafter called my family):—

WIFE: NAME *Neef*

CHILDREN:

NAME	Born on	NAME	Born on
.....	/ /		/ /
.....	/ /		/ /
.....	/ /		/ /

and if you grant my request I will accept such board and lodging on and subject to the following conditions by which I agree to be bound, namely:—

1. That at the close of each week I will pay to your Hostel Manager the full amount due by me for Board and Lodging for myself and my family calculated in accordance with the tariff charges as provided in the Schedule lettered "A" annexed hereto or in accordance with any substituted charges as may be exhibited on the notice board in or at the hostel office from time to time.
2. That within seven days after the rendering of an account to me for electricity in excess of the allowance for lighting and heating of lodgings specified in Clause 2(a) of the Schedule lettered "A" annexed hereto I will pay to your Hostel Manager the amount shown on such account.
3. That I and my family will observe your Hostel Rules as provided in the Schedule lettered "B" annexed hereto and any variations thereof as may be subsequently notified on the notice board in or at the hostel office.
4. That you may at any time give me notice in accordance with the provisions of Clause 7 hereunder—
 - (a) terminating the provision of board and lodging for me and my family;
 - (b) varying tariff charges, charges for sundry services and electricity, or hostel rules upon which you are prepared to continue the provision of board and lodging for me and my family;
 - (c) of the closing down, after a period of seven days from the time of giving such notice, of the hostel.
5. That in the event of the hostel being closed, and alternative board and lodging at another hostel being offered to me and my family, or if I accept transfer to another hostel, I will accept such alternative board and lodging upon the terms and conditions of the contract under which I and my family are accepted as residents of this hostel.
6. That upon being required at any time to do so by the Hostel Manager I and my family will move from any rooms allocated to us to other rooms at the hostel or any unit thereof.
7. That I agree that—
 - (a) any notice to be given to me by you respecting any variations of tariff charges, charges for sundry services and electricity, or hostel rules, may be exhibited on the notice board in or at the hostel office and shall be deemed to have been properly given by you and accepted by me as from the date the notice specifying any such variation is exhibited over the signature of the General Manager and/or Hostel Manager on the said notice board; and
 - (b) any other notice given to me by you shall be deemed to have been properly given to and received by me as from the time it is either delivered to me personally or is enclosed in a sealed envelope addressed to me and placed in a room allocated to me. The certificate of the Hostel Manager as to the method and time of giving notice shall be accepted by me as conclusive proof thereof.
8. That I understand accommodation for myself and my family will not be provided by Commonwealth Hostels Ltd. for a longer period than two years from the date of my first admission to a Company hostel.
9. That I acknowledge that I have read and I understand this application, the conditions, schedules annexed hereto, the tariff charges, charges for sundry services and for electricity and the hostel rules.

Dated this *5th* day of *June* 19*59*
 Signature of Applicant
 Signature of Witness
 (Member of Hostel
 Managerial Staff)

TO:

The Company accepts your application for board and lodging as set out above, and will provide you and your family with board and lodging at this hostel from week to week upon the conditions of your said application.

This duplicate copy of your application for board with annexed Schedules lettered "A" and "B" is handed to you as your copy of the contract with Commonwealth Hostels Limited.

For and on behalf of Commonwealth Hostels Limited

Date *5. 6. 59*
 Hostel Manager

SCHEDULE "A"
CONDITIONS RELATING TO TARIFF CHARGES, CHARGES
FOR SUNDRY SERVICES, AND CHARGES FOR ELECTRICITY
IN EXCESS OF AN ALLOWANCE FOR LIGHTING AND SPACE
HEATING OF LODGINGS.

The Company's charges for board and lodging are set out below. Details of any variation thereof will be notified by notice exhibited on the notice board in or at the Hostel Office.

CLASSIFICATIONS AND DEFINITIONS.

1. (a) For tariff purposes adult males who are not dependent, shall be classed as workers from the date of entry to a hostel and other residents, including females who are not dependent, shall be classed as dependants until they commence work, when they shall be classed as workers and, with the exception of wives, shall continue to be classed as workers even when unemployed. Residents other than wives, when once classified as workers shall not be re-classified as dependants without the Company's consent. Wives shall be classified as workers during any period that they are employed (employment for part of a week being regarded as employment for a full week) and as dependants for any week in which they are not employed at all. Residents taking casual employment will be deemed to be workers during any week in which they are casually employed.
- (b) In calculating tariff charges or any concessions or rebates relating thereto, the term "nominal wage" means the normal basic wage plus any authorised margin or loading and any amount in excess of the award rate regularly paid by the employer but excluding overtime, bonus or incentive payments, special allowances and penalty rates for working different shifts. Where a resident works the same shift continuously the wages for that shift will be regarded as the "nominal wage". Child Endowment payments are excluded for tariff calculation purposes.
- (c) Payments made by a resident to the Company for sundry services and for electricity will not be taken into consideration for the purpose of calculating any concessional rate of tariff or rebate on tariff intended to secure to a resident the retention of a stipulated minimum amount from his nominal wage after payment of tariff charges for himself and his dependants.
- (d) The tariff charged for periods of less than one week will be one-seventh part of the full weekly rate applicable for each day or part of a day.

TARIFF CHARGES

2. (a) The tariff charges for board and lodging by the week include, for the period 1st October to the 30th April of each year, electricity for the lighting of rooms allocated to a resident up to the following quantities for each four weekly period, or pro rata for any lesser period, namely—

7 kilowatt hours for one room
11 " " " two rooms
15 " " " three rooms
18 " " " four rooms
21 " " " five rooms
24 " " " six rooms
27 " " " seven rooms

For the period 1st May to the 30th September of each year the tariff charges for board and lodging include, in addition to the kilowatt hours for lighting shown above, 84 kilowatt hours of electricity for the heating of lodgings.

- (b) Subject to (a) above, the Company's tariff charges for board and lodging, which are those approved by the Minister for Labour and National Service are:—

WORKERS:

ADULT MALE	£4 12 6
ADULT FEMALE	4 2 0
JUNIORS (under 21 years)	

- (i) where the weekly nominal wage does not exceed £2 15 0 less than the nominal wage
- (ii) where the weekly nominal wage exceeds £2 £1 5 0 plus 1/- per week for every 2/- by which the nominal wage exceeds £2 until the adult worker's tariff is reached.

DEPENDANTS:

ADULT MALE OR FEMALE	£3 1 0
JUNIORS—aged 16 and under 21 years	1 17 6
CHILDREN—aged 11 and under 16 years	1 11 6
aged 5 and under 11 years	1 5 0
aged 1 and under 5 years	1 0 0
aged under 1 year	10 0

- (e) Concessional tariff charges may be computed and rebates allowed by the Company in the following circumstances, and subject to conditions 1 (c) and 3.
 - (i) The concessional charges may be allowed only when the dependants are resident in Company hostels and the breadwinner is either a resident at a Company hostel or is required by the Commonwealth to undertake employment (including service in the Armed Forces) in association with which the employer finds the accommodation for such breadwinner.
 - (ii) Only one gainfully employed person in any family will be regarded as a breadwinner for any dependants who are not gainfully employed. Any other member of the family who is employed will not be taken into consideration for the purpose of calculating any concessional tariff charge.
 - (iii) The onus of producing satisfactory evidence to support a claim for a concessional tariff charge, i.e., evidence of the ages of dependent children and nominal wage will rest with the resident claiming such a concession, and until such satisfactory evidence is produced full tariff charges

will apply. A birth certificate, extract of birth entry, certificate of exemption or other official confirmation of age from the Department of Immigration must be produced before concessional charges will be granted for children and juniors. A certificate from an employer of a resident claiming a concessional tariff charge is required in a form satisfactory to the Company as proof of nominal wages.

- (iv) Where a concessional tariff charge is granted the total charge for dependants will not exceed the amount of £3/15/- per week plus 2/- for every 5/- by which the nominal wage of the breadwinner exceeds £9 per week, provided that the breadwinner will be left out of his nominal weekly wage, after paying for board and lodging for himself and his dependants, a minimum amount calculated as follows:—

Breadwinner with Dependent					per week
Wife and 1 Dependent Child	.....	.....	.....	.....	£3 0 0
" " 2 " Children	.....	.....	.....	.....	3 10 0
" " 3 " Children	.....	.....	.....	.....	4 0 0
" " 4 " Children	.....	.....	.....	.....	4 10 0
" " 5 or more dependent Children	.....	.....	.....	.....	5 0 0

Where the sole breadwinner is the mother the above scale may be applied in accordance with the number of dependent children.

- (v) The concessional tariff charges computed in accordance with the above provisions will apply only on condition that the breadwinner pays regularly the full amount of the tariff charged each week (or fortnightly where the Company has agreed that payments may be made fortnightly).
- (d) Tariff charges for workers who elect not to take the hostel cut lunch on five working days will be computed to allow a rebate of 8/6 per week.
- (e) **ROOM RETENTION.**

In cases where a resident is absent for a short period being not less than seven days, and provided at least four days notice in advance of absence has been given to the Hostel Manager, the resident may retain his right under this agreement to be provided with board and lodging at the hostel, subject to the payment in advance of a room retention charge of 1/9d. per day for an adult or junior worker and 9d. per day for a child, such charges to be paid in lieu of the tariff which would have applied if the resident had not been absent from the hostel. Room retention is limited to an aggregate period of four weeks in any year.

REIMBURSEMENT OF COMPANY FOR SUNDRY SERVICES AND FOR ELECTRICITY USED IN EXCESS OF AN ALLOWANCE FOR LIGHTING AND SPACE HEATING OF LODGINGS

3. The resident will pay to the Company for electricity used in excess of the kilowatt hours shown in 2(a) above an amount per kilowatt hour equal to the lowest rate per kilowatt hour charged to the Company by the Electricity Supply Authority for the electricity used in rooms occupied by residents.

4. The following charges for sundry services will apply:—

(a) Use of Electric Iron—					
For each hour or part thereof	.....	.....	.....	.....	3d.
(b) Childminding (where such service is provided)—					
Available for pre-school age children only, of the age of two years and over.					
First Child (per week)	.....	.....	.....	.....	12 0
Each additional Child (per week)	.....	.....	.....	.....	7 0
Casual rate (per day or part thereof)	.....	.....	.....	.....	3 6

SCHEDULE "B"

HOSTEL RULES

The Hostel Rules set out below apply to all hostel residents.

- A resident shall not have in the rooms allocated to him any electrical appliance not authorised by the Company. The Company reserves the right to refuse to approve any electrical appliance without giving any reason for such refusal and to withdraw at any time any approval previously given.
- Unless specifically authorised by the Company a resident shall not have in the rooms allocated to him any form of space heating appliance (room warmer) except the Company's approved form of 1,000 watt electric radiator which will be made available on loan to residents at hostels having room circuits controlled by check meters and shall only be connected to the electrical power outlet in such rooms.
- Residents must strictly observe and conform to any regulations imposed on the Company by the Electric Supply Authority or other competent authority in respect of banning, zoning or restricting the use of electricity and/or specified electrical appliances.
- A resident shall not—
 - Carry or keep firearms or other lethal weapons within the precincts of the hostel.
 - Consume intoxicating liquor in the hostel except in his own room and then not to excess or to the annoyance of other residents or the Management.
 - Keep dogs or cats at the hostel.
 - Have unauthorised cooking, heating or other appliances in rooms.
 - Park motor vehicles in or near buildings or elsewhere within the hostel precincts except in designated parking areas.

- (f) Erect an outside radio aerial or mast or make any alterations to any hostel building or deface or damage in any way the walls, linings, ceilings, passageways, doors, windows, floors, locks, plumbing, drainage or any other service, fitting or item of equipment at the hostel, or tamper or interfere with the electrical wiring and its associated controls, equipment, meters, switches, fuses, meter boxes and the like or in any other way damage any of the hostel property or expose residents to the danger of accident or fire.
 - (g) Take food from the dining room except in cases of illness or other special circumstances and then only with the special permission of the Hostel Manager.
 - (h) Remove from the dining room any crockery, trays, utensils or other equipment or material except such items as may from time to time be placed on personal issue to him by the Hostel Manager.
 - (i) Carry on any trade or business in any hostel building or within the hostel precincts.
 - (j) Make any unauthorised use of electricity, water or any item of fire-fighting equipment, or any other service provided.
 - (k) Erect or cause to be erected an outdoor television antenna except with the prior consent in writing of the Hostel Manager and under and in accordance with the terms, conditions and specific cations prescribed by the Company. Consent will not be given for the erection of such antennae at certain hostels.
5. The times at which meals are served are published in the Office and the Dining Room and meals will not be available outside those hours except by special arrangement with the Hostel Manager.
 6. Residents requiring special diets in cases of illness or for infants under 2 years of age must produce to the Hostel Manager an acceptable certificate from a Doctor or Baby Health Centre Nurse in the first place, and consideration will then be given to arranging to provide the diet. If such special diet is provided it will be on the distinct understanding that the cost of items of an expensive nature not normally provided will be borne by the resident in full.
 7. Residents shall maintain in good order and condition all furniture and other equipment made available to them on a Personal Issue basis and deliver the same up at the time of termination of their residence. In the event of any of the items on issue being lost or damaged whilst on loan on Personal Issue the resident shall on demand by the Company pay to the Company an amount assessed by the Company as sufficient to replace or repair the item lost or damaged.
 8. Excepting with the approval of the Hostel Manager a resident shall not remove any item of furniture or furnishings from any rooms at the hostel and shall not place in any room any furniture, bedding or other effects additional to those provided by the Company.
 9. The Hostel Manager, or any other person authorised by him, may at any reasonable time enter any room allocated to a resident.
 10. Residents shall conduct themselves with propriety whilst at the hostel and shall not interfere with or molest any other resident or member of the hostel staff and not do or permit anything in or upon the hostel premises or in any part thereof which may be or become a nuisance to the Company or residents or the staff of the hostel.
 11. Subject to the right of the Hostel Manager to prohibit the entry of any person to the hostel premises, residents may receive visitors within the hostel but any casual meals partaken of by visitors must be paid for and visitors will not be allowed to remain in the hostel overnight.
 12. The Company does not accept any liability whatsoever for loss or damage to the personal property of residents.
 13. No person may remain in the hostel without authority. Persons not so authorised will be summarily evicted.
 14. Residents are responsible for the good conduct of their children and will be liable for the cost of making good any damage caused by their children to any property or service at the hostel.
 15. Residents desiring to terminate their board must give seven days' notice to the Hostel Manager or pay one extra week's tariff in lieu of notice. The Hostel Manager may agree to accept a shorter period of notice in special circumstances.
 16. Enquiries and complaints should be made to the Hostel Manager or a member of the Office Staff during Office Hours.

Chapter 7

CONCLUSIONS

The analyses of chapters 4, 5 and 6 have at least one common property. In each case the impression given is that the phenomenon of interest was transitional, and the end of the transition was something called "the Australian norm". But this "melting pot" picture of migrants in Australia is quite likely to be misleading. One reason is that "the Australian norm" is a statistical artifact, an average defined by the residual non-migrants in the two general surveys. This hides a wealth of variety of behaviour, behaviour varying between socio-economic classes, between geographical regions, between metropolitan, provincial and rural areas in any region, and so on. The other reason, is that the analyses of the present study were based on such broad behaviours that the environment would prevent deviation from such all-embracing norms. It is hard to be so different that the difference shows. Even if all Greek families purchased only national costumes their spending on clothing may well not look very different from anyone else's. Nevertheless, the "melting pot" hypothesis on economic behaviour does provide some challenge to further research. More adequate models and carefully devised data on particular aspects of household economic behaviour will, no doubt, reveal where the present null hypotheses are inadequate. This being said it must be granted that some of the analyses do bring forward ex-post hypotheses about ways in which migrant behaviour may differ from non-migrants. First the evidence from Chapter 4 suggests that migrant household income tends to be higher than the norm, apart from that of Southern European households. This evidence can be related to a number of hypothesized aspects of a migrant household's functioning. It may be that, as in the studies of inter-regional migration in the United States [Lansing and

Morgan, 1961], migrant householders are more enterprising than demographically matched peers who have not migrated. It may be that it is a long run adjustment mechanism whereby migrant households catch up materially with their Australian neighbours, and even overcompensate. It may have to do with the composition of households and the pattern of departure from the parent household and formation of new households. This last possible cause of difference should not affect interpretation of the Melbourne Survey because they carefully defined Income Units within households. But the Expenditure Survey could very well have missed some of the subtleties of intra-household transfers.

Second, is the evidence of Chapter 5 that there are statistically evident differences in expenditure pattern, albeit differences that for the most part defy simple explanation.

Third, is the evidence of Chapter 6 that while migrants in general move rapidly toward Australian norms of home ownership, there are clear differences in the type of housing used by certain groups. Western Europeans, and to a lesser extent British migrants, have a greater propensity to occupy flats, either on rental or purchase basis. Southern Europeans have a greater propensity to occupy and purchase inner suburban property - terraced and semi-detached houses.

In testing these few hypotheses it has been seen that "the household" must be examined as an economic unit functioning in a number of different markets and as a social unit interacting with other households and institutions within society. Simply collecting income numbers and other demographic data is not adequate to the theory of household behaviour that is implicitly in mind when these ideas are put forward.

The divergence between popular legend and alleged results is probably greatest in the analysis of total expenditure patterns (Chapter 5, Appendix B). The import of the results is that migrants are not great cash savers, but that they spend their money to about the same extent as Australians in general. But these results are not conclusive. The data used were not explicit savings data but what should have been roughly the converse, total spending. But the data collection for expenditure items was not linked directly to balance sheet identity relationships. Actual savings flows may or may not be consistent with the present analysis. But even if the present analysis is valid and reliable it does not mean that the popular legend is completely misconceived. The appearance, indeed the substance, of high savings could well be related to a greater earning capacity in, say, lower middle class "blue collar" households. The savings are in this case the result of harder work rather than abstinence. This hypothesis has the merit of consistency with the hypothesis that migrant households enjoy higher incomes than their non-migrant peers.

The analysis of Chapter 5, while perhaps the least satisfactory of all, poses many of the more interesting questions about household behaviour. The data failed to elucidate differences in spending on food because of over-aggregation. But there is at least the hint that the result established in research overseas [Liviaton, pp.46-48], that manual worker householders spend more on food than non-manual workers, may hold true in Australia.

The large positive difference between Australian (and pre-war British Migrant) and post-war migrant spending on tobacco and alcohol is another intriguing piece of data. A researcher's response to this may not be to collect more of the same data, but to wish to discover whether the difference

is real (quantity or quality) or a result of the question itself. This implies more detailed information than a survey questionnaire can supply.

A more general question, raised in every estimate, is that of complementary/substitutionary relations between goods and household members. Segregating children from adults allowed these relationships to become at least partially visible. For example, the number of adults and children in the household were both positively related to the three non-luxury food categories. But for "food away from home", the more children, the less spent, and for many classes, the more adults, the less spent on this item. For Item 5, "Newspapers etc., and Stationary", the more children the less spending in all cases, while for most classes an extra adult was associated with more spending. The further investigation of household decision making is suggested by these observations. Do households choose between children and goods? Do households of differing cultural backgrounds enter different factors into consideration? For example, are children regarded as a long term investment by any sub-cultures within Australian society as it is sometimes said they are in some underdeveloped countries?

The area of expenditures on and, investment in housing is one of very great importance to households. One of the remarkable points about the Expenditure Survey was the very slight variation in patterns of spending on running expenses of housing between the ten classes. Not only were elasticities not very different from each other, but standardized expenditures were also very similar. This lack of variation may simply be due to the aggregation of individual items, though other items have been more highly aggregated. It may be a statistical oddity, or it may be due to the lack of variety in housing choice in Australia. It was this lack

of variety that showed through most clearly in the British migrants survey. The number of rooms and the type of construction were both much less variable than had been the case for this group of migrant in the United Kingdom. Whether this relative uniformity imposes some uniformity on housing costs for middle and working class Australians and migrants alike is an interesting question.

The Melbourne Survey certainly showed many Southern European migrants, Italians in particular, selecting non-typical housing. But their expenditures on running this housing from Mrs. McCaughey's account [Henderson, *et.al.*, 1970, pp.138-140], would be conditioned by the great amount of personal effort put into maintenance and renovation.

What does become obvious, when considering the information from the three surveys on housing, is the need to consider housing from the household viewpoint, as the Melbourne Survey did in part, rather than in terms of isolated statistics on dimensions or expenditures. The household's choices about living space should be examined, the way a household comes to be living in its particular house with the attributes possessed by that house. Again, survey methods are inadequate for the collection of such information.

A Useful Way Forward

In every part of the present study it has been found that the data suffered greatly from being secondhand. But were new data to be collected, what should it be elucidating, what form should it take?

The answer to the first part of the question depends both on the precise aims of the investigation and on the model of household behaviour being used. But as the present study has shown, even if one's focus of

interest were narrow, it is unlikely that an adequate understanding of the narrow area of interest is possible without at least a grasp of household functioning overall.

In other words, there must be a general understanding of the economic behaviour of households before studying one aspect of the behaviour of households, and, *à fortiori*, before studying a particular group or class of households. This is not to say that the narrow study will not modify, or point to reconstruction of, the model of household behaviour. But the collection of information without a basis in theory is meaningless.

The present state of economic theory about household behaviour is rudimentary. There exists one simple idea about household behaviour: that dignified as the theory of consumer behaviour. It has a number of manifestations: the Engel function, the consumption function, the price demand curve, but basically all derive from the *locus classicus* of marginalist economics known as the Slutsky equation: given real income, a lower price implies that not less and usually more will be purchased; given price, a higher income implies more, less or the same amount will be purchased. While this takes economic theory a long way it does not do much for the student of households as such, even as the neo-classical theory of the firm told the economist nothing about how a firm functions.

But beginning with this idea it is possible to construct a rudimentary model of household behaviour, one which is testable and in whose testing can develop the areas presently untouched by theory.

For example, let us postulate that households had four types of decision, 1) about income, 2) about total expenditure, 3) about particular expenditures, and 4) about particular forms of savings. Economic theory

suggests that wage rates are important to income; income and the rate of interest on savings to total expenditure; relative prices to expenditures on particular goods; and the structure of interest rates to particular forms of saving. To these can be added the type of demographic and sociological variable used by survey researchers (see Chapter 2 above). Left at this, the model is no real advance on the regression equations of the survey research literature. A different form of data collection is required.

It may be time for those economists who are students of household behaviour to follow the sociologists and anthropologists into the technique of gathering information directly from a relatively small number of respondent households, to use a case-study technique to develop new insights into the ways households choose.

This technique is by no means new or unusual to economists. For about thirty years there have been such studies of the behaviour of firms. And indeed the economist's understanding of the behaviour of firms has been transformed by this research effort.

The household researcher, starting with the neo-classical ideas about relationships between prices, expenditures, income and savings, would try to understand how weekly expenditures were planned, why decisions to purchase durables were made, whether any purchase decisions were not carried through, how purchases were financed. The researcher might go shopping with the respondent, might listen to discussions about household budgeting.

It may be true that if economists lack understanding of household functioning in general that it is premature to start by investigating a

particular class of households who may or may not function differently from other households. But it may well be that using ethnic sub-cultures as a starting point could demonstrate both that the researcher's preconceptions about the economic behaviour of households were wrong (or right), and that households do exhibit some behaviour patterns which can be the basis of generalisation, explanation and prediction more efficacious than the present blindly empirical regression equations.

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