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Australasian Tax Teachers'
Association Annual Conference
Monash University 17-19 January
2018

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Keep Your Underpants On (If you Can): The Prohibitive Effect of Tariffs on Workingmen's Underwear in Australia, 1921-1926

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Post-WWI Prohibitive Protectionist Policy

Focus: workingmen's underwear from 1921-1926

BACKGROUND

- By early 1920's the influx of low-priced imported apparel had increased enormously
- Persistent demand by local underwear manufacturers for the government to increase tariffs on imported apparel (including men's underwear)
- Some demanded that male consumers be *forced* to relinquish their right to wear what they chose and be *compelled by government* to support local industries by wearing only Australian-made clothing
- Establishment of the Tariff Board and its role as the 'institutional voice of protectionism'
- The stakeholders- included George Bond, Australasian Association of British Manufacturers, Chambers of Commerce



Men's Underwear

Taxation

Custom's Revenue

- Customs duty steadily increased after WWI
- Other forms of taxation had been reduced
- 1919-1920 customs revenue was £21 576 559
- 1925-1926 customs revenue increased to about £40 000 000



The situation before WWI

- Australian workingmen generally wore imported underwear
- It was a poorer class of article known as a 'working man's article'
- It attracted no duty and retailed at 2s 11d per garment
- These garments were serviceable and practical



The situation during the war

- Australian clothing manufacturers were ‘blessed’ with little overseas competition
- Manufacturers ‘practically had the whole of the home market to themselves’
- Also enjoyed ‘exceedingly high artificial aid’ in the form of costly shipping overheads



The situation after the war

- The growth of tariff-assisted Australian manufacturing continued to be ‘phenomenal’
- Cheap imported underwear attracted a 25% duty
- Heavy promotion of Australian-made underwear
- The Minister for Trade and Customs attempted to control the flood on imported underwear with a new formal classification in the Tariff Schedule
- The underwear debate becoming highly contentious



The Underwear Debate

- So contentious that it triggered internal discord amongst protectionists themselves
- Some argued that the tariff on men's underwear was a 'poor man's tariff'
- It was argued that the high duties on underwear were unfair because they were 'class based'
- Some contended that important revenue would be lost if the tariffs were too high
- Others demanded further tariff increases as Australian manufacturers could not compete in the face of the boost in imported apparel



The 1925 Tariff Board Apparel Hearings

- Men's underwear becomes 'a hot issue' in Parliament and in the press- a massive surge in protectionist and alarmist rhetoric
- Fear about national security and sustainability
- Representatives from manufacturers, Chambers of Commerce, British importers
- Protection as xenophobia
- Board effectively sanctioned increase in tariffs to 'protect' phantom or non-existent Australian Manufacturers from 'dangerous' overseas competition
- No voice for the consumer



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Closer Title



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