A genealogy of accounting and pastoral power in the Australian disability welfare program (1908-2016)

Mona Nikidehaghani
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A genealogy of accounting and pastoral power in the Australian disability welfare program (1908-2016)

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Dr. F. Hui & Dr. C. Cortese

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Doctor of Philosophy

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The University of Wollongong
School of Accounting, Economics and Finance
Faculty of Business

July 2017
Declaration

I, Mona Nikidehaghani, declare that this thesis submitted in partial fulfilment of the requirements for the conferral of the degree Doctor of Philosophy, from the University of Wollongong, is wholly my own work unless otherwise referenced or acknowledged. This document has not been submitted for qualifications at any other academic institution.

________________________________________

Mona Nikidehaghani
July, 2017
Thesis-related Research Outcomes

Refereed Journal Article


Refereed Conference Papers


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Abstract

Public social policies play a pivotal role in determining what qualifies a person as being disabled. Since the early 20th century, the Australian Government has instigated social policies in an attempt to conceptualise the boundaries of disability, as well as the rights and responsibilities of disabled people. This study analyses the influence of accounting in Australian social policies for disabled people from 1908 to 2016. The thesis reveals the role of accounting in articulating what constitutes a disability identity as well as introducing programs to govern the “disability problem”. The dissertation demonstrates that accounting plays a dominant and influential role in the identification of disability.

The study draws on the work of the French philosopher Michel Foucault to explore how accounting practices associated with disability welfare programs act as a technology of the self. Foucault’s (1988c, 2007) elaboration on the pastoral power deployed by early Christianity provides a conceptual framework to explain the implication of accounting as a technology for categorising disabled people. In particular, the study draws on Foucault’s (1988c, 2007) explanation of the relation of the Christian pastor and the members of the pastor’s church and the mechanisms the Christian pastor applies in the transformation of individuals. Through such a framework the role of accounting in the constitution of disability is revealed: it becomes apparent that financial and accounting discourse and practices are significant in explaining how disabled people identify and reflect on themselves and how disabled people are perceived by others.

The thesis adopts a critical genealogical approach and provides a “history of the present”. This approach traces discontinuities in events and illuminates systems of formation for current modes of identification of disability, as well as programs designed in response to the “disability problem”. The study maps the formation of disability welfare benefits from 1908, when the Australian Government introduced the Invalid and Old-age Pensions Act, to the present.
This thesis draws upon an extensive range of archival material including policy texts, Parliamentary Hansard transcripts, and administrative procedures, and renders a complex picture of the subjectification of disabled people in Australia. The analysis reveals that the current neo-liberal mentality of managing disability originates in the previous assumptions made in the process of caring for the disabled people. It demonstrates that reforms in political ideologies rely on the transformation of the self in a manner that contributes to particular political objectives. The thesis shows that accounting remains a constructive mechanism for transforming individuals and achieving desired ends, affirms the centrality of accounting as a technique of domination, and expands the implications of accounting to a technique of the self, by which subjects know themselves and are known by others.
Summary

This thesis analyses the influence of accounting in Australian social policies for disabled people from 1908 to 2016. It draws on the work of Foucault to explore how accounting practices associated with the disability welfare program act as a technology of the self and contribute to creating and shaping a disability identity in Australia.
Acknowledgment

I would like to express my sincere gratitude to my supervisors: Dr. Freda Hui and Dr. Corinne Cortese. Thank you, Freda and Corinne, for your invaluable expertise, wisdom, professional advice, and friendship. You have been an enormous source of support during this wonderful journey, and your guidance, compassion, and motivation have been invaluable in the completion of this dissertation.

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Dedication

This thesis is dedicated to my parents: Shahla and Heshmat.
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<th>Description</th>
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<tbody>
<tr>
<td>ACOSS</td>
<td>Australian Council of Social Services</td>
</tr>
<tr>
<td>ACROD</td>
<td>Australian Council for Rehabilitation of the Disabled</td>
</tr>
<tr>
<td>AGWA</td>
<td>Australian Government Web Archive</td>
</tr>
<tr>
<td>AHA</td>
<td>Australian Health Associates</td>
</tr>
<tr>
<td>APA</td>
<td>Australian Parent Advocacy</td>
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<td>CES</td>
<td>Commonwealth Employment Services</td>
</tr>
<tr>
<td>CMO</td>
<td>Commonwealth Medical Officer</td>
</tr>
<tr>
<td>DEWR</td>
<td>Department of Employment and Workplace Relations</td>
</tr>
<tr>
<td>DSP</td>
<td>Disability Support Pension</td>
</tr>
<tr>
<td>FaCS</td>
<td>Department of Family and Community Services</td>
</tr>
<tr>
<td>HPAA</td>
<td>Handicapped Persons Assistance Act</td>
</tr>
<tr>
<td>IYDP</td>
<td>International Year of Disabled Persons</td>
</tr>
<tr>
<td>JCA</td>
<td>Job Capacity Assessment</td>
</tr>
<tr>
<td>JPET</td>
<td>Job Placement, Employment and Training</td>
</tr>
<tr>
<td>MP</td>
<td>Member of the Parliament</td>
</tr>
<tr>
<td>NAA</td>
<td>National Archives of Australia</td>
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<tr>
<td>NDIS</td>
<td>National Disability Insurance Scheme</td>
</tr>
<tr>
<td>NSA</td>
<td>Newstart Allowance</td>
</tr>
<tr>
<td>POS</td>
<td>Program of Support</td>
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<tr>
<td>PSP</td>
<td>Personal Support Program</td>
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Chapter One: Introduction

1.1 Orientation to the problem

Accounting for citizens with a disability has been a challenge for various societies around the world (Grönvik, 2007; Grover & Soldatic, 2013; Lekholokoe, 2013). In many countries, including Australia, those with disabilities have been seen as second-class citizens (Barnes & Mercer, 2005; Becketta & Campbell, 2015; Campbell, 2005; Goggin & Newell, 2005). This has been indicative of the often derogatory language used to classify those with a disability (Soldatic, 2009; Soldatic & Pini, 2009). In more shameful times in human history, such people have been the subject of unethical experiments and torture; some “medical professionals” have even questioned disabled people’s status as human (Gallagher, 1995).

Pioneering work during the early 1960s saw activists such as Hunt (1966) begin to give a voice to voiceless disabled people. He and others insisted that the needs of disabled citizens required the serious attention of policy-makers and argued for more-inclusive legislation. This movement, born out of frustration and desperation, aimed to create a shift in governmental thinking, with the objective of positively influencing how society viewed disabled people. Primarily, the movement wanted society to acknowledge that everyone is equal and to restore disabled persons’ dignity. In Australia, authorities sought to adhere to various requests for acknowledging disabled people’s social rights through the introduction of specific legislation and policies, such as the Handicapped Persons Assistance Act (1974), New Directions Report of the Handicapped Programs Review (1985) and the Disability Discrimination Act (1992). However, the policies, designed to enhance the lives of disabled people, have been dysfunctional, with the Australian government admitting their deficiency:

The current disability support system is underfunded, unfair, fragmented, and inefficient. It gives people with a disability little choice, no certainty of access to appropriate supports and little scope to participate in the community (Productivity Commission, 2011, p. 2).
In 2013, the Australian Government introduced a new program, known as the National Disability Insurance Scheme (NDIS). This initiative was designed to overcome shortfalls of previous legislation related to the welfare of disabled people. Political rhetoric suggests that NDIS is designed to provide disabled people with the reasonable and necessary support required to achieve their self-determined objectives in their private lives, and to participate meaningfully in their social and economic lives (The Department of Families Housing Community Services and Indigenous Affairs, 2013). Disability campaigners favoured the program, asserting that, when operational, the NDIS would offer people with permanent and significant disability control over their lives and the ability to choose for themselves the type of care and support they needed (DisabilityCare Australia, 2013). The Australian Government acknowledged the NDIS as a scheme for “fundamentally revolutionising” the way financial care and support would be provided for disabled people (Brodtmann in Australia House of Representatives, Parliamentary Debates, 11 Feb 2013, p. 672).

The discussion around the NDIS, which aims to normalise disabled people by providing real control and choice, draws attention to how little is known about the welfare conditions of disabled people in Australia. This new era of legislation also highlights a significant need to understand the role of accounting in the circumstances of disabled people. Hence, this thesis aims to contribute to an understanding of historical conditions that contributed to the current mentalities and practices that constitute the disability identity.
1.2 Research question and significance of study

Existing research has investigated the concept of disability through the lens of social construction, with attention to theoretical issues such as medicalisation, the discourse of abnormality and deviance, and concepts such as social justice and human rights (e.g. Barnes, 1996; Becketta & Campbell, 2015; Oliver, 1986; Oliver & Barnes, 1998; Shakespeare, 1996; Siebers, 2008). Disability studies have recognised the identity of the disabled less as a mental or physical issue and more as a value-laden consequence of social discourse (Barnes & Mercer, 2003; Davis, 2006; Oliver, 1996; Snyder & Mitchell, 2006). This scholarly approach enables researchers to study disability as a flexible social classification that is subject to social control as an object of policy and administrative action (Grover & Soldatic, 2013; Roulstone & Prideaux, 2012; Stone, 1984; Swartz & Schneider, 2006; Symeonidou, 2014). Accordingly, the question of disability is detached from essentialist arguments and addressed within the contingencies of discursive formations.

This social-constructionist epistemological approach is very well established in the accounting literature. The notion of accounting as a neutral technique has been successfully challenged by accounting scholars (e.g. Burchell et al., 1985; Busco et al., 2017; Elhawary & West, 2015; Hopwood, 1983, 1987, 1990; Miller & O'Leary, 1987; Rose & Miller, 1992; Sidhu & West, 2014); they regard accounting as a powerful discursive practice, which constructs, rather than simply reports upon, social realities. This has been most evident when statistics and financial information are used to justify and rationalise decision and action affecting the “common man” (see Bhimani, 1994; Hoskin & Macve, 1986; Loft, 1986, 1988; Miller & O'Leary, 1987, 1994; Neu, 2006; Neu & Graham, 2006; Walker, 2010).

The research question that frames this study is as follows:
How has accounting been forceful in constructing the economic comportments of the identity of disabled people?

Though posed in a Foucauldian historical context, this research question will be answered with reference to contemporary aspects of governance as they relate to the construction of the identity of disabled people. Accounting is implicated here because accounting technologies and terminologies have been used to create and modify cultures and identities (Arrington & Upton, 2013), and, as this thesis will show, have been a salient feature of the disability debate. Accounting is identified not only as a socially constructed knowledge but also as a cultural presence through which rather latent but forceful modes of power easily operate (e.g. Baños et al., 2005; Carmona et al., 2002; Carmona & Gutiérrez, 2005; Giovannoni et al., 2014; Knights & Collinson, 1987; Maran & Vagnoni, 2011; Riccaboni et al., 2006; Spence, 2010; Vollmer, 2003). Accounting has come to be seen as a ubiquitous “technology of power”; a technology that, to the surprise of some, may have more social force than law (Gomes et al., 2008, 2014; Hopper & Macintosh, 1993; Maran et al., 2014; Miller & Rose, 1990; Neu, 2000a, 2000b; Preston, 1992; Quattrone & Hopper, 2005; Rose, 1991). Accounting has been applied to the composition of identity, whether at a rudimentary level, where it defines people as wealthy and poor (Alagiah, 1996; Walker, 2008a), or at a complex level, as in this thesis, which argues that accounting discourse has altered disability identities.

Thus, expanding on the research question above, the study will investigate:

- the rationales that facilitate intervention in the lives of disabled people;

- the applied mechanism used by disabled people in identifying themselves; and
The mechanisms used by the Australian Government that have enabled the transformation of disabled people into a certain form of identity.

The study examines and reveals the means by which accounting has enabled an agenda designed to orchestrate benefits and rights in a particular manner. Drawing on archival data, the study traces the genealogy of governmental disability welfare programs in Australia. The study analyses the transformation of disabled people into an identity consistent with the “accountingisations” inherent in modern societies (Arrington & Upton, 2013, p. 327). Since rendering individuals economically accountable is a significant component of the globalised world (Arrington & Upton, 2013), research into the force of accounting in this political context is a relevant intellectual practice. The current research demonstrates how the techniques, rationales, and technologies of accounting have enabled such processes.

The study operates within a well-established tradition of research that reveals how accounting enables political agendas across the social domain and a range of identities (e.g. Andrew & Cortese, 2013; Carmona & Ezzamel, 2009; Cooper et al., 2010; Cooper et al., 2016; Covaleski et al., 1998; Graham, 2010; Walker, 2008a, 2010). Since undesirable stigmas are attached to terms like “disabled,” real suffering can occur because of the manner in which a “disabled” identity is discursively enacted. The importance of this sort of “detailed” research is a metonym for Foucault’s broader moral concerns with identity, administration, and governance:

Discipline has never been more important or more valued than when the attempt was made to manage the population: managing the population does not mean just managing the collective mass of phenomena or managing them simply at the level of their overall results; managing the population means managing it in depth, in all its fine points, and details (Foucault, 2007, p. 107).

Modern states pay great attention to individual identities, and they do so within what are often very sophisticated structures that shape citizens’ identities in new forms compatible with
various sets of patterns (Miller & Rose, 1990; Radcliffe, 1998). Like other expert practices and the discourses that accompany them, accounting techniques are integral to such practices necessary to fulfil the objectives of the modern state. Hence, this study situates itself amongst Foucauldian studies, such as Graham (2010) and Greer (2005), that investigate how individual identities emerge from the calculative techniques of expert practices like accounting and statistics.

Of particular interest in this study is the dialectical tacking that takes place as discourses shift between state micro-power and state macro-power. Foucauldian accounting research (e.g. Fuinez, 2005; Madonna et al., 2014; Miller & O'Leary, 1987; Quattrone, 2004; Roberts et al., 2006; Walker, 2010) has demonstrated that the modern power of either the micro- or macro-form works through normalising behaviour, through examination and observation achieved to manage individuals and whole populations, and through techniques of accounting that have made it possible for modern power to govern “docile” (Foucault, 1977, p. 135) citizens (Napier, 2006; Stewart, 1992). The current thesis advances the Foucauldian accounting literature by highlighting a new perspective towards the modern state. The modern state does not ignore the individuals; rather, it often takes advantage of individuals to achieve its own desires, doing so under the guise of working toward an individual’s welfare.

1.3 Thesis conceptual framework

This study stands within a formidable tradition of accounting scholarship that deploys the work of Michel Foucault. Foucault’s concerns and methodological commitments have inspired accounting researchers (e.g. Baños et al., 2005; Bigoni & Funnell, 2015; Carmona et al., 2002; Carmona & Gutiérrez, 2005; Graham, 2010; Loft, 1986, 1988; Miller & O’Leary, 1987; Neu, 2000a, 2000b, 2006; Robson, 1992; Rose, 1991; Vaivio, 2006; Walker, 2010) to consider the accounting discipline quite differently, in a manner that captures the breadth and scope of
accounting as it reaches deeply into organisations and modes of administration that historically have not been particularly focused on financial issues.

The study employs Foucault’s (1982, 1988a, 1988c, 2007) notion of pastoral power. Through Foucault’s investigation of techniques of the self, developed by early Christianity, it becomes apparent that an analytic of techniques of the self requires attention to participants, including the individual, the population and the government, as well as the applied mechanisms. Hence, the study adapts a conceptual framework, which is explained in Chapter 3, that incorporates participants and applied mechanisms in constitution of an identity in the modern world. This conceptual framework considers a government as a pastor attempting to direct the nation towards salvation. As part of the journey to attain salvation, both pastor and individuals employ techniques that enable knowing of the self and assuring salvation. Through this framework, the study elucidates accounting as one mechanism that all participants apply in identifying the individual.

1.4 Applied methodology

This study adopts a critical genealogical approach to investigate the development of disability schemes in Australia, and the role accounting plays with respect to these schemes. This approach is discussed in detail in Chapter 4. This methodology is well-established in critical-historical accounting research (see Alagiah, 1996; Baker, 2006; Greer, 2005; Hoskin & Macve, 1986; Irvine, 2012; Loft, 1986; Macintosh, 2009; Miller & Napier, 1993; Miller & O'Leary, 1987; Neu, 2000a; Neu & Graham, 2006), as it involves intensive and detailed study of the archives of documents oriented toward the role of accounting in constructing identity, and in enacting policy over those identities. This approach enables the study to analyse history differently from traditional historical investigation. From a critical genealogical approach, the historical investigation of disability welfare programs is not an attempt to discover what happened in the past (Macintosh, 2009). Rather, the aim is to critically review the historical development of disability identity and
provide an interpretation of how the current conceptualisation of disability in Australia has come to be.

In doing so, the thesis seeks to analyse the emergence of the Australian disability welfare program and consider the forces that are involved in its development. For the purpose of this thesis, genealogy facilitates the examination of the role played by different actors in this process. It is argued in this thesis that the development of the current disability program has been influenced by different factors, amongst which financialisation of societies (Arrington & Upton, 2013; Zhang & Andrew, 2014) has been prominent. This study investigates how accounting has managed to shift the discourse of disability towards a particular ideological commitment to financial numbers, to efficiency, to the notion of the “productive” citizen, and to the displacement of democracy with “accountingisations” (Arrington & Upton, 2013, p. 327).

The genealogical approach also assists in mapping the discontinuities in the conceptualisation of disability that led to the current perception of disability. Through a genealogical mapping of disability in Australia, the construction of the notion of a disabled person, the role of accounting in this matter, the reform of identity for disabled people, and the procedures that shaped the identity of disabled persons will be analysed.

The thesis traces the development of disability schemes in Australia from the Invalid and Old-age Pensions Act (1908) through to the Social Security Act for disabled people currently in force: the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act (2005). Data for the study will be drawn from several archival sources, including documents from the National Archives of Australia and the National Library of Australia. Publicly available data, including official parliamentary debates as recorded in
Parliamentary Hansards, Australian Government websites, and the Australian Government Web Archive (AGWA) will also be analysed.

1.5 Contribution

The contributions of this thesis are theoretical, methodological, and substantive, and are revealed through the composition and application of a critical genealogical approach to archival material in relation to the Australian disability welfare program.

This study will demonstrate how accounting articulates and redefines the criteria of disability identity and the associated norms of and obligations to such identities. Moreover, the thesis will reveal how the economistic concerns of governance find expression in the various forms and documents necessary for persons identified as disabled to receive economic resources. The conceptual framework in this study demonstrates the depth of “accountingisations” (Arrington & Upton, 2013, p. 327) of contemporary lives. Within this framework, the study will extend the conceptualisation of accounting from a technique of domination to a technique of the self. The framework advances Foucauldian accounting literature by considering the role of the subject in the formation of self and allows disabled people to be conceptualised as active participants who apply techniques of accounting to identify themselves. In addition, the theoretical framework for this study facilitates the comprehension of the processes that contribute to the reformation of one identity under the influence of three different political principles. As such, the theoretical framework can be applied to similar accounting research that investigates the role of accounting for imposing certain political ideologies on a subject.

The study will also add a unique genealogical analysis of disability to the substantial body of Foucauldian work in accounting. This study will not only demonstrate that accounting facilitates implementing a certain political and economic principle in governmental programs that directly influence the social lives of individuals, it will go further by revealing the centrality
of accounting in inducing compliance with those imposed values. It will provide a complex picture of the role of accounting in constructing an identity of disability that is unique to both the accounting and disability disciplines. The study does this through a longitudinal mapping which focuses on the micro-techniques applied in governing the disability scheme since its conception in 1908 to the present.

Further, this study contributes to the social-accounting research by highlighting a new perspective on the influence of accounting in the modern state: accounting empowers the modern state to take advantage of individuals to achieve its desires under the realm of an individual’s welfare. The thesis also offers the promise of providing disability-studies researchers with an awareness of how accounting is integral to the construction of disabled identity. In this way, the study makes an interdisciplinary contribution.

1.6 Thesis map

This introduction has presented the study’s context, research aim and questions, and significance. The chapter also has briefly introduced its conceptual framework, methodological approach, data material, and contributions. The following outlines the structure of the remainder of this dissertation.

Chapter 2 is an overview of the accounting and disability literature, with the aim of articulating the relevance of a Foucauldian approach for the area under investigation. This chapter starts by stating the underpinned assumption of this thesis. It discusses the nature of both disability and accounting as a socially constructed phenomenon. As such, the chapter finds common ground in analysing disability from an accounting perspective. The chapter critically reviews the extant disability and accounting Foucauldian literature. By doing so, the chapter establishes the contribution of the current thesis to accounting literature, and more specifically elucidates the influence of accounting in the process of constitution of disability identity.
Chapter 3 will introduce the applied conceptual framework. This chapter draws on Foucault’s (2007) explanation of pastoral power and demonstrates the relevance of pastoral power to the analysis of constitution of disability. Three main principles of the Christian pastor described by Foucault (2007), namely salvation, law and truth are introduced and their application in the modern world is discussed. Drawing on the notion of pastoral power and its principles, the chapter introduces the conceptual framework utilised in comprehending the influence of accounting in the process of self-formation.

Chapter 4 will elaborate on the methodological approach taken to analyse the archival material. This dissertation is a history of the present, which originates out of current events concerning the governance of disabled people in Australia, and seeks to analyse the route by which the current state of governance of disabled people has arrived. In doing so, it maps the discontinuities in the process and programs used to transform disabled people into a certain identity. Chapter 4 discusses the critical genealogical approach used in writing an effective history and outlines the advantage of this method for comprehending the process of governing disabled people. It also explains the method of interpretation as well as the nature and source of evidence drawn upon in analysing the process of forming disability in Australia.

Chapters five, six and seven, contain the analysis section of this dissertation. The purpose of these chapters is to offer an understanding of the rationales, mechanisms and programs applied to identify and transform disabled people since the establishment of the Commonwealth of Australia. Drawing on the conceptual framework introduced in Chapter 3, the analysis presented in Chapter 5, 6 and 7 creates the history of the present disability welfare program.

Being a genealogical study, the period under examination is divided into three epochs. Chapter 5 analyses the governmental disability welfare program from 1908 to 1930s. Chapter
6 examines the disability welfare program from 1940s until 1980s. Chapter 7 discusses the formation of the disability under the influence of neoliberalism in Australia’s political principles from 1980s to 2016. The analysis demonstrates the discontinuities that have shaped the contemporary notion of disability and establishes accounting as a forceful mechanism in this process.

Chapter 8 outlines the conclusions of this study in relations to research questions. Chapter 8 discusses the contribution of this thesis to theory, methodology and practical knowledge. The limitation of this study and the opportunities for further research are also addressed in Chapter 8.

1.7 Concluding comments

This chapter has provided an introduction to this study. The orientation to the problem has been presented and the significance of this study has been specified. The aim of the study has been discussed and the research questions have been presented. The theoretical framework for this study, a Foucauldian approach, has been introduced and the method of investigation, a critical genealogical method, has been acknowledged. This chapter has also outlined the potential contributions of this study and mapped the structure of the thesis. The following chapter will review the extant Foucauldian accounting and disability literature and demonstrates the contribution of this study to the accounting and disability literature.
Chapter Two: Literature Review

2.0 Introduction

This chapter offers a brief review of the extant accounting and disability literature. The purpose is to position this study within the vast accounting and disability literature and demonstrate the contribution of this thesis to it. As the thesis is a Foucauldian study, the significance of the work of Michel Foucault to the areas of accounting and disability is reviewed to demonstrate the contribution of the present study. To explain the interrelationships of accounting and disability, it is important to acknowledge the assumption about accounting and disability that underpins this study. The structure of this chapter is as follows: Sections 2.1 and 2.2 explore the academic literature in both disciplines to validate the study’s perspective; Section 2.3 acknowledges the contribution of Foucault’s ideas to both disciplines; Section 2.4 addresses the contribution of this thesis to Foucauldian studies; and Section 2.5 concludes the discussion.

2.1 Accounting is socially constructed

Since the mid-1970s the conceptualisation of accounting as a neutral technique for documenting economic facts (Watts & Zimmerman, 1986) has been challenged (Broadbent & Laughlin, 2013; Carnegie, 2014; Napier, 2006; Roslender & Dillard, 2003). Accounting scholars such as Hopwood (1974) and Low and Tinker (1977a, 1977b) observed that with growing demands for enhancing organisational and governmental efficiency, effectiveness, and accountability, accounting practice has facilitated constructing new financial visibilities for social phenomena (Broadbent & Laughlin, 2013; Carnegie & Napier, 2012; Gomes, 2008; Roslender & Dillard, 2003). With this observation, Hopwood (1974) and Low and Tinker (1977a, 1977b) encouraged an “intellectual emancipation” of accounting and called for
critically investigating accounting in the social, economic, and institutional contexts (Broadbent & Laughlin, 2013; Roslender & Dillard, 2003).

In 1976, Anthony Hopwood established the journal Accounting, Organizations and Society (AOS) to encourage theoretically informed accounting research, particularly with respect to those theories associated with sociologies and political economy (Broadbent & Laughlin, 2013). In an early editorial, Hopwood (1977, p. 277) stressed that “…accounting as currently practiced, and its historical development, highlight the evolutionary and contingent nature of the subject in a way that is invariably absent from the manuals of received knowledge”. After Hopwood (1983) invited scholars to study accounting in the context in which it operates, new accounting history emerged in response (Carnegie & Napier, 1996, 2012; Napier, 2001, 2006).

The new accounting history observed the interaction between methods of measuring processes in financial terms and ways of managing organisations and societies (Miller, 1994; Miller et al., 1991; Napier, 2001). The new accounting historians exposed that calculative practices, particularly those applied in the domain of accounting, formulate a particular way of understanding individuals and organisations (Gaffikin, 2011; Gomes, 2008; Napier, 2001; Potter, 2005). These historians demonstrated that the capability of accounting for measuring processes in financial terms not only creates ways for intervening and acting upon them, but also offers a basis for governing processes, organisations, and societies (Carnegie & Napier, 1996; Gomes et al., 2011; Miller, 1991; Napier, 2001; Potter, 2005).

Accounting practices, according to the to the new accounting historians, such as Álvarez-Dardet et al. (2002), Carmona et al. (2002), Carmona and Gutiérrez (2005), Greer (2009), Knights and Collinson (1987), Miller and O’Leary (1987), and Walker (2010), offer a financial

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1 The term “new accounting history” was offered by Miller et al. (1991) to describe an alternative approach to studying accounting history.
lens through which an individual’s performances and organisational achievements can be comprehended, standardised, and compared. The competency of accounting to give financial reality to events (McSweeney, 1994; Miller, 1994, 2001; Robson, 1992; Rose, 1991; Townley, 1995) has enabled accounting practice to become a dominant mechanism for managing organisational and social arrangements (Arrington & Watkins, 2002; Burchell et al., 1985; Busco et al., 2006; Neu, 2006; Parker & Guthrie, 1993). For this reason, the new accounting historians argue that accounting practices should be regarded beyond the ways they have previously been recognised, which considered accounting as an independent system from social relations (Carnegie, 2014; Gaffikin, 2011; Gomes et al., 2011; Napier, 2006; Potter, 2005). The new accounting historians (e.g. Baker, 2006; Bigoni & Funnell, 2015; Cortese, 2011; Greer, 2009; Irvine, 2012; Lai et al., 2012; Leardini & Rossi, 2013; Maran & Vagnoni, 2011; Neu, 2000b) believe that accounting should not be described as an unbiased practice applied to reveal pre-existing truth regarding an organisation; rather, the “pervasive and enabling attributes of accounting” (Gomes, 2008, p. 481) punctuate accounting as an intermediary device that shapes and is shaped by the organisations and societies in which it operates (Funnell & Williams, 2005; Loft, 1986, 1988; McSweeney, 2000; Miller & O’Leary, 1994; Neu & Graham, 2006; Robertson & Funnell, 2012; Sargiacomo, 2009). In this respect, new accounting historians conceptualise accounting as a socially constructed practice (e.g. Álvarez-Dardet et al., 2006; Andrew, 2007; Arrington & Francis, 1993; Baños et al., 2005; Bhimani, 1994; Gaffikin, 2011; Hooper & Kearins, 2003; Hopper & Macintosh, 1993; Lai et al., 2012; Lai et al., 2015; Miller & O’Leary, 1987; Napier, 2009; Power, 2015; Riccaboni et al., 2006; Robson, 1992; Spence, 2010; Vollmer, 2003; Walker, 2004, 2008a; Walker & Carnegie, 2007). As Miller (1994) states, accounting should be regarded as a social practice, for it

affects the type of world we live in, the type of social reality we inhabit, the way in which we understand the choices open to business undertakings and individuals, the way in which
we manage and organize activities and processes of diverse types, and the way in which we administer the lives of others and ourselves (Miller, 1994, p. 1).

Acknowledging accounting as a social and institutional practice has expanded the sphere of accounting research (Carnegie, 2014; Carnegie & Napier, 2012; Gomes et al., 2015; Jeacle, 2009; Napier, 2001, 2006; Potter, 2005; Walker, 2016). Indeed, this conceptualisation of accounting enabled Miller and O'Leary (1987) to expose the role of accounting in the constitution of standardised and efficient individuals. The perception that considers accounting as being socially constructed and able to construct the wider society has empowered Walker (2004, 2008a) and Cooper et al. (2016) to demonstrate the significance of accounting in the stigmatisation of the poor. Accounting, for Walker (2004, 2008a) and Cooper et al. (2016), is not an unbiased mechanism; rather, it is a technique that has stigmatised the poor and rendered them amenable to control. Preston, Chua and Neu (1997) have been similarly inspired by this view of accounting in their study of the implementation of accounting in enacting health-care policies.

Perceiving accounting as socially constructed phenomena has enabled academics, such as Greer (2005, 2009), Neu (2000a, 2000b), and Neu and Graham (2006) to reveal the salience of accounting in the colonisation and genocide of indigenous populations. These studies showed that accounting has been portrayed as a justified intervention in the social domain of indigenous populations by giving financial visibility to the “indigenous problem”, rendering indigenous people knowable and governable (Greer, 2005, 2009; Neu, 2000a, 2000b; Neu & Graham, 2006).

By confirming that accounting is socially constructed, Graham (2010), Madonna et al. (2014) and Walker (2010) have demonstrated that accounting intervenes in the social lives of different groups of individuals such as retirees, university students, and primary-
secondary-school pupils, with the aim of imposing a disciplinary form of control over their lives. By considering accounting as a socially constructed phenomena, Sargiacomo (2009) and Lai et al. (2012) demonstrated the centrality of techniques of calculation for government decisions that directly influence people’s lives. Similar views towards accounting enabled accounting scholars such as Bigoni and Funnell (2015), Carmona and Ezzamel (2006), Leardini and Rossi (2013), and Quattrone (2004) to reveal how religious institutions rely on auditing techniques, measurement, and classification in directing religious communities.

Acknowledging that accounting is a socially constructed practice has enabled these scholars and many others (Carmona et al., 2002; Covaleski et al., 1998; Ezzamel, 2012; Hooks & Stewart, 2015; Jeacle, 2003, 2012; Knights & Collinson, 1987; Luft & Shields, 2003; Madonna et al., 2014; Riccaboni et al., 2006; Suzuki, 2003; Vaivio, 2006; Vollmer, 2003; Yayla, 2011) to reveal that accounting can penetrate every aspect of people’s existence in an attempt to govern their lives. In this respect, the idea of accounting being a neutral technique is rejected; accounting is part of a wider social context, a socially constructed and socially constructing artefact (Jeacle, 2009; Miller, 1994; Potter, 2005).

This thesis is underpinned by the assumption that accounting is a social and institutional practice, capable of shaping societies, and that it is influenced by the societies in which it operates. This study adopts the new accounting historians’ viewpoint towards accounting: that accounting is socially constructed. In doing so, this thesis contributes to this body of literature by revealing how accounting has facilitated the governing of disabled people. The conceptualisation of accounting as a socially constructing phenomenon is relevant to the investigations of this study, for the purpose of this thesis is to reveal how accounting has penetrated the lives of disabled people as a way of contributing to the construction of their identity. The next section reviews the disability literature to conceptualise this study’s standing towards disability.
2.2 Disability is socially constructed

The 1970s witnessed a growing interest in the issue of disability, mostly initiated by disabled people (Calderbank, 2000; Yoshidaa & Shanouda, 2015). The work of Hunt (1966) gave impetus to the debate regarding the definition of a disability (Chadwick, 1996). Hunt (1966) initiated the application of social and psychological concepts to reject traditional medical explanations on disability. By drawing on personal experience, he revealed how disabled people’s existence is influenced and framed by socio-cultural relationships. Supporting this position, other disabled writers (e.g. Campling, 1981; Fine & Asch, 1988; Morris, 1992) explored the social challenges of disability. Collectively they have considered disability as a matter of a symbolic network, rather than a medical approach.

Inspired by the United Nations declaration of the International Year of Disabled Persons (1981), disability researchers (e.g. Albrecht & Levy, 1981; Dreidger, 1989; Oliver, 1986, 1990) attempted to map the issue of disability as a product of social coercion (Meekosha & Jakubowicz, 1999). The cornerstone of their research distinguished disability from impairment, to stress the societal circumstances that contribute to the segregation and repression of people with impairment (Soldatic, 2009; Thomas, 2004). The central tenet from this research revolves around the issues of impairment and disability. Oliver (1990) argues that impairment should be focused on “[l]acking part of or all of a limb, or having a defective limb, organism, or mechanism of the body” (p. 11). Disability is the “…disadvantage or restriction of activity caused by a contemporary social organisation which takes no or little account of people who have physical impairments and thus excludes them from the mainstream of social activities” (Oliver, 1990, p. 11). This reconceptualisation of disability makes prominent a key component of disability: that it is a socially constructed phenomenon.

Other scholars (e.g. Devlieger et al., 2003; Siminski, 2003) have similarly argued that disability is not an individual defect, as the medical model of disability suggests (Barnes &
Mercer, 2003). Rather, it is the product of social injustice. These academics adopt the social model of disability and identify the cause of disability as “…externally imposed disadvantage and social restriction, rather than impairment” (Oliver & Barnes, 1998, p. 18). Essentially, at this point scholars (e.g. Corker & Shakespeare, 2002; Oliver, 1986, 1989, 1990; Oliver & Barnes, 1991; Shakespeare, 1996; Shakespeare et al., 1996; Shakespeare & Watson, 2002; Thomas & Corker, 2002) were arguing that it was social systems that constructed what it meant to be defined as disabled.

With such a dramatic shift in the conceptualisation of disability as a social identity, there were calls to investigate the influence of policies in constituting disability. As Hahn (1985) stresses,

Disability is whatever policy says it is…. The fact that disability is basically determined by public policy, moreover, seems to demonstrate the need for careful investigations of definitions that are embedded in existing policies (Hahn, 1985, p. 294).

Stone (1984) also makes it clear that disability is what the State wants it to be. Stone (1984) argues that the concept of disability has a social history, and that it is the result of political conflicts regarding the distribution of welfare and its eligible recipients. Following Hahn’s (1985) and Stone’s (1984) direction, disability researchers (e.g. Barnes & Mercer, 2003; Campbell, 2005; Jarman et al., 2002; Thomas & Corker, 2002) have shown that public policies recognise disability as a form of an individual’s incapacity. Policy-makers have acknowledged this view towards disability by emphasising that:

[invalid pensions are not granted simply because of concrete impairment but because the person is thought to be permanently incapacitated for work. Invalidity is a social status and incapacity for work is an economic status; neither of them is a medical status although both have some relationship to medical status (Jordon & Department of Social Security Research and Statistics Branch, 1984, p. 8).]
Such perceptions empower the claim that disability can only be remedied with the introduction of appropriate social policies (Barnes et al., 2002; Symeonidou, 2014; Thomas, 2002). Dowse (2007) and Campbell (2008) have observed that when the policies acknowledge the socio-cultural accounts of disability, they attempt to improve the culturally oppressed position of disabled people by normalising the actions of disabled people. In other words, disabled people are expected to fit into the cultural norms of a particular society, rather than challenging the norms that have contributed to socially devaluing them. Hence disability policies have become a method to reinforce normality in a particular society (Davis, 2002) through increased intervention in the lives of the disabled people.

It is significant to study the rationalities that have inspired policies designed to encourage certain cultural norms and reinforce a desired identity. Albrecht and Levy (1981) confirm this:

> We contend that disability definitions are not rationally determined but socially constructed. Despite the objective reality, what becomes a disability is determined by the social meanings individuals attach to particular physical and mental impairments. Certain disabilities become defined as social problems through the successful efforts of powerful group to market their own self-interests. Consequently, the so-called ‘objective’ criteria of disability reflects the biases, self-interest, and moral evaluation of those in a position to influence policy (Albrecht & Levy, 1981, p. 14).

Introducing another dimension to the construction of the identity of disability, scholars (e.g. Chadwick, 1996; Russell, 2001; Ware, 2004) emphasise the salience of ideologies in marginalising disabled people. Exploring the role of ideologies in establishing policies, Parker (2006) reveals that the underpinned rationalities of policies at both the international and national levels acknowledge disabled people as inferior to others and thus encouraging discriminatory, oppressive, or abusive behaviour towards them. Neoliberalism, as an ideology, has also received attention. Works by Grover and Soldatic (2013), Lekholokoe (2013), Marston and McDonald (2007), Roulstone (2005), and Soldatic (2009) have attempted to address the significance of neoliberalism in developing social policies for disability. These scholars have
discussed that the neoliberal concerns embedded within social policies move towards stricter eligibility criteria for disabled people seeking welfare benefits.

Contributing to this body of literature, the current study reveals how accounting has assisted in implementing certain ideologies in disability welfare policies that define identity and its associated norms and expectations. The study shows how accounting has been rationalising the introduction of such policies and enforcing their continuation. By doing so, the current thesis provides an awareness of accounting-based studies that bear upon one’s identity as disabled. In this way, this study sheds light on disability studies by revealing the accounting variant in the constitution of disability.

The next section discusses an appropriate approach to relating the fields of accounting and disability.

2.3. Disability and accounting: finding common ground

The previous sections reviewed existing literature related to the accounting and disability disciplines. Accounting scholars are increasingly questioning the notion of accounting as a neutral technique (e.g. Andrew, 2007; Carmona & Gutiérrez, 2005; Chiapello & Baker, 2011; Drury, 1988; Fuinez, 2005; Funnell & Williams, 2005; Gray, 2002; McKinlay & Pezet, 2010), and, accordingly, are investigating accounting in its “social, economic and institutional” contexts (Hopwood, 1983, p. 296). Disability scholars have also rejected the identification of disability as an inherent limitation of competence (Oliver, 1990), calling for a shift in the theoretical analysis of disability from “individuals and their impairments to disabling environment and hostile social attitudes” (Barnes, 1996, p. 43). Both accounting and disability scholars who hold alternative perspectives in their fields have been inspired by the work of the French philosopher Michel Foucault (1926-1984). The following section discusses the influence of Foucault on accounting and disability literature.
2.3.1 Foucault in accounting literature

Foucault’s anti-positivist ideas and methodologies have inspired accounting scholars (e.g. Hopper & Macintosh, 1993; Hoskin & Macve, 1986, 1988; Miller & O'Leary, 1987) to question the belief that accounting information can provide reliable information in the pursuit of economic efficiency (Watts & Zimmerman, 1986). Scholars examining accounting in a broader context have demonstrated that the formation and functioning of accounting is a complex phenomenon resulting from the interplay of many different social forces (Stewart, 1992, p. 61). Foucault’s work has inspired accounting scholars (e.g. Miller & Rose, 1990; Preston, 1992; Rose, 1991) to expose the application of accounting in the social world and its relation to power, bringing up hidden aspects of accounting, such as its ability to form society and transfer power (Miller, 1990; Miller & O'Leary, 1990). Drawing on Foucault’s thesis, accounting has been depicted as both reflective and constitutive (Napier, 2006). In other words, accounting is not a neutral technique or merely the product of a certain environment; rather, it is a technique of power, capable of influencing society (Loft, 1986). Kosmala and McKernan (2011) confirm that different aspects of Foucault’s thesis have encouraged accounting scholars to reveal the prevalence of accounting in everyday life. However, Bigoni and Funnell (2015) assert that accounting scholars have benefited most from Foucault’s ideas on disciplinary power and governmentality. Given the focus of this thesis, the following discussion elaborates on the application of disciplinary power and governmentality in the accounting literature.

2.3.1.1 Accounting and disciplinary power

Foucault’s (1977, p. 170) thesis on disciplinary power emphasised that disciplinary society is arranged by systems of surveillance and disciplinary gaze and through hierarchical observation, normalisation, and examination. Foucault (1977) revealed how knowledge was
applied to define desirable norms and legitimise the disciplinary regime. Inspired by Foucault’s notion of disciplinary power, Miller and O’Leary (1987) investigated the development of accounting in relation to the wider practice of control and power relations in society. Miller and O’Leary (1987) revealed how accounting has been central in creating a docile body: one that can be known, trained, controlled, accounted, and examined.

Miller and O’Leary’s 1987 study is the seminal work that applied Foucault’s thesis of the “disciplinary society” in the accounting discipline. They argued that the emergence of standard costing and budgeting in the early 20th century was the result of the wider practice of control and power in society and organisations. They constructed a genealogy for standard costing and budgeting, and asserted that the development of scientific management in relation to standard costing and budgeting brought up the discourse of national efficiency. However, national efficiency per se was achieved through individual and collective efficiency. Calculating and measuring the efficiency of the individual in Taylorism, they argued, could not be achieved without establishing standards and norms (Miller & O'Leary, 1987). Standard costing attaches every individual within a firm to its norms and standards of behaviour. The development of standard costing and budgeting provides a calculative apparatus that measures an individual’s contributions to the efficiency of, first, the entity, and then the nation. Accounting plays a crucial role in determining the efficiency of the individuals, expressing it in monetary terms. Miller and O’Leary write:

...[a]ccounting’s facility to operate in terms of money effected a surprising metamorphosis. By concentrating on the end result of money, accounting could standardize efficiency for a much larger group. In the case of more “mental” type of work, it could simply express expectations in terms of a money outcome, leaving uncertain the questions of means (Miller & O'Leary, 1987, p. 254).

Accordingly, accounting transforms individuals to become the object for human sciences. Miller and O’Leary’s 1987 study identifies how the disciplinary characteristics of accounting enabled the evaluation of individuals’ behaviour based on established norms and standards,
and assessed deviation from those standards. It highlights how the capacity of accounting was enhanced by the involvement of early industrial psychologists, and how experiments facilitated the governing of individuals towards an optimal form of behaviour, which was considered of interest to organisations.

Despite some critiques, such as that by Armstrong (1994), who believed the operation of budgetary controls does not rely on the construction of a governable person, the study of Miller and O’Leary (1987) is invaluable for the accounting discipline. It highlights the contribution of accounting to a mode of power in society. It demands the investigation of accounting in relation to power, to display how accounting, analogous to the prison in *Discipline and Punish* (Foucault, 1977), has become a technology of power. Miller and O’Leary’s study of standard costing and budgeting initiated a series of investigations (e.g. Hopper & Macintosh, 1993; Jeacle & Walsh, 2002; Knights & Collinson, 1987; Madonna et al., 2014; Preston, 1992; Quattrone, 2004; Quattrone & Hopper, 2005; Roberts et al., 2006) that analysed how accounting, as a technology of government, penetrates everyday life and directs individuals towards the objective of disciplinary power. These studies revealed that accounting assists modern power to map the disciplinary society, in which individuals become the object of disciplinary power.

Knights and Collinson (1987), like Miller and O’Leary (1987), examined the disciplinary aspect of accounting. Knights and Collinson (1987) compared the disciplinary effects of financial accounting with managerial psychology. Knights and Collinson’s (1987) empirical examination demonstrated that financial discipline, in comparison to psychological discipline, was more effective in managing shop-floor workers. The study portrays accounting as a political process, which facilitates managerial control over labour. Knights and Collinson (1987) argued that financial accounting was used to discipline shop-floor workers owing to its asymmetry with shop-floor discourses, and showed that the capacity of financial accounting to
represent production problems in a quantitative way rendered redundancy audits unchallengeable. Although, Knights and Collinson (1987) consider the modes of disciplinary control over individuals, Armstrong (1994) believes the study of disciplining shop-floor workers can be differentiated from Miller and O’Leary’s (1987) study of standard costing and budgeting.

First, Armstrong (1994) states that in comparison to the application of standardisation as a managerial intention, the study of disciplining shop-floor workers focuses on the actual effects on subjects. Financial accounting has the effect of disciplining workers in such a way that they voluntarily extend the power of their own subjection (Knights & Collinson, 1987). Hence, power is not repressive but directional, turning the workers into politically docile bodies. As Foucault (1980a) aptly notes, “…we find a new mode of investment which presents itself no longer in the form of control by repression but that of control by stimulation” (p. 57).

Second, Armstrong (1994) notes that the study by Knights and Collinson (1987) poses the possibility of resistance towards disciplinary power. Knights and Collinson (1987) illustrate how shop-floor discourses led to resistance of management attempts to achieve efficiency gains. Management communication presented through newsletters was dismissed as propaganda but, when presented in financial terms, there was little opposition to redundancy audits. Management justified its redundancy audit and feasibility study by continual competition, financial imperatives, machine tools, comparative cost, cost of premises, and future market conditions. Accordingly, the acceptance of the redundancy audit mostly lay in its representation in financial accounts (Knights & Collinson, 1987).

Driven by the notion of disciplinary power, Fuinez (2005) examines the application of accounting as a managerial control system in the Royal Tobacco Factory of Seville through the second half of the 18th century. The study describes how accounting systems provided a variety
of procedures to transfer the standard patterns for employees’ behaviour. Accounting techniques accommodated the norms stipulated in the regulations to discipline the attitudes of the employees. As alluded to by Fuinez (2005), accounting facilitated the imposition of an indirect disciplinary form of control through its capability to normalise productive behaviour for the employee by creating a system of reward and punishment. Similarly, Vaivio (2006) explores the notion of a calculable space in the process of organisational control. Vaivio (2006) draws on field data from interviews and documentary sources at ABB Industry/Finland, and investigates how calculative mechanisms penetrate fluid spaces that are not clearly mapped out in the contemporary workplace to create an indirect self-disciplinary tendency amongst the employees.

Carmona et al. (2002) draw on disciplinary power to investigate how the creation of visibilities through accounting enforces spatial control and organised surveillance. Carmona et al. (2002) examine the relationship between accounting practices and spatial practices in the relocation of a tobacco production facility in the Royal Tobacco Factory (RTF) of Spain with the purpose of building new factories outside the city walls. Carmona et al. (2002) reveal that the intervention of detailed accounting calculations into spatial configurations combined with the intertwining of accounting and spatial practices facilitated disciplining the employees and managing the factory in a more efficient way. The authors observe that the coding system developed by accounting practices reconfigured the factory space and classified it into different cost centres. Quantifying the activities carried out within the cost centres created calculable spaces and accountable subjects (Carmona et al., 2002).

Drawing on Foucault’s notion of disciplinary power, accounting scholars (Roberts et al., 2006; Viator & Pasewark, 2005) have mapped accounting as a technique of power. As Walker (2010) illustrates, accounting has become a technique of power, which classifies individuals within the society and measures them based on social and organisational norms to discipline
them. Walker (2010) seeks the genesis of “child accounting” in monitoring and governing the school pupil (p. 628) as a disciplinary technique to record, control, and govern the school pupils. Walker (2010) illustrates child accounting as a mundane technique that activates aspects of Foucault’s (1977) disciplinary power, such as continuous hierarchical surveillance and normalising judgements. The study clarifies how child accounting depicts the student as an individualised subject. It focuses on the measurement and recording techniques of accounting and describes how the disciplinary aspects of accounting offer a means of continuous observation, which stabilises the pupil in a disciplinary network. According to Walker (2010), child accounting provides a surveillance instrument that gathers a holistic knowledge of the pupil, and renders students amenable to observation and discipline. Child accounting achieves this purpose through its ability to identify, represent, and classify norms of educational, psychological, and physical progress (Walker, 2010, p. 652). By articulating forms of deviation from the specified norms, child accounting delivers reference points for intervention by students themselves or by those who hold power over students to discipline both mind and body (Walker, 2010).

2.3.1.2 Accounting and governmentality

Foucault’s (1991a) notion of governmentality represents the rationalities that legitimise modern states. Drawing on the concept of governmentality, Rose and Miller (1992, p. 183) invite scholars to study the “…humble and mundane mechanisms by which authorities seek to instantiate government”. Accounting scholars (e.g. Álvarez-Dardet et al., 2002; Gomes et al., 2008; Lai et al., 2012; Neu & Graham, 2006; O'Regan, 2010; Sargiacomo, 2009) have answered the call by investigating accounting as a mechanism in government operations. Accounting techniques and numbers create financial visibility for governmental problems (Rose, 1991). Such financial visibility renders the area under investigation as a governable and calculable object and rationalises governmental programs (Jeacle & Walsh, 2002).
Work by Lai et al. (2012), for example, examines the role of accounting calculations and financial information in addressing governmental problems. The study explains a barter proposal between the King of Spain and the Duke of Mantua, which involved trading the Isle of Sardinia for the Marquisate of Monferrato in 1618. From a governmental perspective, the historical study confirms how accounting information, especially a comparison of cash flows between the bartered territories, justified the governmental decision to reject the barter offer. Accounting information was critical to the Duke’s “art of government” (Lai et al., 2012, p. 372). Accounting information provided “knowledge of the state” by representing the territory’s constituents and inhabitants in a controllable and manageable way (Lai et al., 2012, p. 382).

Inspired by the notion of governmentality, Neu (2000b) illustrates how accounting, as a technique of governing, was significant in colonisation. Neu (2000b, p. 182) establishes how accounting embedded within the modes of colonial government allowed the rationalisation of colonial endeavours to “control, contain and civilize” indigenous populations.

Similarly, Greer (2005) studied the role played by accounting in the process of governing the Indigenous population in the State of New South Wales from 1883 to 1969. The research recounts the way accounting techniques were embedded within the administrative authorities, enabling the state to formulate specific norms of behaviour within the Indigenous population. Greer (2005) proposed that the application of accounting enabled the state to translate the conduct of Indigenous peoples into a domain amenable to calculation and deliberation.

The concept of governmentality has enabled accounting scholars (e.g. Baker, 2013; Maran et al., 2016; Maran et al., 2014; Sargiacomo, 2009) to consider accounting as a technique of power that facilitates the achievement of desired ends (e.g. Everett et al., 2007; Gomes et al., 2014; Preston et al., 1997; Rose & Miller, 1992). Accounting scholars (Hooper & Kearins, 2003; Irvine, 2012; Leardini & Rossi, 2013; Madonna et al., 2014; Riccaboni et al., 2006) have
demonstrated the role of accounting in the “governmentalisations” (Foucault, 1991a, p.183) of
everyday life. It is via the interrelationship between accounting and the state (Miller, 1990) and
the positioning of accounting numbers within public spaces (Rose, 1991) that contemporary
life has become governmentalised. In this regard, Neu (2006) depicts how accounting pervades
public organisations and practices.

Neu (2006) elaborates the role of accounting in the constitution of public space by tracing
educational reform; in particular, reconfiguration of educational funding in Alberta, Canada
(1994). Drawing on archival data, interviews, and focus-group data, Neu (2006) observed that
the accounting mechanisms embedded within the reform facilitated change in the types and
amount of capital of some field participants, and thus re-ordered the organisation of public
educational space. Neu (2006, p. 403) also notes that accounting was productive, as the new
flows of accounting information created new opportunities within the field for certain field
participants. This was achieved through encouraging the partitioning of generic social
groupings, such as parents and academic labour, into more finely distinguished social
groupings, thus initiating new ways of speaking and acting in the field.

Expanding the sphere of governmentality, Leardini and Rossi (2013) disclose the role of
accounting in relation to power in religious institutions. Their work suggests that accounting
has been reinforcing both hierarchical and horizontal power relations among friars in Santa
Maria della Scala monastery in Verona (Italy). Riccaboni et al. (2006) investigate the role of
accounting in shaping and balancing power in organisations. They examine the accounting
system employed by the Opera della Metropolitana di Siena, an institution in charge of the
construction and maintenance of the cathedral of the city of Siena, Italy. The work by these
authors reveals that since the medieval age, accounting has been instrumental in both recording
operational activities and managing power relations.
Another application of governmentality in accounting literature is to characterise accounting as a technique of government via “action at a distance” (Miller & Rose, 1990)\(^2\). From a governmentality perspective accounting is seen as a “…mechanism which promises to shape economic or social conduct of diverse and institutionally distinct persons and agencies without shattering their formally distinct or ‘autonomous’ character” (Miller & Rose, 1990, p. 14). Central to this argument is that modern government does not conceive of the regulation of conduct as dependent merely on political actions; rather, it identifies a domain outside “politics”, and seeks to manage it without destroying its existence (Rose & Miller, 1992, p. 180). Accordingly, modern government depends on technologies and knowledge to normalise and instrumentalise the conduct and aspirations of individuals (Miller & Rose, 1990, p. 3). The information, though, must be prepared in a constant, portable, and comparable format, in a way that can be represented and accumulated in other places in which decisions can be made regarding the information (Miller & Rose, 1990). As argued by Robson (1992), accounting numbers are capable of expediting long-distance control, due to their “mobile, stable and combinable” characteristics (p. 685, emphasis in original).

Examples from the accounting literature clarify the manner in which accounting techniques and numbers facilitate spatial control and governing from a distance. Baños et al. (2005) draw on the concept of governmentality and examines the role of accounting in the re-articulation of space and action at a distance. The study examines two cases (new settlers in Sierra Morena and Andalucia and the Royal Tobacco Factory of Seville) in the period of Enlightenment Spain. Work by these scholars exhibits how Enlightenment practices such as accounting increased control over the population through monitoring their performance from a distance. It was

\(^2\) According to Armstrong (1994, p. 26), in the second wave of Foucauldian accounting research, the theoretical framework of these studies has replaced “disciplinary power” by the notion of “action at a distance” (Miller & Rose, 1990) and the “sociology of translation” (Callon, 1986; Latour, 1986).
through the application of calculative techniques and accounting language that the authorities managed to control the population’s response to governmental solutions. In both cases, the application of accounting techniques enabled the authorities to centralise and process information regarding the population. This centralisation and mobilisation of the relevant techniques created an image regarding the population and enabled authorities in both cases to exert action at a distance (Baños et al., 2005).

The ability of accounting to enable governing at a distance motivated Sargiacomo (2009) to investigate the role played by accounting techniques in the administration of justice in the state of Abruzzo, in Italy, during the 16th century. The study applies a governmentality framework and exhibits accounting as a technology of power to control the population from a distance. The analysis illustrates that the government, through enacting the techniques of accounting, accountability, and auditing, succeeded in eliminating the “bad order of Tribunals” and “abuses” (Sargiacomo, 2009, p. 237). Procedures that included recording, auditing, and cash control played a pivotal role in Margaret of Austria’s “art of government” (Sargiacomo, 2009, p. 259) as they rendered individuals visible and governable. These techniques of writing and examining not only facilitated governing from a distance but also functioned as a disciplinary device to control the judicial system of the State (Sargiacomo, 2009).

In the same way, Yayla (2011) considers the introduction of a chain of accountability by the Ottoman Empire to control the Waqf³ income. Yayla (2011) and Sargiacomo (2009) share a similar approach as they address aspects of governmentality in a sovereign form of government. The study of the control of the Waqf income explains how the execution of a system of accountability enabled the Empire to make people calculable. According to Yayla

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³ Waqfs are contributions made by wealthy people for the benefit of the public as a religious endowment prescribed by Islam (Yayla, 2011).
(2011), by reforming the accounting and accountability practices, such as requiring staff to adopt new accounting books and to prepare timely reports, as well as changing the accounting regulation regarding the Waqf, the Empire managed to supervise the conduct of the staff and successfully assess and calculate their qualities.

Particularly relevant to this study, Graham (2010) investigated the implication of accounting as both a technique of power and a technique of the self in providing the social safety net for elderly people in Canada from 1908 to 2010. Graham (2010) draws on Foucault’s ideas on governmentality and pastoral power to uncover how accounting practices embedded within the early Canadian retirement-income program (1908-1951) and the present Canadian retirement-income system (1951-2010), in particular practices of measurement and classification, assisted the government in dividing particular groups of citizens, separating needy elderly from those Canadians who were younger or better off. Graham (2010) demonstrates that the early Canadian retirement-income program became inefficient, due to the inadequacy of accounting as a technique of the self. Graham (2010) demonstrates that a government-backed annuities program (1908-1927) was ineffective at identifying its target population and did not offer an opportunity to define the individuals. Graham (2010) shows that the accounting components of the later means-tested program (1927-1951) effectively contributed to defining the individuals, but the program could not identify the target group. Graham (2010) explains that the present system has been successful in producing truth, as it enables gathering information from corporate payroll information and individual tax returns. However, the technologies of the self that underpin the present system are less effective, since it accesses the necessary information without the individual taking any notice. Accordingly, while the use of accounting mechanisms in the current system permits an effective leverage to divide and classify the population, it remains distant from the individuals (Graham, 2010, p. 44). Hence, accounting has fallen short as a technique of the self (Graham, 2010, p. 23).
This section briefly reviewed the implication of Foucault’s thoughts on the accounting literature. The following section discusses the influence of Foucault on the disability discipline.

2.3.2 Foucault in disability literature

Disability scholars (e.g. Jolly, 2003; Simmons et al., 2008; Soldatic, 2009) affirm that the implementation of Foucault’s ideas has proved significant in challenging previous models of disability and exploring new avenues of development for the disability discipline. Tremain (2010) states that Foucault’s (1977, 1988a) historical investigation on the construction of the body within relations of power has empowered disability scholars to argue that impairments are not “…intrinsic defects that demand to be corrected or eliminated (as the ‘medical model’ assumes)” but “created by social and economic arrangements and conditions that can be transformed” (Tremain, 2010, p. 598). Anders (2013) agrees with Tremain’s (2010) statement emphasising that contemporary social disability studies relate to Foucault’s work mainly due to his theorisation of the body as an inexorably politicised space. Predominantly, Foucault’s ideas have motivated disability scholars not only to recognise that the challenging physical realities of disability are socially constructed, but to undertake the tasks of diagnosing the forces that produce them (Tremain, 2001). It is in this context that implementing Foucault’s ideas enabled Oliver (1990, p. 82) to argue that disability is the “product of economic, political, ideological, and technical forces”.

Yoshidaa and Shanouda (2015) confirm that Foucault’s conceptualisations of bio-power and techniques of normalisations have inspired disability activists to protest against the prevailing form of power/knowledge that presents disability as an abject identity. For instance, from a Foucauldian perspective, disability academics (e.g. Corker & French, 1999; Hughes, 1999; Price & Shildrick, 1998) managed to challenge the contemporary notion of disabled/able-bodied contrasts, and express disability as a product of “modernist bio-power” (Hughes, 2005, p. 82). In another study, Gabel and Miskovic (2014) have drawn on Foucault’s concern with
the mutually constitutive and reinforcing relation between power and knowledge, to validate the emergence of disability as the product of knowledge and power.

In addition, Foucault’s ideas have expanded the boundaries of disability by directing disability scholars (e.g. Siebers, 2008; Waldschmidt, 2005) to comprehend the contemporary government of disability. For instance, drawing on Foucault’s notion of governmentality, Jolly (2003) acknowledges the rationalities and strategies in regulating disabled people in the UK. Other Foucauldian disability literature has explored the cultural and personal experience of disabled people that leads to embodying certain identity from the disabled/impaired person’s perspective (see Galvin, 2004).

Drawing on Foucault’s thesis, disability scholars map out occasions on which disabled persons resist the negative stereotypes of disability identity. For instance, Shakespeare (1996) observes that disabled persons attempt to deny their impairment, in an attempt to be a “super-human”; someone who is more than normal. Shakespeare (1996) also notes that in an alternative attempt to resist the medical model of disability, disability is recognised as a positive identity. In this case, individuals “come out” as a disabled person, and claim they are proud to be part of the disability movement (Shakespeare, 1996).

Tremain (2005) acknowledges that critical disability studies present different themes of Foucault’s work. For instance, Allan (1996) implements Foucault’s thesis on modes of objectifying the subject and investigates the influence of discourses on special educational needs in constructing pupils’ experience in mainstream schools, as well as their identities. She observes the significance of hierarchical observation, normalising judgement, examination, and spatialisation in schools in the identification of children with special needs. She claims the objectification of pupils with special needs is the result of the application of these disciplinary techniques. Such pupils become the object of scrutiny and are marked out for perpetual
surveillance throughout the remainder of their school career and beyond. Allan (1996) believes the constant surveillance of students with special educational needs renders them the object of knowledge for professionals who show concern for their welfare students and acquire knowledge about their condition and progress.

Scholars in the disability discipline (e.g. French, 1994; Reeve, 2002; Shildrick, 1997) have found Foucault’s (1977) thesis on disciplinary power and self-surveillance⁴ appropriate for the purpose of investigating the use of the “medical gaze” to identify deviance and disorder and to constitute the subject as a patient. French (1994) observes how disabled people internalise the stereotypes and assumptions non-disabled people hold about them. French (1994) witnesses that disabled people adopt a form of self-surveillance to normalise themselves by conforming to the behaviour accepted by non-disabled people. By adopting the “disabled role”, disabled people become what they have internalised, and cannot then challenge erroneous assumptions and attitudes about them (French, 1994). Similarly, Reeve (2002) links the concept of self-surveillance to the “gaze”. Reeve (2002) examines the manner in which disabled people develop an awareness of how they are seen through the gaze of others, and hence modify their behaviour via self-surveillance in attempt to make themselves acceptable. However, Reeve (2002) acknowledge that disabled people attempt to free themselves from the techniques of power imposed on them by “coming out” as a disabled person — reclaiming disability as a positive identity (p. 494).

Foucault’s (1977) thesis on the constitution of subject by and through medical, juridical, and administrative practices has inspired disability scholars (e.g. Allen, 2005; Erevelles, 2002; ⁴ Foucault (1977) developed the concept of self-surveillance from Bentham’s Panopticon, which represented an ideal prison where inmates lived knowingly under continuous inspection by the eyes of an anonymous guard. The major effect of the Panopticon was to induce a state of conscious and permanent visibility that assures the automatic functioning of power (Foucault, 1977, p. 201). Foucault claims this state generates an unverifiable form of power that caused inmates to internalise the scrutinizing gaze and become effectively self-policing. Beyond prisons and asylums, this process of self-surveillance exists in modern societies in the form of mechanisms for unbalancing power relations definitely and everywhere (Foucault, 1977, p. 203).
Shildrick, 1997) to study the normalising techniques that render disabled people a “docile body”. The study of “subjected bodies” is an example in which Sullivan (2005), draws on Foucault’s notion of bio-power to discover how the institutional and therapeutic techniques of rehabilitation produced residents of the unit as “paraplegic body-subject” (p. 30). Sullivan (2005) reports that residents are subjected to a pervasive form of medical power, which gives them little, if any, input into their rehabilitation regime (p. 33). Sullivan (2005) observes that normalising techniques such as pre-existing schedules and routines, administrated by medical staff, are central to the medical power experienced by disabled people. Through these normalising techniques, which take no account of a participant’s individuality, the medical power manages to create a certain type of subject: a “docile body”.

Further, Sullivan (2005) draws on the power/knowledge nexus (Foucault, 1980c) to demonstrate that, to maintain this form of docile body and eliminate an individual’s resistance, a totalising regulatory approach is adopted. The totalising approach is supported with medical knowledge and permits little deviation from a textbook definition of the “patient with paraplegia” (Sullivan, 2005, p. 34). This approach views individuals entirely in terms of their paralysed body, albeit it only emphasises the physical aspect of the paralysed body, and ignores the emotions. This universal approach that neglects patients’ individuality sends the message that they are part of a homogenised, paraplegic population. As a result of the normalising techniques and totalising approach, the individuals are redefined in terms of their paralysed body, and living becomes very much tied to consciously maintaining an objectified paraplegic body (Sullivan, 2005).

Yates (2005) continues the analysis of normalising practices by investigating how certain behaviours and practices become problematised as “learning difficulties”. The study is twofold: it first references Foucault’s thesis on the constitutive relation of power and knowledge and clarifies learning difficulties as discursively constituted. Yates (2005, p. 68) claims that
“…learning difficulties are not a condition about which we can unproblematically amass absolute knowledge; rather, it is a discursively constituted object”. Second, Yates (2005) draws on Foucault’s concern with ethics to understand how one’s identification as a person with learning difficulties is coextensive with a particular way of living. Yates (2005) claims that Foucault’s thesis on ethics is extensively relevant for analysing the situations of people with learning difficulties. He believes that the ethical domain of Foucault’s series of work provides a framework to examine how people are incited to constitute themselves as the subject of certain rights, responsibilities, and needs, and how they relate to or resist this form of identity (Yates, 2005).

Disability scholars (e.g. Allan, 2007; Tremain, 2010) have adopted Foucault’s thesis on governmentality to interrogate various concrete manifestations of disabling government and to deconstruct practices and rationalities that reflect upon disabled people. In this respect, Simons and Masschelein (2005) argue that discourses on inclusion in education should be understood within the frame of governmentality. Simons and Masschelein (2005) believe that governmentality provides a framework to identify the impetus that drives the discourse on inclusive schooling. The authors draw on the double bond of individualising and totalising characteristics of modern government, and argue that discourses on inclusion attempt to link individuals into a totality and community. Governmentality enables the authors to go beyond the terms of exclusion and inclusion and acknowledge them as a technique of modern government to homogenise the society (Simons & Masschelein, 2005). Similarly, Drinkwater (2005) suggests a critical examination of the power relations that condition practices of inclusion. Drinkwater (2005) is concerned that the transition from the segregation and institutionalisation of people with learning disabilities to their inclusion into the community is not a humanitarian reform; rather it is a new dispersal of power, which attempts to achieve greater efficiency.
Foucault’s method of history-writing has also prompted disability scholars (e.g. Galvin, 2006; Snigurowicz, 2005; Tremain, 2001) to investigate the historical development of the definition of disability and practices that have become associated with disability. For example, Berger’s 2005 study of institutionalising deafness applies a Foucauldian historical approach. In doing so she demonstrates how the institutional founders and educators in the 19th century, as well as social groups who supported the schools, associated meanings with deafness. Those who assigned such meanings were highly influenced by intellectual, cultural, and regional trends of that time. Further, the spread of capitalism and an emerging discourse of liberal individualism heavily influenced their perspectives. Following the argument by Foucault (1977) that the compartmentalisation of space can be an instrument of disciplinary power, Berger (2005) illustrates that disciplinary effects were produced on the disabled students by messages the institutions conveyed to the students regarding what constitutes being deaf. While scholars and members of the deaf community regard the antebellum period as “the golden age” in the history of deaf education, genealogical methods of investigation empowered Berger (2005, p. 168) to argue against this assumption. Berger (2005) warns that this kind of romanticising of the past leads to “inaccurate history” and risks obscuring the power relations that were created in early institutions, some of which remain effective today (p. 155).

In a similar way, Carlson (2005) applies a genealogical approach to explain the discursive formation of the complex and problematic character of the category of “mental retardation”. Foucault’s genealogical method of history-writing enabled Carlson (2005) to investigate how mental retardation had been constructed in institutional and professional discourses. Carlson (2005) suggests that these discourses were instrumental in the historical emergence of the mentally retarded individual as a new kind of person. She highlights the influences of the emergence of this new kind of individual on definitions and practices that became associated with the category of mental retardation.
The discussions in Sections 2.1 and 2.2 address the current doctrine regarding accounting and disability, in which both disciplines are perceived as socially constructed. Section 2.3 elaborates on the implication of Foucault’s thoughts about the accounting and disability literature, and how Foucault’s ideas have enriched the understanding of accounting and disability. The following section attempts to identify how this study contributes to our understanding of accounting.

### 2.4 Extending Foucauldian accounting literature

Whilst Chiapello and Baker (2011) affirm that accounting scholars have been extensively informed by Foucault’s concepts of disciplinary power and governmentality, McKinlay and Pezet (2010) believe there are other aspects of his work that can contribute to accounting research:

> To study processes of governmentalisation requires us to attend not just to the programs of the powerful but to their operation and to the manifold ways that individuals, groups and populations absorb, comply and resist these projects (McKinlay & Pezet, 2010, p. 494).

Kosmala and McKernan (2011) assert that focusing on Foucault’s thoughts of what constitutes *ethical* behaviour – the methods and practices through which the individual transforms his/her own mode of being (Foucault, 1988b, p. 30) – can enhance understanding of accounting as a technique of the self. Kosmala and McKernan’s (2011) suggestion is in line with Foucault’s (1982, 2000d) view of self-formation, in which techniques of domination and techniques of the self are interrelated.

In the first volume of his *History of Sexuality*, Foucault (1988a) examines the significance of the idea of “technologies of the self” in the process of subjectivity. Technologies of the self are the processes through which “…the individuals effect, by their own means or with the help
of others, a certain number of operations on their own bodies and souls, thoughts, conduct, and way of being, so as to transform themselves in order to attain a certain state of happiness, purity, wisdom, perfection, or immortality” (Foucault, 1988c, p. 18). Bennett (1996, p. 655) argues that these formulations raise the question of who or what is directing these “elaborations” and “operations” and what ends do they serve? Is transformation of the self imposed on an individual as the result of social norms, or does the self initiate it? Foucault (1982, 2000d) asserts that one cannot ascertain the exact weight of techniques of the self and disciplinary power in formation of the self. However, the profound point of his last work is to articulate the triangle of power, truth, and ethics. Foucault (1982, 2000d) asserts that disciplinary power and the self are interrelated: there is no discipline without the self and there is no self without discipline. Hence, Foucault (1988c) believed that to study modes of self-formation one should explore how technologies of domination construct and position the subject and how individuals constitute themselves through technologies of the self.

Bigoni and Funnell (2015), in agreement with Kosmala and McKernan (2011), propose and stress the importance of comprehending the notion of pastoral power in conceptualising accounting as a technique of the self. Bigoni and Funnell (2015) emphasise that, with the ever increasing governmentalisation of modern states, it is essential to understand the ancestor of governmentality in pastoral power. Foucault (1982) writes:

The modern Western state has integrated into a new political shape an old power technique that originated in Christian institutions. We can call this power technique "pastoral power” (Foucault, 1982, p. 131).

Simultaneously, disability scholars agree that Foucault’s thesis on ethics is instrumental in understanding disability. As Allan (2007) confirms, Foucault’s works on ethics can significantly contribute to disability studies as it contains a sanguine view of agency and depicts individuals as capable of working on themselves to achieve new forms of existence.
Responding to these scholars’ recommendations, the current study explores Australian disability welfare benefits through the lens of Foucault’s notion of pastoral power. By doing so, it extends understanding from accounting as a technique of power into accounting as a technique of the self. This study engages with the accounting research described above in showing the manner in which accounting, as a technique of domination, has facilitated implementation of political rationality and thus arranged the social sphere. The current thesis extends Foucauldian accounting literature by tracing governmentality to its ecclesiastical roots and revealing how modern power relies on renunciation of the self in transforming individuals into desired forms. Particularly, this study discloses how accounting remains indispensable in the individual’s journey of transformation. By doing so, the study brings an awareness to disability scholars, who protest the dominant assumptions of disability, regarding the influence of accounting in the identification of disabled people and their transformation into a new identity.

2.5 Concluding comments

This chapter has provided a brief summary of the accounting and disability literature, with the aim of finding some common grounds between these two disciplines. The discussion has demonstrated that both accounting and disability scholars perceive these disciplines as being socially constructed. Reviewing the accounting and disability literature has explained the significance of a Foucauldian approach in conceptualising them as being socially constructed. In this way, the chapter has demonstrated the effectiveness of a Foucauldian approach in explaining the relevance of accounting to the issue of disability. The discussion has shown how different aspects of Foucault's thoughts, including his thesis on the relation of power and knowledge, disciplinary power, and governmentality has been applied in both disciplines. The chapter has demonstrated that the less-studied aspects of Foucault's thoughts, in particular, his
ideas on pastoral power for the constitution of the self, can enhance understanding of the role of accounting in society. The following chapter elaborates on Foucault's thesis on pastoral power for the constitution of the self to introduce the applied conceptual framework of this study.
Chapter Three: Theoretical Framework

3.0 Introduction

The preceding chapter provided an overview of the Foucauldian accounting and disability literature and demonstrated how Foucault’s ideas have empowered scholars in studies of the nature of accounting and disability. For the purpose of this study, a Foucauldian approach is undertaken in order to comprehend accounting as both a technique of domination and a technique of the self in the constitution of disabled people in Australia. Whilst the current thesis takes into account different aspects of Foucault’s work, it is Foucault’s (1982, 1988a, 1988c, 2007) notion of pastoral power and its mechanisms that underpins the conceptual framework for this study. As Foucault (1982) asserts, “…what we have today is a modern matrix of individualisation, or a new form of pastoral power” (Foucault, 1982, p. 215).

Foucault’s (1982, 1988a, 1988c, 2007) genealogical examination on relations of power in the subjectification of human beings acknowledges the emergence of bio-power as a coherent political technology in the 17th century, when the population came to be the main concern of the state. Foucault (1988a) asserts that the emergence of bio-power is critical for modern humans, as it “…brought life and its mechanisms into the realm of explicit calculations and made power-knowledge an agent of transformation of human life” (p. 143). Therefore, with the emergence of bio-power, modes of power changed dramatically and gained access to the “body”. Foucault’s (1977, 1988a, 2007) examination highlights two integrated ends of bio-power: “population” and “body”. Foucault (1982, 1988a, 1988c, 2007) believes that bio-power does not ignore the individual, but rather that it is both individualising and totalising. The individualising and totalising characteristics of bio-power are the reasons for its strengths (Foucault, 1982, 2007). Foucault’s (1988c, 2007) investigations reveal that bio-power has drawn its individualising and totalising characteristics from an old power technique that
originated in Christian institutions. In this essence, Foucault (1982, 1988a, 1988c, 2007) acknowledges the salience of pastoral power in comprehending modes of power in the modern Western state.

Dean (1999) suggests that to realise how the notion of welfare found its ground within the social discourse, it is essential to examine the evolution of pastoral power and its techniques in society. Hence, this study is centred on the operation of pastoral power in the modern state to comprehend how accounting has been influential in governing the life of disabled people. In this regard it is noteworthy to mention two points. First, Foucault himself permits the implementation of a particular aspect of his work. In an interview with Le Monde in 1975 he states:

All my books...are little tool boxes...if people want to open them, to use this sentence or that idea as a screwdriver or spanner to short-circuit, discredit or smash systems of power, including eventually those from which my books have emerged...so much better (Foucault, cited in Patton, 1979, p. 115).

Second, this study is not alone in relating pastoral power to modern life. Scholars in different disciplines such as philosophy, education, sociology, humanities, and psychology have studied the themes of pastoral power (e.g. Bell & Taylor, 2003; Besley, 2007; Blake, 1999; Ganguly, 2012; Helsel, 2015; Holmes, 2002; McCuaig et al., 2013; Wilson, 2001). Foucault’s insights into pastoral power enable these scholars to reveal the modes of constructing the self in contemporary practices. Similarly, this study draws on aspects of pastoral power to uncover how modern power penetrates everyday life to bring salvation to disabled people. Modern power has reached the point where it categorises and labels disabled people based on their ability to work and generate income. By knowing the financial
circumstance of individuals, modern power provides individuals with a new identity, preparing a new approach for individuals to know themselves and to be known by others.

The structure of this chapter is as follows. Section 3.1 introduces pastoral power, elaborating on the three main elements of pastoral power – salvation, law, and truth – and their relation to this study. Foucault’s (1988a, 2007) investigations on modes of subjectification have emphasised the significance of confession in both pastoral power and the modern world. Accordingly, Section 3.2 discusses Foucault’s model of confession and its relation to this study. Section 3.3 illustrates the conceptual framework for this study and Section 3.4 concludes the discussion.

3.1 Pastoral power

During a series of lectures held at the Collège de France (1977-1978), Foucault sought to answer the problem of the state and the population, including the functions and objects of the state. In this regard, Foucault (2007) attempts to reveal how within human history the notion of care emerged. He traces the source of the idea that the state is responsible for taking care of its citizens (Dean, 1999). Foucault’s (2007) investigation takes him to the term “pastorship” (p. 170), developed and intensified by the Hebrews, as a key source of concerns for the wellbeing of individuals and the population. However, the word “pastorship” in Hebrew, as Foucault (2007) understands it, is a fundamental type of relationship between God and humans, that between a shepherd (as the Pastor) and the flock\(^5\). Hence, pastorship in Hebrew is fundamentally a religious relationship.

Foucault’s (2007, p. 129) genealogical investigations revealed that with the establishment of the Christian Church, a different form of pastorship, which Foucault calls pastoral power,\(^5\)

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\(^5\) In his analysis of pastoral power, Foucault (2007) uses the words “sheep” and “flock” when referring to the individual members of the community and the community as a unit.
was introduced to the Western world. The Christian institution, through its clergy and religious orders, exercised pastoral power over its members in an attempt to control them and direct them towards salvation (Foucault, 2007). Foucault’s (2007) examination of pastoral power explains that it has developed the features of the Hebraic Shepherd-Flock relation: power is exercised over a moving flock, over a multiplicity on the move, instead of over a territory. This power guides the flock towards an end, and functions as an intermediary towards this end. The aim of exercising this power is the salvation of the flock. Hence, this power has a purpose for those on whom it is exercised; for the direction of people, or the sheep, as Foucault (2007) refers to them. Pastoral power manifests itself in its zeal, devotion, and endless application; not for its splendour. It appears as a beneficent power, in a way that the pastor must care for the flock and be ready to sacrifice themself if necessary. It is both individualising and totalising, as the pastor must care for the totality of the flock and each of them individually (“Omnes et singulatim”, all and each, (Foucault, 2007, p. 103)). The pastor can direct the flock as far as they can control each individual sheep (Foucault, 2007, pp. 124-129).

Foucault (2007, p. 129) states that the Christian Church has coagulated, enriched, transformed, and complicated all these themes of Hebraic pastoral power into “…precise mechanisms and definite institutions, and organized a pastoral power that was both specific and autonomous”. Foucault (2007) states that pastoral power, organised within the Christian Church, is unique and unknown to any other civilisation.

One way Christian pastoral power differs to the Hebraic interpretation lies within the application of the title of pastor to human beings, rather than to God. Christianity, according to Foucault (2007), is the first religion that proposes that certain individuals, by their religious quality, can serve others as pastors in directing the flock. In Christianity, Jesus Christ was the first human pastor. The Apostles were also pastors (Foucault, 2007). The Catholic denomination of the Christian Church acknowledges the Pope and the senior members of the
Church, including the priests and bishops, as pastors by instructing them to “guard the flock” and “look after the sheep” (Foucault, 2007, pp. 152-153). Pastoral power implies a permanent intervention in everyday conduct, in the management of lives, as well as in material wealth. Pastoral power is concerned with not only the individual, but also the community (Foucault, 2007). It is a dense, complicated, and closely woven institutional network that appears as a terrestrial power despite its stated spiritual aim of salvation (Foucault, 2007).

Foucault (1982) traces these characteristics of the Christian pastorate in the modern state and emphasises that although the ecclesiastical institutionalisation of Christian pastoral power has ceased or diminished since the 18th century, its function has spread and multiplied outside the ecclesiastical institution. Foucault (1982) suggests that, in its modern format, pastoral power has shifted its object from achieving salvation in the next world to securing it in the present world. In its modern form, pastoral power is exercised through a bureaucratic system aimed at achieving salvation in worldly forms of health, economic welfare, and security (Foucault, 1982). Modern humanity achieves salvation in forms of “…health, well-being (that is, sufficient wealth, standard of living), security, protection against accidents” (Foucault, 1982, p. 215).

This direction allows this study to conceptualise the power experienced by disabled people seeking welfare payments as a modern form of pastoral power. Moreover, it permits this study to regard the Australian Government as a pastor that promises direction toward the Promised

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6 However, Foucault (2007) states that despite such in-depth intervention, the essential feature of pastoral power is distancing itself from political power. Foucault (2007) acknowledges a series of conjunctions between pastoral and political power, but he notes that until the 18th century, pastoral power functioned absolutely specifically and differently from political power, even when the same figures exercised both powers. It is at the end of the 16th and in the 17th and 18th centuries, when the population, rather than territories, becomes the primary target of the government, that political power implements techniques of pastoral power in the governmentalisation of the state (Foucault, 2007).

7 Government is viewed as: “the ensemble formed by the institutions, procedures, analyses and reflections, the calculations and tactics that allow the exercise of this very specific albeit complex form of power, which
Land. For instance, the analysis in Chapter 5 demonstrates that by distinguishing the true circumstances of disabled people in identifying their identity, the magistrates acted as pastors through their discriminatory power, sanctioned by accounting. Elaborating on securing welfare as a form of achieving salvation, the discussion in Chapter 6 details the actions of the Australian Government as a pastor when it attempts to shift direction and actions towards acquiring welfare. In addition, the discussion in Chapter 7 reveals how the Australian Government (pastor) redefines welfare (salvation) as having a job and being efficient.

The specific characteristic of Christian pastoral power, according to Foucault (2007), is related to salvation, law, and truth. The essential objective of pastoral power is leading individuals, or to some degree, enabling them, to advance their progress towards salvation. Pastoral power is connected to the law as it is to individuals; in order to attain salvation, individuals must commit themselves to following the pastor’s commands. Pastoral power is related to the truth, since attaining salvation and submission to the law are conditional upon acceptance of, belief in, and profession of a certain truth. The following section discusses how these elements are specified and how they relate to this study.

### 3.1.1 Salvation

The pastor must assure the salvation of all: the salvation of the whole community as a unit and equally the salvation of each member of the community. Not one sheep must escape the direction and guidance leading to salvation, as it could impede not only the individual’s progress but also the progress of all members of the community (Foucault, 2007). In this aspect of pastoral power Foucault (2007) notes a paradoxical characteristic: to save the whole has as its target population, as its principal form of knowledge political economy, and as its essential technical means apparatuses of security” (Foucault, 1991a, p. 102).
community, the pastor must be ready to sacrifice, even abandon or exclude, the corrupted sheep that could compromise the whole community. Simultaneously, the pastor must be ready to suspend all other responsibilities and abandon the flock to save the lost sheep, because its salvation is as important as the salvation of the whole flock.

This study considers that the Australian Government has drawn on individualising and totalising characteristics of pastoral power. The analyses in Chapters 5, 6, and 7 reveal that each individual, including disabled persons, is important for the state, as each has the potential to influence (negatively or positively) the strength of the state. Hence, the state attempts to govern individuals to assure that the objective of the community is effectively implemented. In this way, techniques of power and the self ensure the creation of the desired identity: one that contributes to the wealth of the nation and complies with objectives of improving national economy.

Foucault (2007) discusses other principles of western pastoral power. The path toward salvation requires that pastors be ready to sacrifice themselves to save the members of the community (sacrificial reversal). They must account for every act of each sheep, good and evil (analytical responsibility). In addition, they need to consider all merits or faults of the sheep as their own (exhaustive and instantaneous transfer). Whilst each sheep’s faults constitute pastors’ merits in the eyes of God, pastors’ weaknesses are part of the flock’s movement towards salvation (alternate correspondence). Pastors’ fault may contribute to the salvation of the flock if the pastors repent of their faults and are humbled by them (Foucault, 2007, pp. 169-172). From the analysis of the relation between pastors and their sheep, Foucault (2007) reveals that pastors do not deliver salvation, because in the end the actual production of salvation is entirely in God’s hands. Pastors must indefinitely manage a “subtle economy of merits and faults” (Foucault, 2007, p. 173) by knowing in detail the actions and behaviours of the sheep. It is the knowledge of the self that is critical for salvation.
Drawing on these tasks of the pastor, the study of what constitutes disability demonstrates that whilst welfare has introduced salvation, it is the actions and behaviours of individuals, particularly with respect to financial factors, that determine the individual’s eligibility for salvation. Hence, the task of the government institution (pastor) is to know the individuals, particularly their financial means, as the necessary condition for salvation. The analysis in the following chapters illustrates that disabled people are required to constantly confess to their financial actions to secure their eligibility for salvation. The Australian Government reviews their actions to assure that they remain qualified for the identity of disability.

3.1.2 Law

Foucault (2007) clarifies that Christianity is not a religion of the law; rather it is a religion of God’s will. Pastors must make known the will of God as it is applied to the community. However, pastors are not the law; their actions will always be individualised (Foucault, 2007). This means that “…the pastor is concerned with each sheep individually and he sees to their salvation by giving the necessary care that is peculiar to each one” (Foucault, 2007, p. 175). The conceptualisation of a pastor as one who treats each case according to its specific characteristics that everyone respects, implies that the relationship of the individual to the pastor is one of “complete subordination” (Foucault, 2007, p. 175). This relationship is characterised as the submission of one individual to another, in which the individual denies their own will and unconditionally obeys the authority of the pastor. This relationship requires permanent obedience, because obedience is not a means but an end. Foucault elaborates that this relationship leads to obedience: “…one obeys in order to be obedient, in order to arrive at a state of obedience” (Foucault, 2007, p. 177) in which the individual renounces their individual will. In other words, there is no will but the will of God.

Drawing on this aspect of pastoral power, the discussion in the following chapter reveals that, with the application for disability welfare benefits, disabled people enter into an
individualised relationship with the Australian Government. This connection requires disabled people to renounce their previous identity and comply with certain norms that are influenced by accounting. Any deviation may compromise their eligibility for welfare. The analysis reveals that the objective of such a relationship is to reinforce power or, in the religious form, the will of God. Foucault’s (2007) thesis on truth elaborates on how the relation of obedience is created and maintained.

3.1.3 Truth

The pastor’s primary task in directing the flock toward salvation is to teach the truth. Foucault (2007) reveals that teaching the truth is individualised and interwoven with power. This teaching is a direction of daily conduct and exercised through continuous, uninterrupted observation of every conduct of the sheep. As Foucault (2007, p. 181) states, “…the pastor must really take charge of and observe daily life in order to form a never-ending knowledge of the behaviours and conduct of the members of the flock he supervises”.

In teaching the truth, the pastor must direct the souls and consciences of the individuals, which Foucault (2007, p. 181) addresses as “spiritual direction”. This is not voluntary, but obligatory and absolutely permanent: “…one is directed with regards to everything and for the whole of his life” (Foucault, 2007, p. 182). The spiritual direction and teaching of truth is practiced by means of self-disclosure (confession). A Catholic Christian pastor obliges the individuals to confess to their inner thoughts, temptations, and desires so the pastor can comprehend their conscience and direct their soul (Foucault, 2007). Foucault’s (1988c) historical examinations show that the Christianity of the first centuries produced two unique techniques for self-disclosure: exomologēsis and exagprēsis (Foucault, 1988c).

Exomologēsis is a dramatic expression of the situation in which individuals manifest their status as a sinner and looks for penitence (Foucault, 1988c). They visit a bishop and apply for
the status of a penitent. The individuals must explain the reason for their request and their fault. This is the necessary process for recognition of one’s status as a penitent. To achieve salvation one must prove suffering, show shame, and be publicly humiliated (Foucault, 1988c). The greater function of this self-knowledge was not just to forgive the sin but to present and know the individual as a sinner (Foucault, 1988c). Foucault (1988c) remarks that Christianity abandoned this technique in the 15th and 16th centuries. However, this technique of forgiving the sin by disclosing the self finds its way outside of the ecclesiastical realm (Foucault, 1988c). For instance, in the medical model one must show injuries in order to be cured. Whilst the current thesis acknowledges the evolution of this technique of self-knowledge in the disability welfare program, albeit in a modified manner, it is mainly concerned with the other technique of self-disclosure, *exagprēsis*, in regard to disabled people.

Foucault (1988c) elaborates on *exagprēsis*, which he believes has reinserted itself into contemporary practices (Foucault, 1988c). *Exagprēsis* refers to a verbal process through which individuals reveal their thoughts to themselves and to their master (Foucault, 1988c). Self-examination depends on obedience and the permanent verbalisation of thoughts and intentions. The purpose is to identify the quality of thought, to check its purity, and to identify any deviation from the ideal (Foucault, 1988c). Masters or directors are the only ones with this discriminating power due to their experience and wisdom. The verbal confession, the *exagprēsis*, permits the master to interpret the purity of the sinner’s thoughts and actions and turns them towards God. When the sinner verbally confesses, the act of verbalising thoughts has the effect of discrimination. Hence, central to this form of technology of the self is the verbal confession (Foucault, 1988c). It is the key to releasing the evil, to show the truth about

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8 A detailed investigation on the relevance of *exomologēsis* to the constitution of disability in Australia is conducted by Nikidehaghani and Hui (2016).
the self. Foucault (1988c) believes that this form of technology of the self, which relies on a verbal exercise in relation to a master, is more important than the first form of self-disclosing.

Although the two techniques of self-disclosure are different, they share one common element: disclosure is not possible without self-renunciation. In the first model, individuals renounce themselves by killing or torture (Foucault, 1988c). In the second technique, renunciation occurs by permanently verbalising thoughts to, and obeying, the master (Foucault, 1988c). Foucault (1988c) believes *exagprēsis*, which relies on a verbal exercise in relation to a master, is more important than *exomologēsis*. In fact, Foucault’s (1988a, 1988c, 2000c) investigation demonstrates that the modern world draws on verbal confession to constitute the self. Foucault (1988a, 1988c, 2000c), however, remarks that in contemporary modern life, the human sciences have reinserted the techniques of verbalisation in a different context, such as writing, diarising, and reviewing one’s actions. Science applies these techniques to “constitute, positively, a new self” (Foucault, 1988c, p. 49) without the dramatic renunciation of the self. Indeed, Foucault’s (1988a) analysis in the *History of Sexuality* illustrates how the emergence of social sciences, especially those in “psy” disciplines, demands individuals’ verbal confessions to access the inner thoughts of the person and assess the purity of their thoughts to construct the true identity of the individual.

This current study draws on verbal confession, *exagprēsis*, as a technique of self-formation. The analysis in the following chapters demonstrates how the machinery of social security demands the individual’s verbal confession. The narrative reveals that to attain a disabled identity, individuals are obliged to confess, both in writing and verbally, to their circumstances; chiefly their earnings and properties. It is the act of confession that enables authorities to trace the truth about the individuals’ circumstances. Whilst Christian pastors discover the truth due to their great experience, secular authorities can interpret the confession based on accounting formulae. The finances of the applicant are assessed on the limits prescribed by the
governmental programs, and the identity of the applicant is based on any deviations from those limits. This narrative also demonstrates that confession is a method to recognise individuals by themselves and by others. The historical examination demonstrates that the application forms for identifying disability are a method of confession in which the applicants formally declare themselves as disabled and demand to be acknowledged accordingly.

3.2 Function of confession

Foucault (2007) asserts that the function of confession for the purpose of spiritual direction is subordination to the director: “One examines one’s conscience the better to mark and fix more firmly the relationship of subordination to others” (Foucault, 2007, p. 182). Confession provides the means for the pastor to extract and produce the truth so that the actions of the individual can be directed (Foucault, 2007). Foucault (1988a) remarks that in the modern state confession remains as an instrument of power.

From its Christian origins, confession has increasingly penetrated the secularised world (Brooks, 2000). As Foucault (1988a, p. 59) remarks, “…the confession has spread its effects far and wide; to justice, medicine, education and love relations…modern man has become a confessing animal”. It is important to understand what motivates an individual to confess. Brooks (2000, p. 9) believes that in the modern world “…truth of the self and to the self indicates authenticity”. He continues that in the modern world confession is considered as the dominant and essential act to know the self, and to make oneself known (Brooks, 2000). Foucault (1988a) also acknowledges that the desire to acquire self-knowledge promotes telling the truth. He argues that the popularity of confession is a technique of the self in the modern world that attaches to the repressive hypothesis9. For one who assumes truth is external to

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9 The repressive hypothesis is the view that truth is opposed to power. This belief assumes that when truth is spoken the repressive power is challenged, as it has a liberating role (Dreyfus & Rabinow, 1982). Foucault’s (1988a) analysis in History of Sexuality questions the repressive hypothesis.
power, uncovering it is a way to achieve “freedom” (Foucault, 1988a). It is in this context that Foucault (1988a) shows how the belief that confession uncovers the truth becomes relevant to sexuality; confession uncovers the deepest form of truth about an individual. Foucault (1988a) stresses that modern humans confess to release the hidden truth in an attempt to resist repression. However, as long as it is assumed that the truth can only be understood by expert interpreters, while insisting the truth they discover is external to power, confession is contributing to the deployment of power, and hence is an instrument of subordination (Foucault, 1988a).

The idea that “knowing the self” motivates confession is relevant to this study. The discussion in the following chapters demonstrates that accounting discourse normalises identification of disabled people. The prescribed identity varies according to common ideologies and perceptions. For instance, between 1908 and the 1940s disabled people were known as “unproductive” and “invalids”; people who were incapable of generating any form of income and thus required governmental assistance. The analyses in Chapters 6 and 7 reveal the role of accounting in normalising a different aspect of disability: one that sees the disabled as capable and productive. This conceptualising of disability encourages disabled persons to confess in an attempt to know their true identity. Similar to Foucault’s (1988a) examination, the confession of disabled persons is interpreted by experts who are deemed to have the power to uncover the hidden truth, as they hold the key to interpretation. However, these experts gain this privilege from authorities, and they are guided in their interpretation. Hence, confession of the individual results in placing them in a network of obedience and power relationships.

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10 Foucault (1988a) demonstrates that from its Christian origin, confession requires a master for interpretation of the truth. In fact, as Foucault (1988a) emphasises, technology of the self is based on the idea that one can, with the help of experts, discover the truth about the self.
Foucault (1988a) asserts that obedience occurs by successfully operating political technologies. Individuals do not confess to be dominated; rather, they do so to know themselves (Foucault, 1980b). However, when the relations of power are effectively taking place, the overall effect escapes the actors’ intentions (Foucault, 1980b). As Foucault once mentioned, “…people know what they do; they frequently know why they do it; but what they do not know is the circumstances of their actions” (Foucault cited in Dreyfus & Rabinow, 1982, p. 187). The analysis in the following chapter validates this point. Individuals confess to their circumstances hoping to achieve salvation in the form of welfare benefits. However, the outcome is beyond their expectations; they become subject to endless intervention, monitoring, and observation. As the analysis shows, the government applies accounting techniques to control the conduct of disabled persons who are subject to governmental programs. For instance, the income and assets of the disabled person are regularly monitored to assure their compliance with the prescribed norms. If any form of deviation from the prescribed norms is found, the individual is subjected to further extensive control. In the case of disability identity, it is through successfully operating accounting as a technique of power in “…constant monitoring, differentiating and ranking the actions of the individuals in relations to group norms, as better than or below average, normal, deviant, and so on” (Allen, 1998, p. 175) that complete obedience is assured.

Foucault (1988a) asserts that during the procedure of confession the power does not reside with the confessor, but with the one who listens. Foucault’s model of confession has been criticised by scholars, such as Butler (1997) and Žižek (2000). They suggest that the problem with this model lies in its “anti-dialectical” basis. In such a model there are always two partners involved; therefore confession lends itself to dialectical analysis. Hence it can be explained by
Hegel’s (1977) model of lordship and bondage\textsuperscript{11}. Žižek (2000) argues that Foucault’s model of confession neglects this binary nature of the dialectic. He believes that it fails to account for the moments when the confession not only produces new types of sexuality but also becomes itself sexualised. Similarly, Butler (1997, p. 55) states that the “…repression does not fade the libido, but turns it to the instrument of its own subjection”. However, Žižek (2000) answers the critiques himself and finds strengths in Foucault’s model, although he believes that Foucault failed to identify this point. Žižek (2000) asserts that the inclusiveness of the system and the interdependence of the players allows for the system’s destruction.

As Žižek (2000) delineates, Foucault’s model of confession acknowledges the role of agency in relations of power. In fact, Foucault (2000b, p. 167) believes, “…if there is no resistance there will be no power relations because it would be simply a matter of obedience”. This narrative also recognises the role of the confessor in relations of power. The system relies on individuals’ application, through confession, to initiate the program; without their confession there would be no program, and the system would collapse. Further, while the analysis ascertains government programs as a means of controlling the population, it also acknowledges the role of individuals in introducing successive governmental programs for disability benefit. For instance, the analysis in Chapter 5 discloses that the disabled population implemented accounting discourse in resisting the means test and pressuring the authorities to alter the program. Another example is the rise in the late 1970s of a movement of disability advocates, who emphasised disabled people’s productivity rather than their inabilities. The disability-advocacy movement’s resistance against common perceptions of disabled people forced the authorities to engage with this group in reforming welfare policies.

\textsuperscript{11} Within the master/slave dialectic that Hegel (1977) describes, it might be assumed that the master has the power, but because he is in a relationship of dependence with the slave, his power depends on the slave. Hence, the slave potentially is capable of disabling the power relation and reversing the relationship.
3.3 Theoretical framework: exercising pastoral power for constitution of a disabled person

Foucault (2007) states that pastoral power is exercised through the paradoxical responsibility of pastors that requires them to simultaneously account for each individual and the whole community. The relationship between the pastor and each member of the community is an individualised relationship of absolute obedience. The pastor must have knowledge of the individuals’ inner thoughts and behaviours. This knowledge is achieved through confession, which reinforces both the spiritual direction and power of the master. Hence, Foucault (2007) elaborates that pastoral power developed by Christianity does not simply rely on guiding one to salvation, prescribing the law, and teaching the truth, but also on the interplay of salvation, law, and truth.

Pastoral power emerges from analytic identification of merits and faults and individualised actions of the master on every individual. This results in the permanent submission of one individual to another and the subjectification of individuals, which relies on constant extraction of hidden truth. This is the “…new relationship of merits and faults, absolute obedience and the production of hidden truth which constitute originality of pastoral power” (Foucault, 2007, p. 183). Foucault states that the interrelation of salvation, truth, and law creates a power that is both totalising and individualising. Pastoral power implements procedures of “analytical identification, subjection and subjectification” to turn individuals into subjects¹² (Foucault, 2007, p. 184). It constitutes a new self whose “…merits are analytically identified, who is subjected to continuous networks of obedience and who is subjectified through the compulsory extraction of truth” (Foucault, 2007, p. 185).

¹² In Foucault’s writings the word “subject” has two meanings: “subject to someone else by control and dependence, and tied to his own identity by a conscience or self-knowledge. Both meanings suggest a form of power that subjugates and makes subject to” (Foucault, 1982, p. 212).
Drawing on Foucault’s concept of pastoral power, the theoretical framework for this study is illustrated in Figure 1.
Figure 1: Theoretical Framework
In investigating the influence of accounting in constituting the disabled person, the study examines the manner in which accounting has been implemented by participants, particularly as a mechanism of realisation. At the level of participants, the government is considered as a pastor that seeks to guide the population towards salvation (welfare). The government is concerned with each individual citizen, as their actions can influence the salvation of the whole community. Hence, the government initiates certain social-welfare programs to constitute a citizen that complies with the objective of the nation.

To understand the programs of government that have transformed disabled people, it is important to understand the rationalities that have driven such programs. As Foucault asserts, “practices don’t exist without a certain regime of rationality” (Foucault, 1991b, p. 79). “Rationalities of government” refers to forms of reasoning used by the government in an attempt to “specify and fix our identities in definite ways in the service of particular ends” (Dean & Hindess, 1998, p. 11). While rationalities articulate “proper ends and means of government” (Miller & Rose, 1990, p. 5), they do more than merely identify the objectives of government. Rationalities hold “moral” characteristics. They address the “…accountabilities of the authorities and identify the principles of the government such as equality, and freedom” (Rose & Miller, 1992, pp. 178-179).

This infers that rationalities are those taken for granted and assumed to be the real ideologies that underline welfare programs. Rationalities represent the manner in which the government perceives disabled people and formulates programs to manage them. Rationalities explain forms of reasoning to interfere in a particular domain and to impose regulations on a specific group. To fully comprehend the manner in which the welfare practices for disabled people are designed and operated, it is essential to investigate the rationalities that underlie these practices. Rationalities propose a certain way of viewing disabled people, and governmental welfare policies are in response to the recognitions offered by rationalities.
Foucault (1991b, p. 79) observed that an analysis of governmental practices requires studying discourses that serve to “…found, justify and provide reasons and principles for the ways of doing things”. Discursive aspects of governmental welfare practices are essential to articulate why programs are justified. This characteristic of the government enables one to outline how certain conceptions towards disabled people are accepted as truth and become the basis for governmental programs. For instance, discourses around “incapacity”, “inefficiency”, and “invalidity” became the reality of disabled persons, and programs were rationalised to address these issues.

Further, the government requires both individual and population-wide participation to safeguard the success of its plan and, ultimately, its power. Hence, the analysis considers the occasions in which accounting is applied to persuade individuals to enter into the game of truth and to attract public approval for governmental programs. For instance, the discourse regarding the provision of financial care, and the potential upgrading of the financial standing of individuals and citizens, motivates individuals to apply for governmental welfare. The discourse that represents disabled people as ineffective and unproductive facilitates the gaining of public approval for welfare programs.

It is noteworthy to mention that the notion of government does not merely refer to the political aspect of governing. In understanding the term “government”, this study is informed by Foucault’s (1982) elaboration on government, which identifies it as the “conduct of conduct” (Foucault, 1982, p. 221). From this perspective, the purpose of government is to constitute the individual’s conduct of conduct. This view also incorporates the individual’s capacity to act within relations of power (Lemke, 2001). Considering this, the notion of government in the context of this study refers to a collective of authorities, agencies, institutions, procedures, and legal forms designed to achieve the objectives of political
rationality. This view enables the examination of the role of accounting in rationalising practices of government that constitute the identity of disabled people.

Foucault (2007) highlights the implication of confession in investigating the mechanism of pastoral power. Further, in examining the implication of confession in the modern world, Foucault (1988a) identifies the application of sciences in extracting the truth from confession. He notes that while in Christianity masters attained their deciphering power from their relationship with God, in the modern world the expert interpreter relies on social science to extract the truth (Foucault, 1988a).

Foucault’s (1977) analysis has demonstrated the relation between science and power. In western society, scientific discourse and methods have become so dominant and pervasive that they have objectified individuals into “things” that are amendable to control and intervention (Foucault, 1977). Foucault (1988a) further traces the scientific discourse in techniques of the self to construct individuals who tell the truth to know themselves and to be known by others. Foucault’s investigation exposes that whilst in disciplinary power science is used to create a docile body, the modern subject is not mute; rather it is required to confess either verbally or in writing (Foucault, 1988a). It is through confession that the expert can access knowledge about the individual. These experts decipher the confession and constitute a discourse of truth based on their interpretation. By constructing a discourse of truth, the individual becomes interpretable and amendable to control and governance (Foucault, 1988a). It is in this context that the judgemental role of the master in Christian confession is transformed to an “analytic, hermeneutic” one (Dreyfus & Rabinow, 1982, p. 179).

Hence, in investigating the constituting of disability through disability welfare programs, this study examines the role of accounting in the process of formulating, extracting, and deciphering the confession. As the analysis demonstrates, the individuals are requested to
confess their financial activities and circumstances. Further, the confession is portrayed with accounting meaning to be interpreted by experts. This is to say that although individuals are aware of their financial circumstance, its essential relation to their identity is not clear to them. They demand expert interpreters to decipher the hidden meanings of the truth and to master it.

In the case of disability benefits, techniques of recording, classification, and measurement are essential in extracting the meaning from the confession. The analysis demonstrates how the interpreter identifies and measures the applicant’s income and assets. The inscriptions generated by accounting techniques reveal the identity of the individuals; they can be considered completely disabled, partly disabled, or not eligible.

In pastoral power, the confession assures obedience and facilitates the consideration of the merits and faults of the individual’s confession, which forms the basis for the determination of welfare payments. Accordingly, it is important to examine the manner in which confession of financial circumstances strengthens pastoral power. In addition, it is important to explore whether accounting information influences the determination of merits and faults. The analysis indicates that the government sets out to improve the circumstances of disabled people by introducing welfare policies. However, to do so, the government requires knowledge of the individual in every aspect, particularly financially. The individual must obey the authorities by constantly revealing their circumstances, including any changes to their income and assets. This is the unique characteristic of pastoral power evolving in modern life: salvation is not achieved without knowing the individual’s inner circumstances. According to Foucault (1982), revealing the innermost secrets of the individual is the ultimate way to explore the truth.

Likewise, to attain disability welfare, the authorities demand knowledge of individuals, mainly financially, to assess the truth about them and to assure their eligibility to salvation in the form of welfare benefits.
The analysis demonstrates that examining individuals’ financial aspect (rather than their medical circumstances) facilitates the control and direction of individuals and the population. By constructing a financial discourse around the disabled subject, an analytical reality is constructed. Disability becomes a definable and controllable object that can be represented and directed. Accounting discourse centred on national economy normalises the objective of enhancing the wealth of the nation. The discourse of accountability towards taxpayers, those able bodies who contribute to the national economy, and citizens’ accountability normalises working expectations from disabled people and encourages public approval for programs that are arranged to turn disabled people into active and efficient citizens.

3.4. Concluding comments

This chapter has discussed the theoretical framework of this dissertation. Foucault’s (2007) notion of pastoral power and its principles, individualising and totalising, and salvation, truth, and law have been explained. The discussion in this chapter has shown that pastoral power, according to Foucault (2007), emerges from the interrelationship between salvation, law, and truth. Pastoral power exercises its individualising and totalising principles through an analytical identification of merits and faults, complete obedience, and the production of hidden truth. This chapter drew on Foucault’s (2007) notion of pastoral power and presented a theoretical framework that will be applied to explain the role of accounting in the constitution of disabled people. The theoretical framework incorporated participants and applied mechanisms, confession, total obedience, and analytical identification of merits and faults, in the process of constitution of the self. This chapter discussed that for the purpose of analysing the influence of accounting in constitution of the disabled person, at the level of participants, the government represents the pastor in Foucault’s (2007) terms, disabled people are considered as the sheep in Foucault’s (2007) terms, and the population represents the flock in Foucault’s (2007) terms.
The following chapter will explain the study’s methodological approach, discuss the critical genealogical approach, and introduce the source of evidence and method of interpretation.
Chapter Four: Methodology and Method

4.0 Introduction

The previous chapter drew on Foucault’s (2007) concept of pastoral power and introduced the theoretical framework for exploring the constitution of disability in Australia. This chapter introduces the methodological approach and the method undertaken in this study. Section 4.1 introduces the applied methodological approach. Section 4.2 details the undertaken approach. Section 4.3 introduces the nature of data and source of data. Each data set is introduced and its relevance to the study is discussed, and the method of interpretation is outlined and exemplified. The discussion acknowledges the limitation of the data and its interpretation. Section 4.4 provides a summary of the discussions.

4.1 Writing accounting history

The emergence of post-modern philosophy in accounting literature has prompted the evolution of new trends in writing history (Carnegie & Napier, 2012; Napier, 2006; Walker, 2008b). Informed by the views associated with postmodern philosophers, “new accounting historians”\(^\text{13}\) consider themselves to be theoretically based (Carnegie & Napier, 2012; Sargiacomo & Gomes, 2011) and attempt to explicate historical events in a theoretical sense (see Hopwood, 1987; Hoskin & Macve, 1988; Miller & Napier, 1993; Miller & O’Leary, 1987; Neu & Graham, 2006; Walker, 2008a; Walker & Carnegie, 2007). These accounting scholars, whom Macintosh (2009) identifies as “genealogical historians”, have embarked on understanding the “fictions of the present” (Macintosh, 2009, p. 2; emphasis in original). They seek to illustrate how truth is produced rather than discovered (Gaffikin, 2011). As Foucault,

\(^{13}\) With the change in the position of history within the accounting discipline, Miller et al. (1991) call for the application of an umbrella term, “new accounting history”, which includes diverse research questions and issues.
whose work has greatly inspired genealogical accounting historians (Carnegie, 2014), has emphasised:

The important thing here, I believe, is that truth is not outside power, or lacking in power... truth is not the reward of free spirits, the child of protracted solitude, nor the privilege of those who have succeeded in liberating themselves. Truth is a thing of this world: it is produced only by virtue of multiple forms of constraint. And it induces regular effects of power (Foucault, 1980c, p. 131).

In the accounting discipline, genealogical historians question what has been accepted as truth or evidence (Gaffikin, 2011). For these scholars, current morals and norms of society are as suspect as those of the past (Napier, 2006). Hence, the purpose of their work is not to demonstrate the progress of the western world, but to question the contemporary situation of the present (Carnegie, 2014). In doing so, they formulate a critical, “effective” history14, which can de-naturalise and expose the present (Macintosh, 2009, p. 2).

The current study questions the contemporary notion of the disabled self. The study assumes that the identity of disabled people in Australia has been shaped and reshaped by the collaboration of a variety of techniques, among which accounting practices and political beliefs have been highly involved. Having this view, a critical genealogical approach, which investigates the “…forces and relations of power connected to discursive practices” (Davidson, 1986, p. 226), is considered the most appropriate method for investigating the classification of disabled people.

Genealogy has become a popular method in several disciplines. For instance, it has been applied by sociologists (e.g. Andrews, 1993; Gale, 2001; Mukerji, 2007; Somers & Roberts, 2008) and management scholars (e.g. Holweg, 2007; Jørgensen, 2007; Styhre, 2001). It has also been applied in critical animal studies (e.g. Collard, 2012; Ford et al., 2000), philosophy

14 Macintosh (2009) suggests that accounting genealogists can improve the constitution of an effective history by taking a more critical stance than that in the earlier genealogical accounting studies.
Similar to most disciplines, the historic literature of accounting has benefited from this method as a means of identifying the genesis of accounting and its development (e.g. Alagiah, 1996; Carmona & Gutiérrez, 2005; Graham, 2010; Greer, 2005; Lai et al., 2015; Macintosh et al., 2000; Miller & O'Leary, 1987; Neu & Graham, 2006; Sargiacomo, 2009).

The genealogical approach enables this study to connect the relation of forces that have structured the identity of disabled people throughout history. The following section elaborates on the critical genealogical approach and the method of applying this approach.

4.2 Genealogy

Genealogy is a method of analysing history that does not rely on continuity (Macintosh, 2009). This method does not seek to refurbish a constant continuity or to determine that the past actively exists in the present; instead, it aims to place objects in relation to others (Foucault, 2000a). Genealogy offers a map of a history of the present by questioning values, and demonstrating that acknowledged reality is not a single truth (Foucault, 1977). Genealogy places distributed events, accidents, and actions together to determine how elements that are considered important have come to exist (Macintosh, 2009). Within genealogical analysis, one can investigate actions in a different manner to find new links between events, and to determine where truth lies on the exteriority of accidents (Dreyfus & Rabinow, 1982).

That genealogy determines the emergence of contemporary principles is due to a complex sets of discrete events (Macintosh, 2009). Hence in tracing the emergence of contemporary received notions, genealogy does not search for a single point in history to assume as the emerged point of our current situation, nor does it point out a solid foundation (Foucault,
Foucault, who is well-known for his genealogical writings (Dreyfus & Rabinow, 1982), writes:

Genealogy does not oppose itself to history as the lofty and profound gaze of the philosopher might compare to the molelike perspective of the scholar; on the contrary, it rejects the metahistorical deployment of ideal significations and indefinite teleologies. It opposes itself to the search for "origins" (Foucault, 2000a, p. 370).

In other words, genealogy is interested in history as a means of understanding the present. The purpose of genealogical analysis is to “…produce ‘a history of the present,’ a history which is essentially critical with its focus on locating forms of power, the channels it takes and the discourses it permeates” (Kearins & Hooper, 2002, p. 733). Hence, genealogy does not trace contemporary social arrangements back in history to discover phenomena in previous times with similar meaning as today (Garland, 2014). Writing the history of the present follows another project. Perhaps undertaking this approach has been best described by Dreyfus and Rabinow (1982, p. 119): “…this approach explicitly and self-reflectively begins with a diagnosis of the current situation. There is an unequivocal and unabashed contemporary orientation”.

Accordingly, as a genealogical investigation, this study questions the contemporary view of disabled people. The assumption is that disability is not a natural process; rather it is manifested through relationships of forces, which include power games, resistance, and application of discourses. This is in line with the perspective of genealogy, which considers that “…an event, consequently, is not a decision, a treaty, a reign, or a battle, but the reversal of a relationship of forces, the usurpation of power, the appropriation of a vocabulary turned against those who had once used it” (Foucault, 2000a, p. 381). This is to say that the genealogy of the disability welfare benefit is a critique of the present. It is a critical investigation that attempts to expose the unrecognised operation of power in the everyday life of disabled people.
In an essay, “Nietzsche, Genealogy, History”, Foucault (2000a) elaborates on how to undertake a genealogical investigation in conducting an effective history. Drawing on Foucault’s (2000a) elaboration, the following section articulates how this study accomplishes the task of revealing the struggles and the relations of forces and domination that constitute identity.

4.2.1 Writing the history of the present disability

Foucault (2000a) asserts that genealogists identify the acute manifestation of certain “meticulous procedures” (p. 377) that facilitate the creation of values and norms. Following this path, this study concentrates on the role of accounting in forming the notion of disabled persons throughout governmental welfare benefits. It examines the application of accounting in normalising intervention in the life of the disabled person and changing the publicly accepted expectations of a disabled person.

Foucault (2000a) indicates that after identifying the important ritual of power, genealogists investigate how it became important. This includes examining when a particular procedure arose, was instigated, and gained importance (Dreyfus & Rabinow, 1982). Hence, to understand how accounting influences the construction of identity throughout a welfare program, one has to pinpoint the occasion when accounting becomes involved in the procedure of identifying disabled people for the purpose of governmental welfare payments. Such an investigation also requires examining the form of accounting involvement and the procedures to maintain its intervention.

Accordingly, the analysis starts with the formation of the Australian Disability Welfare Benefit in 1908 to determine accounting’s initial point of intervention. It is important, however, to mention that this study is neither a linear analysis of the Australian welfare state nor a

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15 Dreyfus and Rabinow (1982, p. 119) believe that in writing the History of Sexuality, Foucault (1988a) isolates confession as an important ritual of power in which a specific technology of the body is forged.
narrative of Australian political ideologies. It investigates discontinuities within the welfare program that influenced the notion of disability, since the notion of disability is formed through such reversals. Further, it is through studying these shifts that one can locate the influence of accounting. As Foucault (2000a) states, the task of genealogists:

...[is] not to map the destiny of a people. On the contrary,... [it] is to maintain passing events in their proper dispersion; it is to identify the accidents, the minute deviations – or conversely, the complete reversals – the errors, the false appraisals, and the faulty calculations that gave birth to those things which continue to exist and have value for us (2000a, p. 374).

Hence, to study the discontinuities, ruptures, and gaps in the history of disability welfare benefit, the period under investigation (1908-2016) is divided into three eras. Each era represents a shift in rationalities, discourse, rules, and procedures, in identifying disabled persons. The investigation of each of these eras analyses modifications of the disability welfare program.

In brief, the first era (1908-1940s) examines the formation of the Commonwealth Disability Welfare Benefit in Australia (1908). During this period the disabled person is considered as “incapable”. The second era (1940s-1980s) investigates the influence of the Second World War on the formation of disabled people. In the second era, the disabled person is transformed into a saver and an investor. The third era (1980s-present) explores the transformation of the Australian welfare system from a Keynesian welfare state into the neo-liberal workforce. In the third era, the disabled person is transformed into an active citizen.

This classification enables the study to determine how accounting interferes with disability identity and engages in different roles. For instance, in the first era, when the disabled person was deemed as invalid, accounting discourse assisted in defining a disabled person as the one permanently incapacitated to generate income and thus in severe need for financial assistance. Further, the accounting mechanisms within the Means Test program articulated what constituted income and asset in measuring the financial means and needs of the disabled people.
The analysis demonstrates that in the second era, accounting assisted in transforming the identity of disabled people from incapacitated to a saver and earner by rearticulating what constitutes income and assets.

Foucault (2000a) enunciates that genealogy as:

…[G]ray, meticulous, and patiently documentary. It operates on a field of entangled and confused parchments, on documents that have been scratched over and recopied many times (Foucault, 2000a, p. 369).

Writing an effective history requires patience and a knowledge of details. Drawing on the above-mentioned characteristics of genealogy, it becomes apparent that producing an effective history depends on a significant accumulation of archival data. For the purpose of writing the genealogy of disability in Australia, this study primarily draws on archival material. A discussion on the type of archival material and the method of collection and interpretation follows.

4.3 Sources of evidence

Archival data has been collected from sources including the National Archives of Australia (NAA), the National Library of Australia\(^\text{16}\) (NLA), the library of the University of Wollongong, the Australian Parliament Website, governmental websites, and the Australian Government Web Archive (AGWA).

Data drawn from The National Archives of Australia consists of:

- Invalid pension case files (circa 1918-circa 1935)
- Invalid and old-age pensions book (1922)
- Pension index cards
- Numerical register of invalid and old-age pensions claims received, claims returned, and weekly statement (1915-1936)
- Numerical register of correspondence (1918-1947)
- Numerical registers of pension case files (circa 1917-1955)
- Official forms used between the 1950s and the 1980s:
  - Claim for invalid pension
  - Claim for supplementary assistance

\(^{16}\) Appendix I gives additional information on collecting archival data from NAA and NLA.
- Registrar’s report
- Medical referee’s certificate
- Declaration by person of long acquaintance with claimant
- Application for funeral benefit
- Notice of death of pensioner
- Claim for wife’s allowances
- Warrant authorising payment to a person other than the pensioner
- Decisions on pension claims (circa 1940)

Data obtained from National Library of Australia includes:

- Confidential instructions on assessing claims (1935)
- Instructions to postmasters (1936)
- Governmental conference proceedings (1890s)
- Australia Year Book (1940-1947)
- Manual of pension (1980s-1990s)
- Governmental reports on reviewing means tests (1984)
- Proposed merged means test (1960s)
- ACROD reports

Official forms (1980s):
- Claim for pension
- Application for pension increase
- Application of payment of Australian pension during absence overseas
- Authorisation by pensioner for payment of pension to another person
- Notification of death of a pensioner
- Review of pension following vacation of property
- Medical report

- Proposed policies
- Welfare reform white paper (1990s)

Data obtained from the library of the University of Wollongong (accessed in 2014) includes:

- Statutory rules (1909-1926), including official forms for:
  - Application
  - Declaration
  - Magistrate reports
  - Income and property statements
  - Statement by pensioner
  - Requests for the bank’s report
  - Search for age or arrival time of the applicants to Australia
  - Investigate the character of the applicants from police
  - Notice to attend investigation
  - Notice of the grant of pension
  - Notice of rejecting of claim
  - Appeal to Minister
  - Medical certificate
  - Warrant for payment to person other than pensioner
  - Report the admission and discharge of the pension in an institution
  - Amounts payable on pensioner’s discharge from institutions
  - Alteration of the rate of pension
  - Notice of alterations
  - Notice of death
• Commonwealth Budget (1909-1946)
• Annual report of the Department of the Treasury (1909-1935)

Data obtained from the Parliament of Australia website (accessed between 2014 and March 2016) contains:

• Parliamentary Hansards, House of Representatives and Senate (1909-2000s)
• Bills digests
• Papers
• Ministerial speech

Data obtained from publicly available Australian government website and AGWA (accessed in March 2015 and February 2016) includes:

• Commonwealth legislation and Social Security Act, from 1908 to present, including:
  o Invalid and Old-age Pensions Act (1908-1946)
  o Social Services Consolidation Act (1947-1954)
  o Social Services Act (1954-1982)
  o Social Security (Disability and Sickness Support) Amendment Act 1991
  o Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act 2005
• Election speech from 1940s
• Menzies’ speech in 1940s
• Prime Ministers’ interviews 1990s
• Ministers’ interviews with national television networks
• Commonwealth Budget from 1996 to 2016
• Guides to Social Security Law from 2000, including:
  o Guide to Social Security Law for Job Capacity Assessment from 2006
  o Guide to Social Security Law for qualification for disability support pension from 2006
  o Guide to Social Security Law for Quarterly Interview from 2014
• Application forms from 2006
• Income report forms from 2006
• Information on participation requirements from 2012
• Official forms to record and report participation activities 2012
• Report of change of circumstances
• Official forms for employment’s reports
• Official forms for the provider’s reports

The following section elaborates on the applied method of interpretation of the data.

4.3.1. Interpretation

Initially, all data was reviewed to understand the significance and relevance of each data subset. Drawing on the initial review, the above-mentioned data (Section 4.3) was classified
into two categories: external forces and internal forces. External forces refer to the government’s conceptualisation of disability. The data classified in the “external forces” cluster includes election speeches, Prime Ministers’ and Ministers’ speeches and statements, Parliamentary Hansards, Bills Digests, legislation, Commonwealth Act, Commonwealth Budget, governmental reports, and annual reports. “Internal forces” refers to data that includes disabled people in the formation of disability; these include case files, all official forms, instructions, guides, and administrative procedures to assess the individual’s applications and ongoing eligibility.

The Prime Ministerial and Ministerial statements, speeches and interviews are examined to consider the influence of accounting on the authorities’ perspectives of disability. In addition, this data assists in comprehending the application of accounting in rationalising and normalising such perspectives of disability. The investigation also includes Parliamentary debates regarding the successive governmental regulations. This data was obtained through the search engine available on the Australian Parliament website. Analysing Parliamentary debates assists in confirming the understanding of the role of accounting in rationalising a particular representation of the notion of disability and its associate norms and expectations. Legislation and Social Security Acts are examined to understand the implication of accounting in formulating the prescribed identity. This data also assists in comprehending the influence of accounting in governmental plans and methods to reinforce a particular ideology from which identity is drawn. The Bills Digest assists in confirming the interpretation of the aforementioned data. The Commonwealth Budget and reports are examined to understand the role of accounting in justifying the formation of a particular identity.

The individuals’ case files contain information about individuals’ applications, corresponding letters, and the results of various application decisions. The case files create a coherent profile of the applicants from the lodgement of their application to their death. This
data enables an understanding of the exercise of power over a lifetime. This data enables the study to describe the application of accounting by the disabled person in acknowledging their circumstances. For instance, data drawn from one case file includes the individual’s appeal on the decision made to reject his application for the disability welfare benefit. The applicant writes to the Minister and confesses to his incapacity to earn income and demands a review of his case. The case file also exhibits the Minister’s reply that refers to the assessed means of the applicant and confirms the decision.

The official forms are a particular point of interest in this study. This type of data was used to comprehend the implication of accounting in identifying the disabled persons individually. The instructions and guidelines have been studied to understand the implication of accounting in interpreting the disabled persons’ acknowledgment. The administrative procedures assist in understanding the application of accounting in maintaining the prescribed identity.

It is important to mention that, as discussed in Sections 3.3 and 4.1, subjectification is the result of a complex interaction of forces. The classification of data into two categories merely facilitates analysing the mass of data. This classification does not indicate that internal and external forces are working separately; rather, it assists in comprehending their interrelations.

The analysis draws on the author’s interpretation of data driven by the conceptual framework discussed in Chapter 3. A random sample of raw data was also reviewed by the supervision team, who are expert in Foucault’s method of writing and interpretation. Supervisors were asked to confirm that each piece of text reflects the application of accounting in constitution of the self, as understood by the author, with results consistent in all cases.

The analysis starts with identifying a main shift in conceptualising disability. Initially all data is examined and three major eras are identified (Section 4.2.1). Later, each era is investigated to comprehend the influence of accounting in creating the discontinuity,
maintaining the shift and transformation to the next era. In doing so, all data related to a specific era is examined to comprehend the relations of forces in constituting disability, with particular attention to their accounting component. It is notable that the concept of accounting applied in this study is drawn from Miller and Rose (1990, p.8), who identified accounting as one of the “...mechanisms applied by authorities to shape, normalize, and instrumentalise the conduct, thought, decisions and aspirations of others in order to achieve the objectives they consider desirable”. In doing so, accounting incorporates attributes of measurements in “production of data”, and techniques to accomplish “the creation of information from data”. Accounting also provides “criteria for the evaluation of this information against plans, targets, and standards” (Jones & Dugdale, 2001, p. 41). Therefore, the notion of accounting applied in this study captures it as a politically embedded discursive practice that uses the techniques of notation, computation, and calculation along with procedures of assessment (Neu, 2000a).

The archival data applied in this study are in written form and largely consist of sections or paragraphs. For instance, an Act has different paragraphs, or a Guide consists of chapters, sections, and sub-sections. In analysing each data set, a table was prepared and the accounting component of each section or paragraph was identified. After this round of interpretation, all tables were compared to map the influence of accounting in the relationship of forces. For instance, Table 1 exemplifies the interpretation of sections of Parliamentary Hansards, an external force, in identifying a major shift.
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Type of Data</th>
<th>Data</th>
<th>Accounting Components</th>
<th>Foucauldian Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hansards</td>
<td>The case may be that of a man who, from physical or mental defects, has failed in the purpose of life; yet <strong>you cannot hold that the State owes that man anything</strong>. Providence, which smote him down before his time, or sent him into the world with a frail constitution, may owe him some reparation, <strong>but the State, as an act of justice, owes him nothing</strong> (John Quinn in New South Wales Parliamentary Debates, 8 November 1900, p. 4968, emphasis added).</td>
<td>Classification of disability and articulation accountability</td>
<td>Classifying disability as an individual issue. Using the discourse of accountability in rejecting the responsibility of the government towards disabled people. The individuals’ destiny or choices account for the individuals’ circumstances, emancipating the state from responsibilities towards individuals.</td>
</tr>
<tr>
<td>2</td>
<td>Hansards</td>
<td>In our modern civilisation States are beginning to realise the sense of <strong>deep national responsibility to every single unit in the community</strong>, and to feel that, if any single person in the great industrial army meets with disaster in the course of his work, a <strong>duty is owing to him</strong>. A carpenter, in erecting some fine building for us to live in, is, in his particular sphere, doing a <strong>national work</strong>; and <strong>we as a nation</strong>, owe to him a duty, so that, if trouble or accident overtakes him, we <strong>should</strong> see that he is not sent to the workhouse or left to starve in the streets (Littleton Groom, the then- Attorney General, in Parliamentary Debates, 3 Jun 1908, p. 11925, emphasis added).</td>
<td>Classification of disability and articulation of accountability</td>
<td>Classifying disability as a public matter. The discourse is interpreted as articulation of the totalising and individualising aspect of pastoral power in the modern world. This data is interpreted as using the discourse of accountability in an attempt to rationalise and normalise the governmental intervention in the lives of disabled people. Indicates the application of accounting in representing an egalitarian government.</td>
</tr>
</tbody>
</table>
Table 1 presents a comparison between two pieces of archival material extracted from the Parliamentary Hansard. The accounting component of item 1 (section of a Parliamentary Hansard dated 8th November 1900) includes techniques of classification. The first item in Table 1 demonstrates classification of disability as an individual problem. Through the Foucauldian lens introduced in Chapter 3 (Section 3.3), it is interpreted that such a classification of disability enabled the Government to reject accountability towards disabled people. On the other hand, the accounting component of item 2 (section of a Parliamentary Hansard dated 3 June 1908) demonstrates applying techniques of classification to conceptualise disability as a public matter. A comparison of items 1 and 2 shows a shift in governmental accountability. Through the lens of the theoretical framework of this study, it is interpreted that the classification of disability as a public matter, as demonstrated in item 2, rationalises governmental intervention in the lives of disabled people, under the name of national accountability. Further, through the lens of the theoretical framework described in Section 3.3, it is understood that techniques of classification facilitate exercising the individualising and totalising aspect of pastoral power in the modern world by enabling the government to implement an egalitarian approach in governing the nation.

After identifying a major shift in the conceptualisation of disability and accountability towards disabled people, data is analysed to locate the reason for such a shift. Table 2 exemplifies the interpretation of archival material extracted from the records of the National Australasian Convention (1898) to identify the motivation for changing accountability towards disabled people and the influence of accounting in this matter.
### Table 2: Interpretation of data

<table>
<thead>
<tr>
<th>Type of Data</th>
<th>Data</th>
<th>Accounting Components</th>
<th>Foucauldian Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convention</td>
<td>With the poorest class, most of whose old people are in the workhouse or are receiving some parochial assistance outside, the proposal would be popular. These classes <strong>count up to more than half the population</strong>. In view of the widespread feeling amongst the <strong>working classes</strong> that this question is so important, and can be so much more <strong>effectively</strong> dealt with <strong>collectively than separately</strong> as regards the State I have resolved to vote for the amendment, and hope it will be included in the Constitution, for the reason that it will be one other inducement to <strong>a large number of persons to accept the Federal Constitution when it is submitted</strong> (National Federal Convention, 1898, p. 1996, emphasis added).</td>
<td>Classification and measurement</td>
<td>Cause of the shift can be located in a movement that seeks to establish Australian Constitution. Accounting gave measurable visibility to the circumstances of the individuals and represented an opportunity to achieve public approval for the plan. This also indicates the influence of the self in the process of governmental conceptualisation of disability.</td>
</tr>
</tbody>
</table>
The excerpt from the National Australian Convention Debates in Table 2 demonstrates that a movement that sought to unite Australian colonies motivated the shift in governmental accountability towards disabled people. The accounting component of the extracted data from the Convention Debates is identified as a technique of classification and measurement. It is interpreted that techniques of classification facilitated the identification of a particular segment of the population: the poorest class. The technique of classification recognised another target group within the poorest class: old people. It is interpreted that techniques of measurement gave a quantifiable reality to the circumstances of the individuals within the classified group of citizens. By referring to the theoretical framework discussed in Section 3.3, the techniques of classification and measurement presented an opportunity for exercising an individualising and totalising form of power over the lives of the targeted citizens. Classifying the population and quantifying the targeted groups gave visibility to the influence of the poorest class on the broader agenda of establishing the Commonwealth. This representation of the poor people motivated the governmental shift in accountability to provide financial assistance, for it provided evidence that a welfare program would encourage more than the half the population to approve the strategic plan for uniting Australia’s colonies.

After the role of accounting in a major shift was identified, all data from both the external and internal clusters related to a specific era were reviewed to comprehend the role of accounting in prescribing and maintaining a particular identity driven by the identified motivation. For instance, Table 3 gives the interpretation of some sections of a Commonwealth Act, as an external force, in understanding the role of accounting in conceptualising disability from the Government’s perspective.
<table>
<thead>
<tr>
<th>Type of Data</th>
<th>Data</th>
<th>Accounting Components</th>
<th>Foucaudian Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth Act</td>
<td>Subject to this Act, every person above the age of sixteen years who is permanently incapacitated for work, by reason of an accident or by reason of his being an invalid, and who is not receiving an old-age pension, shall, whilst in Australia, be qualified to receive an invalid pension (Invalid and Old-age Pensions Act, 1908, Part IV, Section 20, emphasis added).</td>
<td>Classification</td>
<td>Using accounting in identifying the merits of disabled people.</td>
</tr>
<tr>
<td></td>
<td>No person shall receive an invalid pension unless- a) He is residing in Australia on the date when he makes his claim to the pension; b) he has on that date resided in Australia continuously (within the meaning of section eighteen) for at least five years c) he has become permanently incapacitated whilst in Australia; d) the accident or invalid state of health was not self-induced, nor in a way brought about with a view to obtaining a pension; e) he has no claim against any employer, company, or other person, or body, compellable under private contract or public enactment to adequately maintain or compensate him on account of accident or invalid state of health f) his income or property does not exceed the limits prescribed in the case of applicants for old-age pensions; g) he has not directly or indirectly deprived himself of income or property in order to qualify for a pension; and h) his relative, namely, father, mother, husband, wife, or children do not either severally or collectively adequately maintain him (Invalid and Old-age Pensions Act, 1908, Part IV, Section 22, emphasis added).</td>
<td>Classification and measurement</td>
<td>Using accounting in identifying the merits and faults of disabled people.</td>
</tr>
<tr>
<td></td>
<td>The amount of a pension shall in each case be at such rate as, having regard to all the circumstances of the case, the Commissioner or Deputy Commissioner who determines the pension claim deems reasonable and sufficient, but shall not exceed the rate of Twenty-six pounds per annum in any event, nor shall it be at such a rate as will make the pensioner's income, together with pension, exceed Fifty-two pounds per annum (Invalid and Old-age Pensions Act, 1908, Part V, Division 1, Section 24, Sub Section 1, emphasis added).</td>
<td>Measurement</td>
<td>Using accounting to articulate the merits and faults of the disabled character.</td>
</tr>
</tbody>
</table>

Using measurement techniques to exercise an individuating and totalising form of control; the individuals receive limited financial assistance prescribed by the measurement techniques. Positioning the government (pastor) in the life of the disabled person. The authorised officer (pastor) has the knowledge and wisdom to assess the individual's merits and faults.
The information in Table 3 is extracted from the Invalid and Old-age Pensions Act (1908). The accounting components of this piece of archival material are identified as techniques of classification and measurement. A theoretical interpretation is that such techniques embedded within this piece of archival material applied the mechanisms of analytical identification in the process of constituting disabled people. The techniques of classification enabled identification of the merits of disabled people as a class of citizens who were permanently incapacitated by reason of an accident impairment and not recipients of old-age pension.

Further, drawing on the theoretical framework presented in Section 3.3, classifying the merits and faults of disabled people and measuring their merits can be explained as indicating a form of accountability towards a targeted group of citizens. By classifying the merits and faults of disabled people and giving financial visibility to the circumstances of disabled people, governmental intervention in the lives of the targeted citizens was normalised; the Australian Government became accountable for directing those who were analytically divided from the rest of nation. In addition, a theoretical explanation is that the techniques of measurement enabled exercising an individualising and totalising form of control over the lives of disabled people. It is understood that the techniques of measurement that prescribed the limit of financial assistance to eligible disabled people ensured the direction of disabled people towards a better financial position while controlling their finances.

The archival material from the internal cluster of each period, which includes disabled people in the construction of disability, has been analysed to understand the role of accounting in this matter. Table 4 shows the analysis of an application form and Table 5 illustrates the interpretation of some sections of an instruction in comprehending the role of accounting.
Table 4: Interpretation of data

<table>
<thead>
<tr>
<th>Type of Data</th>
<th>Data</th>
<th>Accounting Components</th>
<th>Foucauldian Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Form (see Figure 4)</td>
<td>I, of †‡ Hereby claim an Invalid Pension under the above Act. I affirm that, in respect of an Invalid Pension, I have all the qualifications and requirements and have not any of the disqualifications under the Invalid and Old-age Pensions Act (1908-1926). My place of abode is at…… Where I have resided for a period of ….. And my place or places of abode during the last twelve months have been…… The information given in answer to the questions hereinafter set out is true and correct</td>
<td>Classification</td>
<td>Using accounting in self-affirmation to the prescribed identity. The formal declaration and the signature of the individuals indicate that this data is a mean of confession.</td>
</tr>
<tr>
<td>Questions</td>
<td>Answer (in the case of married persons, information is required concerning both husband and wife)</td>
<td>Classification, measurement</td>
<td>Confession to financial means (merits and faults) in the articulation of identity. Forty-four questions in total, of which 28 are specifically about income and assets, and six attempt to classify the individual. Therefore, accounting can be recognised as an important factor.</td>
</tr>
<tr>
<td>Are you single, married, widow, or widower (state which)</td>
<td></td>
<td>Information concerning Claimant</td>
<td>Information concerning Claimant's Wife or Husband</td>
</tr>
<tr>
<td>Where you a passenger or immigrant or member of crew? (state which)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much per week are you earning now? (if earning, give name and address of employer)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Did you receive board or lodging during the last twelve months?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you ever received compensation on account of accident or ill health? (if so, state full particulars)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What house or land or property do you own?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where is it situated?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the nature of the title?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you a share or interest in any other property?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you any money in any bank, savings bank, building society or other financial institution? (If so, state names, addresses, and amount)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of Data</td>
<td>Data</td>
<td>Accounting Component</td>
<td>Foucauldian Interpretation</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Instructions Issued for the Guidance of Deputy Commissioner (1935)</td>
<td>A claimant’s net income from lodgers may be regarded as seventy per cent of the gross amount obtainable from the available rooms when fully occupied, less the amount by which the rent exceeds the value of lodging for the claimant. The value of such lodging cannot be assessed at more than 5 pounds per week (Australia Treasury, 1935, instruction No. 36, emphasis added)</td>
<td>Measurement and classification</td>
<td>Using accounting in managing the merits and faults of the disabled person.</td>
</tr>
<tr>
<td>Payment from the under mentioned society is not Income: Victorian Congregational Minister, Western Australian Government Railways (Australia Treasury, 1935, instruction No. 58, emphasis added)</td>
<td></td>
<td>Classification</td>
<td>Using accounting in managing the merits and faults of the disabled person.</td>
</tr>
<tr>
<td>When any pensioner acquire a property or receives income which affects the amount of his pension he is required by Section 52B (which came in to operation on 12th October 1932) to notify the Department within thirty days after the acquisition or receipt thereof. Failure to comply with this requirement renders the pensioner liable a penalty up to 10 Pounds or imprisonment up to one month and, in addition, he is liable to refund any amount of pension received by him in excess of the amount to which he would have been entitled had such notice been given by him, and he shall also be ineligible to receive a pension during such period up to two years as the Commissioner determines (Australia Treasury, 1935, instruction No. 181, emphasis added)</td>
<td>Classification, measurement and reporting</td>
<td>Using accounting in confession and the maintenance of the relation of obedience.</td>
<td></td>
</tr>
<tr>
<td>A record should be kept of all Form 23 sent out and the date of dispatch. When it is found that a pensioner has failed to return the form within four weeks, a further form should be sent to the pensioner with a warning that the pension will be suspended if the form is not completed and returned within seven days (Australia Treasury, 1935, instruction No. 140, emphasis added)</td>
<td></td>
<td>Recording</td>
<td>Using accounting to maintain the relation of obedience.</td>
</tr>
<tr>
<td>In every case in which a claimant has (or has had) a bank account, he should be requested to produce for inspection his bank book, or books to cover the period of at least two years prior to the claim (Australia Treasury, 1935, instruction No. 61, emphasis added)</td>
<td></td>
<td>Recording and reporting</td>
<td>Using accounting to extract the true identity.</td>
</tr>
<tr>
<td>Inquiries, confidential reports (other than those relating to bank accounts) should be conducted, as far as possible, by means of Form 7. The number of questions asked in the form should be kept to a minimum and the questions should be set out briefly and clearly. The address of the pensioner should always be inserted on the form in the space provided (Australia Treasury, 1935, instruction No. 8, emphasis added).</td>
<td></td>
<td>Reporting</td>
<td>Using accounting to extract the true identity.</td>
</tr>
</tbody>
</table>
Table 4 presents the interpretation of an application form used by claimants of the disability welfare program in the first era. Through the Foucauldian lens presented in Chapter 3 (Section 3.3), this application form is interpreted as a means for applying the confession mechanism of pastoral power for the application form; it starts with a declaration made by the applicant and the client is required to sign the application. It is recognised that the technique of classification constitutes the accounting components of the declaration made through the application form. It is interpreted that the individuals affirmed their disability by categorising themselves as a qualified disabled person. Furthermore, examination through the theoretical lens of this study reveals that techniques of classification and measurement enabled those assessing the application forms (confession, in Foucault’s (2007) terms) to extract the truth and decide on the merits of the applicants. It is interpreted that the techniques of classification that positioned applicants in different groups based on their marital and citizenship status facilitated deciding on their qualifications. In addition, classification of applicants’ financial accounts as assets, such as board or lodging, properties, cash, and different types of income, is interpreted as a means for deciding on the applicants’ merits in Foucault’s (2007) terms.

Table 5 provides another example of interpretation of archival material from the internal cluster related to the first period of investigation. The material in the table is extracted from instructions issued for the guidance of the Deputy Commissioners (1935) in assessing the qualification of disabled people. The accounting components of this example include techniques of recording, classification, measurement, and reporting. Examination of this material through the theoretical framework of this study shows that the classification of boarders and lodgers as an income and measuring its value applies the analytical identification mechanism of pastoral power. In addition, exclusion of some accounts, such as income from

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17 Figure 4 presents the complete application form used in this example.
certain societies, is interpreted as using techniques of classification in deciding on the merits of disabled people.

Further, through the theoretical lens of this study, it is explained that instructing officials to record individuals’ compliance or noncompliance with the requirements of the program justified penalising actions, such as suspensions of payment and imprisonment, that aimed at controlling individuals’ conduct. These techniques of recording and reporting thus empowered mechanisms of total obedience. Moreover, the examples presented in Table 5 demonstrate that techniques of recording and reporting enabled knowing the truth about the applicants. The instructions that required reporting the recordings of the individuals’ bank books provide evidence that techniques of reporting and recording were crucial in extracting the truth from the individuals’ statements (confession in Foucault’s (2007) terms) and deciding on their merits.

4.3.2 Limitations of data

Neuman (2014) notes that a common problem with archival data is the quantity of the surviving documents in archives. Generally, archives do not contain a coherent set of data that constitutes complete documents (Neuman, 2014). Archives have been described by Evans (1999, p. 87) as “…the product of the chance survival of some documents and the corresponding chance loss or deliberate destruction of others”. The interpretation of this study is based on the available archival data gathered from different sources.

Accessing archival data also presents an issue. Certain archival data containing personal information and security sensitivity are not open for public access. This issue is mostly reflected in accessing an individual’s case files. This form of data is held by the National Archives of Australia on behalf of the Department of Social Services, and access to them
requires permission from the department. Access to some case files was only permitted after a formal application was submitted. Another limitation relates to the time required to access this type of data: upwards of 90 days for departments to respond, with a chance of rejection. To collect a reliable sample, a request to access each individual file was submitted. Access to some cases was denied, as they contained personal information, but restriction was withdrawn from most cases.

4.4 Concluding comments

This chapter has provided a discussion on the applied methodological approach. The discussion has elaborated on the modes of writing accounting history from a critical perspective. The chapter has outlined that the purpose of a critical perspective is exposing the general politics of truth. The discussion has elaborated on the need of a history of the present, which is not a history of acquisition, or concealment of truth, but a history of “veridiction” (Florence, 2000, p. 460) 18. The chapter has outlined the genealogical investigation through which the study will comprehend how disabled people are governed by themselves and by one another. The discussion in this chapter has completed the research method undertaken to achieve the aim of the study. The chapter has addressed the nature of data, the source of evidence and method of accessing the data. The discussion has elaborated on the method of analysis and has presented some examples to clarify the interpretation of data.

To summarise, this study is a genealogy of the formation of Australian disabled people by and within particular rationalities and practices. The study seeks to understand and problematise the constitution of the present form of identification of disabled people, and to

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18 This text was first written by Foucault as a retrospective view about his work for the introduction to his book *History of Sexuality*. It was then given by Foucault, as the article for the entry *Foucault* in *Dictionnaire des philosophes* 1984, pp. 942-944. Later, Denis Huisman asked Francois Ewald, Foucault’s assistant at the College de France, to redit the text for the new edition of the *Dictionnaire des philosophes*. The text submitted was written almost entirely by Foucault himself, and signed pseudonymously "Maurice Florence" (Florence, 2000, p. 459).
identify procedures and relations of power that rationalise such articulation. In doing so, the study investigates the historical practices, rationalities, and discourses that have historically shaped the conduct of disabled people. However, the study does not take a linear approach. Rather it benefits from a genealogical approach to detail the emergence of accounting in the administration and constitution of disabled people.

The remainder of this dissertation will apply the research framework introduced in the previous chapter and the methodological approach and method discussed in this chapter to produce a history of the present disabled identity. The succeeding chapter will deliver a detailed examination of the disability welfare program in the first era (1908-1940s). To this end, it will analyse modes of providing financial relief for disabled people during the colonial era and will demonstrate how accounting caused a significant shift in methods of arranging financial assistance for the disabled people in Australia. The discussion will demonstrate how the accounting comportments of the early disability welfare program facilitated the transformation of disabled people’s identity into one that complied with the contemporary nationalist norms of the society.
Chapter Five: The Australian disability welfare program (1908-1930s)

5.0 Introduction

The preceding chapters described the theoretical and methodological framework applied in this study. A Foucauldian approach to explaining the exercise of pastoral power in the modern world was discussed. A critical genealogical methodology as the appropriate means of investigating the transformation of disabled people through the Australian disability welfare program was presented. A genealogical method connects the relation of forces that structured the transformation of disabled people’s identity, and enables the formulation of an effective history that exposes the history of the present. The previous chapter introduced the three epochs of investigation. In this chapter, a genealogical method is applied to examine the first period (1908-1930s). The analysis illustrates the significance of a nationalist ideology for the disability welfare program and demonstrates the centrality of accounting in implementing the nationalistic objectives of the Commonwealth for disabled people. This chapter draws on the theoretical framework introduced in the earlier chapters and explains how accounting techniques embedded within the first welfare programs functioned as a technology of the self, enabling the government to indirectly manage the disabled population in a way that was consistent with national objectives.

The structure of this chapter is as follows: First, the discussion applies a genealogical examination and locates a significant shift in modes of providing welfare relief for disabled people from the colonial era with the introduction of the disability welfare program in 1908. The chapter then investigates the Commonwealth disability welfare program, with particular attention to the program’s bureaucratic procedures. The chapter examines how accounting techniques embedded within the welfare program enabled the exercise of mechanisms of
pastoral care in shaping disabled people’s identity. To this end, each mechanism of pastoral power is discussed: confession, total obedience, and analytical identification. The chapter also discloses the centrality of accounting in applying the principles of pastoral power in the modern world. Later, the chapter discusses how disabled people applied accounting to resist pastoral power and how accounting techniques enabled the government to defeat such resistance and rationalise the continuity of the welfare program. Finally, concluding comments are provided.

5.1 Disability welfare under colonial governments

During the 18th and 19th centuries, colonial governments were reluctant to directly intervene to relieve those in need (Peyser, 1939). The common assumption was that direct governmental assistance, particularly in the form of cash payments, would encourage “pauperism” (O’Sullivan & Select Committee on Old-age Pensions, 1896, p. 15), which at the time was considered “as dangerous and contagious as small-pox” (O’Sullivan & Select Committee on Old-age Pensions, 1896, p. 15). Accordingly, during colonial times, voluntary organisations held a central position in providing charitable relief for those unable to maintain themselves financially (Herscovitch & Stanton, 2008).

The archival data extracted from the proceedings of the First Australian Conference on Charity, convened in Melbourne in 1890 and organised by the Charity Organisation Society, indicates that the colonial Australian middle class assumed that the unfortunate condition of disadvantaged citizens was due to the laziness and habits of the people experiencing poverty, and that any direct payment would aggravate the situation. One objective of the conference was to discuss methods of assisting able-bodied paupers, because it was deemed as abnormal to a young country (First Australasian Conference on Charity, 1890). The conference proceedings showed that discussion focused on the sources of the disadvantaged individuals’ misfortune, alcohol addiction, and neglect of family responsibilities (First Australasian Conference on
Charity, 1890). Among the contributors to able-bodied pauperism, alcoholism was considered the primary cause, as described by Alderman Crouch (1890, p. 120):

Drink; unhesitatingly drink…it makes men lazy, wretched, quarrelsome, crazy, and criminal. It so dehumanizes them that parents drive their innocent children into the street to beg, lie, or to steal, so that they may have money to buy beer or rum. Drink fills our gaols and hospitals and crowds our benevolent and lunatic asylums. Can anyone deny that drink is not the principal cause of pauperism and the helpless condition of the poor?

It appears that those attending the conference agreed with such views and dismissed the idea of direct welfare provision by the state as it would challenge self-reliance. Those present at the conference agreed that “every time you supply a man with money or food for which he was not laboured, when he is able to labour, you do so much towards destroying his self-respect, and making him a pauper” (Langley, 1890, p. 65).

Simultaneously, voluntary organisations agreed to remain the prominent source of charitable relief. For instance, the Sydney Benevolent Asylum, now one of the oldest and most influential voluntary organisations (Peyser, 1939), was established in 1813 to

…relieve the poor, the distressed, the aged, and the infirm, and thereby to discountenance as much as possible mendacity and vagrancy, and to encourage industrious habits among the indigent poor, as well as to afford them religious instruction and consolation in their distresses (Benevolent Society of New South Wales, 1831, p. 5).

Despite receiving ad-hoc financial assistance from the government19, the Society rejected allocation of regular governmental grants towards the costs of the asylum. The societal view was that:

[s]hould the government interfere further than it does at present, the inhabitants would no longer take any interest in the Institution, the effect of which would be doubly felt, in as much as they not only would not subscribe at all, but, what is perhaps of more consequence,

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19 This was disclosed in the annual reports of the Benevolent Society of New South Wales. Appendix II gives an example.
would induce a greater number of the poor to seek support from the Asylum instead of restraining them as they now find it in their interest to do (cited in Peyser, 1939, p. 125).

A letter dated 27 March 1819 from Governor Macquarie, the then Governor of Sydney, to Earl Bathurst, Secretary of State for the Colonies, indicates that the Colonial Government favoured distancing itself from directly interfering with providing welfare provisions for the colonists. Governor Macquarie writes: “As the Colony is now rapidly increasing in opulence...the Colonists themselves should maintain their own free, poor and decayed settlers” (Parliament Library Committee, 1917, pp. 94-95).

By the final decades of the 19th century, the accepted arrangement, according to which the colonial government was not accountable for providing financial relief for the settlers, was about to shatter (Kewley, 1973). At this time, the economic prosperity brought by the gold rush ended in Australian colonies, and economic depression took over the country (Mendelsohn, 1979). As the population began to feel the severity of the depression, the colonial government undertook procedures to relieve some distress. One example was the establishment by the Government of New South Wales of a Casual Labour Board that arranged relief works for the unemployed during the recession (New South Wales Government, 1887-1888). The Board registered the unemployed and reported upon the relief work provided, which predominantly included engaging the unemployed in unskilled labour such as stone-breaking or wood-chopping (New South Wales Government, 1887-1888, 1888-1889). However, the Board was dismantled after two years of operation in 1898, as it faced allegations of corruption and fraud, which were upheld by a Parliamentary inquiry (New South Wales Government, 1889). Later, the New South Wales Government established the Government Labour Bureau. The primary objective of the Bureau was to assist the unemployed in finding paid work and providing relief to the families affected by unemployment through maintaining a night shelter and distributing
government rations consisting of meat, tea, sugar, and bread (New South Wales Government, 1892-1893). The reports of the Bureau, which recorded monthly registration of the unemployed, their occupation, and job placements, including the place and type of employment and the general rate of wages, indicates that in practice the Bureau functioned as an employment agency, stressing the expectation that applicants would work in return for financial relief. However, the New South Wales Government confirmed that its initiatives to connect unemployed with employers and to provide financial assistance were limited to the time of the recession. Sir Timothy Coghlan, the official statistician, writes:

No poor rate is levied in the colonies, nor is such needed; for although it may happen that from time to time the assistance of the State is claimed by, and granted to, able-bodies men who are unable to find employment, that assistance…[is] to meet a condition of the labour market which is certainly abnormal (Coghlan, 1891, p. 853).

The continuous economic recession in the 1890s forced the New South Wales Government to move to introduce legislation for welfare benefit (New South Wales Parliament Legislative Assembly, 1896). The above discussion provides an overview of the welfare procedures for unemployed and distressed people during the colonial era. The documents show that during this time, disabled people were identified as poor, and the colonial government did not initiate a particular welfare program to address their financial needs. In fact, data drawn from the Parliamentary Hansards indicates that despite the New South Wales Government initiative to legalise welfare benefits, the authorities did not completely agree that the government was accountable for the well-being of disabled people. For instance, a member of the Parliament, John Quinn, argued:

…the case may be that of a man who, from physical or mental defects, has failed in the purpose of life; yet you cannot hold that the State owes that man anything. Providence, which smote him down before his time, or sent him into the world with a frail constitution, may owe him some reparation, but the State, as an act of justice, owes him nothing (New South Wales Parliamentary Debates, 8 November 1900, p. 4698).
Quinn was not the only opponent of providing governmental benefit for the disabled. Sutor, the Vice-President of the Executive Council, also argued in parliament that the legislation to provide for the disabled would “result in a drying up of the wells of private charity, and that would not be a good thing for any community” (New South Wales Parliamentary Debates, 4 December 1901, p. 3954). Sir John See and Arthur Griffith both believed that welfare for disabled people could be provided more appropriately by expanding the charitable activities of the Chief Secretary’s Department, and that a governmental program was therefore not required (New South Wales Parliamentary Debates, 1 Oct 1901, p. 1763; 22 Sept 1903, p. 2617). Accordingly, despite minor endeavors in favour of public intervention in the lives of disabled people, the archival data indicates that, until the last decade of the 20th century, the Colonial Governments did not consider themselves accountable for the welfare of disabled people.

5.2 Nationalism and the beginning of governmental intervention

During the last decade of the 19th century, Australia experienced changing social attitudes (see Gollan, 1955). Australians of the late 19th and early 20th centuries were inspired by nationalistic ideology (Greenwood, 1955). Australian nationalism was not just a sentiment about the country; rather it was:

[a] complex of ideas and emotions, partly apprehension of present reality, partly aspiration towards an ideal future in Australia. At its heart was an equalitarian social doctrine, a belief in equality of opportunity, and a conviction that in Australia men had a right to a good life (Gollan, 1955, p. 146).

At this time, voices were raised calling for “a great national government for all Australians” (Parkes, 1890). In the Australasian Federation Conference, advocates of uniting the colonies moved that:
In the opinion of this Conference, the best interests and the present and future prosperity of the Australasian Colonies will be promoted by an early union under the Crown, and, while fully recognising the valuable services of the Members of the Convention of 1883 in founding the Federal Council, it declares its opinion that the seven years which have since elapsed have developed the national life of Australasia in population, in wealth, in the discovery of resources, and in self-governing capacity, to in extent which justifies the higher act, at all times contemplated, of the union of these Colonies, under one legislative and executive Government on principles just to the several Colonies (Australasian Federation Conference, 1890b, p. 7).

Taking the perspective that centralising power would enhance the prosperity of Australia as a nation, the Australasian Federation Conference moved to arrange a National Convention for drafting a constitution for the Commonwealth of Australia (Australasian Federation Conference, 1890a). The discussion at the second session of the National Australian Convention, held in Sydney in September 1897, highlighted the importance of welfare legislation in establishing the Constitution. During the Convention Debates, James Howe from South Australia proposed the amendment that the federal authority, known as the “Commonwealth Government”, should become the dominant legislative power in this matter. However, the discussion was deferred until the next session of the Convention, to be held in Melbourne from 20 January to 17 March 1898 (National Australasian Convention, 1897).

Howe’s proposal was initially rejected (see the National Australasian Convention Debates, 21 Jan1898). Opponents of the plan argued the matter mainly from a financial perspective. They were afraid that the Commonwealth’s revenues were more limited than those of the states, and that the Commonwealth involvement in this issue would only lead to financial embarrassment (see the National Australasian Convention Debates, 21 Jan1898). In addition, this group viewed pensions as a branch of the charity relief system, which had been exercised by state and therefore could be practiced more appropriately by the state rather than the Commonwealth (see the National Australasian Convention Debates, 21 Jan1898).

Howe resubmitted his motion, stressing that:
With the poorest class, most of whose old people are in the workhouse or are receiving some parochial assistance outside, the proposal would be popular. These classes count up to more than half the population (National Federal Convention, 1898, p. 1991).

Classifying citizens into different groups based on their financial needs facilitated identifying less fortunate people. Statistical information on the numbers of those who suffered financially gave visibility to the significance of this class of citizens for the plan to unite the colonies, as the modern state requires an individual’s participation in its program (Foucault, 2007). Techniques of classification and measurement informed the members of the Convention that including the issue of pensions in the proposal would dramatically enhance the chances of public acceptance of the Constitution (National Federal Convention, 1898, p. 1991). As a result, 10 members who initially voted against the proposal changed their vote and accepted Howe’s motion (see National Federal Convention, 1898). In this matter, William Trenwith from Victoria mentioned:

In view of the widespread feeling amongst the working classes that this question is so important, and can be so much more effectively dealt with collectively than separately as regards the State, I have resolved to vote for the amendment, and hope it will be included in the Constitution, for the reason that it will be one other inducement to a large number of persons to accept the Federal Constitution when it is submitted (National Federal Convention, 1898, p. 1996).

Accounting techniques of classification and measurement were able to justify government intervention with the provision of disability welfare. In addition, archival data extracted from the Parliamentary Hansards indicates that accounting techniques on classification and measurement assisted with decisions related to disability welfare legislation. Archival data extracted from the Parliamentary Hansards dated 3 June 1908 demonstrates that members of the Parliament were concerned about the cost of the welfare program for disabled people. The members of Parliament required information on the cost of the program to assist their decision-making regarding the establishment of the program. An excerpt of one of the debates that
considered the move to a federal disability welfare system demonstrates the centrality of historical financial data in authorities’ decision-making.

Mr. Joseph Cook (Parramatta, New South Wales): Is the honorable member now speaking of invalid pensions?

Mr. Groom: Yes.

Mr. Dugald Thomson (North Sydney, New South Wales): Can the Attorney General state what the cost of these pensions will be?

Mr. Groom: The only estimate we have is that based on the estimate made in New South Wales when a scheme was introduced there, and it means, I think, about £60,000 per annum. We have no practical working on which to base an estimate; but, in any case, the cost will be a comparatively trifling addition to that of the whole scheme, because, on the New South Wales estimate, it cannot exceed £200,000 for all Australia.

Mr. Joseph Cook (Parramatta, New South Wales): Has the Attorney General any figures to show how much is being paid per annum in the three States where such pensions are paid?

Mr. Groom: I can only give the figures for New South Wales and Victoria, and the estimated cost for Queensland, where the scheme has not yet come into operation.

Mr. Dugald Thomson (North Sydney, New South Wales): The Commonwealth scheme is more liberal than that of New South Wales.

Mr. Groom: Slightly, but not so much as to seriously interfere with the estimate.

Mr. Salmon: Has the fact been taken into account that there will be a larger number of applicants under the Federal scheme than under a State scheme?

Mr. Groom: Yes, and that is why we adopt the New South Wales basis.

Mr. Sampson: Is it expected that the cost will exceed that of New South Wales?

Mr. Groom: We are assuming that New South Wales, as a large portion of Australia, is normal in its conditions (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11926).

The Parliamentary debates indicate that another motivation for the radical change of direct governmental intervention in the lives of disabled people was the desire to enhance the Commonwealth’s controlling power (see Australia House of Representatives, Parliamentary Debates, 3 Jun 1908). For instance, during the debates regarding the welfare legislation, Littleton Groom, the then-Attorney General, reassured the members of the Parliament that the proposed administrative system would enforce the Commonwealth’s authority. Groom stated:
It is the intention of the Government, if the Bill should become law, to avail ourselves to the full of the services of Commonwealth officers for the purpose of administering it. There are many advantages to be derived from the adoption of that course. The officers are under our control, are subject to the provisions of the Public Service Act, and are part of a national system…. In short, everything has been done to enable us to exercise full control over the entire system (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11924, emphasis added).

While the Commonwealth sought to enhance its control over the population, the lack of financial resources was preventing the Commonwealth to exercise control over the population, as evident from the Parliamentary debates:

Mr. Glynn: The weakness in our finances is that there is no permanent provision for old-age pensions.

Mr. Groom: We are relying on the revenue which it is estimated will be received during the years when this Bill will be in operation.

Mr. Sampson: Is there any provision to earmark money for the purpose?

Mr. Groom: It is proposed to pay the money into a trust fund.

Sir John Forrest: The whole of it, or only a portion?

Mr. Groom: The Treasurer will pay out of his revenue sufficient into the trust fund to meet the expenditure.

Mr. Glynn: That is not earmarking.

Mr. Groom: Probably not. All money raised by taxation under the Constitution must be paid into the Consolidated Revenue and appropriated for the purposes of the Commonwealth. We can earmark, as it were, by creating a trust fund by appropriation from the Consolidated Revenue. The estimates of revenue I have given are on the assumption that the States continue their present systems of old-age pensions, or do not assist us in any way out of their three-fourths of the revenue. It would appear, however, from the resolution passed at the Premiers' Conference, and the general tone of the discussions there, that, if we can come to a financial agreement, the States are quite prepared to permit of a deduction being made from their proportion of the Customs and Excise revenue. We all hope and believe that the States will desire to assist us in creating a thoroughly national system.

Mr. Glynn: This is really an arrangement until the Braddon section expires?

Mr. Groom: When the Braddon section expires, there will be much greater elasticity in regard to revenue.

Mr. Glynn: In other words, the Commonwealth will then be able to do as it likes. (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11925)
At that time the states were in a stronger financial position compared to the Commonwealth. The day after the Invalid and Old-age Pensions Bill (1908) was passed, an Appropriation Bill was immediately proposed to allocate financial resources to the Commonwealth welfare program, despite its operation not commencing until the following year. The rushing of the Appropriation Bill was justified by the motivation to “deprive the States of surplus which would otherwise go to them” (Australia House of Representatives, Parliamentary Debates, 4 Jun 1908, p. 12077). It was apparent that the allocation of funds was a strategy to stabilise the power of the newly established Commonwealth.

Foucault’s (2007) historical investigation emphasised that the population’s compliance with governmental programs was integral for modern states. To encourage individual participation in government programs, modern states have drawn on normalising techniques (Foucault, 1977, 1991a). In Australia, the Government used accountability discourse to justify its disability welfare program. For example, the archival data extracted from Parliamentary Hansards indicates that given the widespread nationalist ideology of the time (Gollan, 1955; Greenwood, 1955; Kewley, 1973), Groom attempted to exploit the popularity of nationalism to normalise intervention into the lives of disabled people. Groom represented intervention into the lives of disabled people as a social accountability towards the disabled population (see Australia House of Representatives, Parliamentary Debates, 17 Nov 1904, 14 Nov 1907, 3 Jun 1908). Groom stated that:

[i]n our modern civilisation States are beginning to realize the sense of deep national responsibility to every single unit in the community, and to feel that, if any single person in the great industrial army meets with disaster in the course of his work, a duty is owing to him. A carpenter, in erecting some fine building for us to live in, is, in his particular sphere, doing a national work; and we as a nation, owe to him a duty, so that, if trouble or accident overtakes him, we should see that he is not sent to the workhouse or left to starve in the streets (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11925).
When Groom was confronted with the accusation that his proposal was a form of charity, he explained:

It is justice, but it is not charity. Modern society is so organised that we all have our different duties to perform, some dangerous, and some less dangerous; no man carries out his individual duty in life for himself alone. The carpenter I have mentioned does not build for himself, but is fulfilling his part as a citizen, in a distinct organism or corporation; and we, as a nation, owe a responsibility to him (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11926).

Groom’s conceptualisation of the modern society and its accountability towards disabled people as recorded in the Parliamentary Hansards (3 Jun 1908, p. 11926) expresses the individualising and totalising principles of pastoral power. As indicated by Groom (3 Jun 1908, p. 11926), the modern state relies on the contribution of each individual (as the sheep, in Foucault’s (2007) terms) to sustain the nation (as the flock in Foucault’s (2007) terms). Drawing on the nationalist discourse, in Foucault’s (2007) terms, the government is representing itself as an accountable pastor that must look after each member of the community. Hence, intervention in the lives of disabled people becomes an accountability (Foucault, 2007), a duty, and, more importantly, a means by which to care for disabled people. However, a nationalistic “government by the people for the people” does not dispense charity amongst the nation; rather, it contributes to the requirements of the distressed by distributing entitlements to them (Neild, 1898, p. 433). This perspective was accepted by those deciding on the welfare of disabled people. As King O’Malley (MP) stressed:

[O]ur desire in this Commonwealth is to destroy the whole semblance of charity. Charity and pauperism must be absolutely abolished. … pension must be regarded in the nature of a salary for past services rendered to the people of Australia (Australia House of Representatives, Parliamentary Debates, 17 Nov 1904, p. 7116).

Such a perspective towards disability welfare benefits indicates that, while the government (as the pastor in Foucault’s (2007) terms) acknowledges its accountability towards disabled
people, it is mindful of the circumstances of its programs for the whole nation (as the flock in Foucault’s (2007) terms). As Senator Henry Dobson asserted:

How can my honorable friends build up a national sentiment in the people if the first thing which day do is to make them, not independent, but dependent, upon a state dole? Is that the way to develop a virile nation? Is that the way to make men believe in themselves? How can we ever hope to win in any naval or commercial struggle in which we may have the misfortunate to be engaged unless we are a self-reliant community? (Australia, Senate Debates, 3 Oct 1907, p. 4186)

With the aim of building an independent nation, the Australian Government had to be careful that its welfare provision did not discourage the wider population from contributing productively to the wealth of the nation. The archival data extracted from Parliamentary Hansards and government legislation indicates that the techniques of measurement assisted in overcoming this paradoxical situation. The government appointed the maximum rate of the disability welfare payment as £26 per annum/10 shillings per week20 (Invalid and Old-age Pensions Act, 1908), which was well below the minimum weekly wage21 (Withers et al., 1985). This payment, which was considered “generous”, “liberal” and “just” (Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11922), satisfied those who believed that direct cash payments would create idleness (see Australia House of Representatives, Debates, 3 Jun 1908; Debates, 3 Oct 1907). Also, setting the maximum rate of the disability welfare payment well below the minimum weekly wage for able-bodied people would encourage disabled people to seek employment and become self-dependent (see Australia House of Representatives, Parliamentary Debates, 3 Jun 1908, p. 11922). It becomes apparent

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20 Decimal currency was introduced in 1966. References to the rate of benefits for years prior to the introduction of the decimal currency are made in pounds, shillings, and pence. The following conversion rate has been applied:
£1 (one pound) = $2 (two dollars)
10s (ten shillings) = $1 (one dollar)
1s (one shilling) = 10c (ten cents)
6d (six pence) = 5c (five cents)

21 The minimum weekly wage rate at the time was $4.73. Appendix III gives the Maximum Rates of Pension and Minimum Weekly Wage Rates 1909-1960.
that accounting techniques of measurement, embedded within the disability welfare program, not only assisted in measuring the needs of disabled people but gave assurances that the cash payment did not turn them into dependent citizens. In this way, accounting provided mechanisms that enabled creating self-reliant individuals who would contribute to the national economy, while allowing the Government to appear as caring and accountable.

An example of welfare provisions for people with vision impairment exhibits how accounting facilitated the exercise of the individualising and totalising principle of pastoral power. Though visually impaired people were able to perform some types of activities, they had to be cautious in regard to their working load, since any extra income could jeopardise their eligibility as welfare recipients. To fulfill the objective of increasing the wealth of the nation, the Commonwealth required a contribution from every citizen (see Australia, Senate Debates, 5 Sep 1917). In this case, provisions that would discourage people with vision impairment to do so would conflict with the political agenda. As Senator John Earle mentioned:

> When the blind earn by brushmaking, matmaking, or other industries up to 22s. 6d. per week their pension immediately ceases. I am not asking the Committee to call upon the Government to incur any extra expenditure. I know it is not the function of the Senate to do so. But I think we have a right to request the Government to permit the blind to be more productive and to earn more for themselves without being penalised by the loss of their pensions if they do so...therefore, I ask that blind pensioners shall be permitted to produce more, and thus add to the wealth of the Commonwealth, it will be admitted that I am making a very reasonable request (Australia, Senate Debates, 5 Sep 1917, p. 1650).

In order to encourage “young and enthusiastic” people with vision impairment to work and ultimately contribute to the nation’s economic progress (Australia, Senate Debates, 7 May 1920), the Commonwealth divided this group of disabled people from the rest of the disabled population. This was done by allowing visually impaired people to earn an income greater than that of other disabled welfare recipients without losing their entitlements (see Invalid and Old-age Pensions Act, 1912, 1921). Classification of individuals according to the nature of their disability permitted the liberalisation of the limits of income for visually impaired people to...
such an extent that their earnings could constitute a fairly considerable contribution to the wealth of the nation (Australia, Senate Debates, 24 Nov 1920). The example of loosening the boundaries of allowable income for visually impaired people demonstrates how accounting facilitates the objectification of people, and takes advantage of their conditions to achieve the government’s economic objectives. The classification of the disabled population and the techniques of measurement motivated a specific group of disabled people to increase their income, and ultimately to engage with the economic objectives of the Commonwealth. Accounting enabled the application of the individualising and totalising principle of pastoral power through enabling the disability welfare program to take care of those in financial need, as the corrupted sheep in Foucault’s (2007) terms, while pursuing the objectives of the nation, as the flock in Foucault’s (2007) terms.

Drawing on the conceptual framework introduced in Chapter 3 (Section 3.3), the above discussion demonstrates the influence of accounting at the level of the participants. Accounting techniques of classification and measurement rationalise governmental intervention by presenting the welfare program as a technique for controlling the nation. In addition, accounting techniques of classification and measurement facilitate normalising governmental intervention in the lives of the individuals as well as incorporating both individualising and totalising characteristics of pastoral power. The following section discusses the significance of accounting in exercising mechanisms of pastoral power.

5.3 Setting the merit and fault

In 1908, the Commonwealth of Australia enacted the *Invalid and Old-age Pensions Bill 1908* to address the welfare provisions for both disabled people and elderly. The Commonwealth combined the Invalid and Old-age Pension programs in a single act, as they shared many similarities (Invalid and Old-age Pensions Act, 1908). Both programs were financed from consolidated revenue, and both were administered by the Commissioner of
Pensions (Invalid and Old-age Pensions Act, 1908, Part II, Section 5). Disabled and elderly people were subjected to a similar rate of cash payments, and most provisions of the act applied to both programs (Invalid and Old-age Pensions Act, 1908). While the Commonwealth Old-age Pensions Program commenced on 1 July 1909 (Kewley, 1973), the implementation of the Act of 1908 for disabled people did not occur quickly. In fact, the Parliament did not answer the requests to provide a commencement date for disability pensions for nearly two years (Nikidehaghani & Hui, 2016); eventually, the Commonwealth Invalid Pensions Scheme officially came into force on 15 December 1910 (Kewley, 1973).

The *Invalid and Old-age Pensions Act* (1908) was the first of a series of laws designed to govern disabled people. The Act of 1908 acknowledged the disabled person as an individual whose merits were articulated as follows:

Subject to this Act, every person above the age of sixteen years who is permanently incapacitated for work, by reason of an accident or by reason of his being an invalid, and who is not receiving an old-age pension, shall, whilst in Australia, be qualified to receive an invalid pension (Invalid and Old-age Pensions Act, 1908, Part IV, Section 20).

The technique of classification was integral in identifying the merits of disabled people, as it permitted separation of disabled people from the rest of the population by dividing the nation into the two vastly different categories of “abled” and “disabled”. The further classification of disabled people within the “disabled” group according to their age, capacity to work, residential status, and cause of disability facilitated the identification of the most eligible “disabled” people for pastoral care. With pastoral care being mostly concerned with providing financial relief for qualified disabled people, one chief merit of disability became an inability to generate income; as long as the individuals stayed “unfit” to maintain themselves financially, they remained the recipients of pastoral care. Hence, through classifying the individual as an eligible
“disabled” person, targeted programs and intervention would have been tailored to those meticulously separated from the rest of society.

Foucault (2007) explains that to provide guidance towards salvation, pastors must manage the merits and faults of those permanently under their direction. That indicates that pastors are aware of what diminishes the individual's progress towards salvation (Foucault, 2007). Similarly, the Australian Government articulated possible faults that would compromise the disabled person's access to financial relief, as the worldly form of salvation. The Invalid and Old-age Pensions Act (1908) states that:

No person shall receive an invalid pension unless –

a) He is residing in Australia on the date when he makes his claim to the pension;
b) he has on that date resided in Australia continuously (within the meaning of section eighteen) for at least five years

c) he has become permanently incapacitated whilst in Australia;
d) the accident or invalid state of health was not self-induced, nor in a way brought about with a view to obtaining a pension;

e) he has no claim against any employer, company, or other person, or body, compellable under private contract or public enactment to adequately maintain or compensate him on account of accident or invalid state of health

f) his income or property does not exceed the limits prescribed in the case of applicants for old-age pensions;
g) he has not directly or indirectly deprived himself of income or property in order to qualify for a pension; and

h) his relative, namely, father, mother, husband, wife, or children do not either severally or collectively adequately maintain him (Invalid and Old-age Pensions Act, 1908, Part IV, Section 22).

Classification of what constitutes merits and faults of “invalidity” became the basis for attaining financial care. This classification permitted continuous control of disabled people to ensure they were following the pastor’s directions as the ultimate way to attain salvation. Qualified disabled people were those who had been abandoned; no-one would assist them but the government. The government was willing to support those who were corrupted, invalid and in need of direction. The governmental assistance was towards an end, which was to ensure the salvation of the nation. At the time of nationalism’s popularity, the worldly form of salvation
in Australia was conceptualised in the shape of an egalitarian approach (Kewley, 1973). To become eligible for financial relief, disabled people would be required to be honest and accountable and, more importantly, permanently incapacitated to work, and to contribute to the wealth of the nation. Any deviation from these criteria diminished their access to the cash payment. Articulating disabled people’s inability to generate income as an integral component of their merit indicates that for the purpose of welfare benefits, disability is more a matter of financial means rather than a medical issue.

As the following discussion confirms, the welfare program became a means to control disabled people, and the identification of merits and faults provided a basis to direct their conduct. Classifying the actions of disabled people as merit or fault enabled authorities to locate deviations from the financial norms of the society of the time. Such a classification rationalised controlling a particular group of citizens in an attempt to transform them to normality, at least from an economic perspective. Governing the disabled population was facilitated through instigating an administrative assemblage that enabled the application of the mechanisms of pastoral power as described by Foucault (2007). The following section discusses the administration procedure for welfare programs, with the intention of identifying the influence of accounting for exercising mechanisms of pastoral power.

5.4 The administrative structure of the welfare program

The Invalid and Old-age Pensions Act (1908) legalised similar welfare provisions for disabled people and the elderly, and the Commonwealth assembled various agencies to enact welfare provisions for disabled and old-age pensions. These agencies had the bureaucratic power to assess both disabled people and elderly claimants and to calculate their entitlement to cash payments (1908-1946). The Commonwealth structured the basic format of the
administrative field and appointed the Department of Treasury to oversee the administration of the Act. The bureaucratic system of the initial welfare program comprised the Minister of State, the Commissioner of Pensions, and the Deputy Commissioner for each state, who would ensure the general administration of the program. In addition, the Government appointed a Registrar and a Magistrate in each district to investigate applicants’ living conditions and financial circumstances and a Postmaster/mistress to arrange the payments of the benefit. A discussion on the responsibilities of each of administrative agencies in regards to disabled people follows.

**The Minister**

The Minister held the highest level of authority, controlling the administration of the entire program. The Minister’s power was ultimate, as he decided on appeals and could cancel, suspend, or reduce the pension if he considered it expedient (Invalid and Old-age Pensions Act, 1908-1946, Part V, Divison 2, Section 37). The Minister was in control of all payments under the regulations and was accountable towards the Parliament through providing annual reports (Invalid and Old-age Pensions Act, 1908-1946, Part VII, Section 53). However, since the power of the Minister was intensive, in relation to any particular matter or class of matters, he could delegate all or part of his power (except the power of delegation) to others through his written instruction.

**The Commissioner and the Deputy Commissioner**

The Invalid and Old-age Pensions Act (1908) designated a Commissioner of Pensions who was subjected to the control of the Minister and was conferred for the general administration

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22 The Australian Federal welfare system was initiated with the Invalid and Old-age Pensions Act (1908). Initially, the Treasury Department was responsible for the administration of the Invalid and Old-age Act 1908 and the Maternity Allowance Act (1912) (Director-General of Social Services, 1942). Later, with the establishment of the Department of Social Services in 1939, which did not operate as a separate institution until April 1941 (Director-General of Social Services, 1942), the Australian welfare scheme was expanded by enacting other payments, such as the widows’ pension (1942) and unemployment and sickness benefits (1944) (Kewley, 1973).
of the act. In each state, a Deputy Commissioner was appointed to convey the administration of the act. In general, the Commissioner and Deputy Commissioner had the authority to:

a) Summon witnesses,
b) Receive evidence on oath,
c) Require the production of documents,
d) Direct the case to a duly qualified medical practitioner to determine the applicant’s capacity to work (in case the Commissioner or Deputy Commissioner could not manifest the capacity to work),
e) Direct the investigation on claims to ascertain the circumstances of the claimant,
f) Determine the amount of pension, date of commencement (Based on the Magistrate’s recommendation),
g) Issue the pension certificate,
h) Determine the application (Based on the Magistrate’s recommendation),
i) Notify the applicant upon rejecting the claim,
j) Order the admission of the claimant into a benevolent asylum or any prescribed public or private charitable institution as recommended by the Magistrate,
k) Investigate and decide the appeals in respect to matters the Magistrate disproved,
l) Order the Magistrate to rehear a claim previously rejected or admitted and amending the pension certificate accordingly,
m) Entitling people previously admitted under the State Act without submitting a claim,
n) Direct the issue of a duplicate pension certificate in case of the loss or destruction of the original,
o) Order to cancel, suspect, or reduce the pension at any time (in this case the disabled can appeal to the Minister and his decision is conclusive),
p) Endorse the pension certificate in case of change in the pension, such as cancelation or reduction in the amount of pension,
q) According to the Registrar’s recommendation, authorise the continuation of pension after the expiration of pension,
r) Waive the forfeiture of pension’s instalment, and
s) Issue a warrant and authorise a third party to receive the pension on behalf of the disabled
(Commonwealth of Australia, 1908-1926j; Invalid and Old-age Pensions Act, 1908-1946).

Prior to commencement of the Invalid and Old-age Pensions Act (1908), the Commissioner classified each state of the Commonwealth into districts to facilitate the supervision of disabled people. Registrars and Magistrates were appointed in each district to assist the Commissioner and Deputy Commissioner in governing the disabled (Commonwealth of Australia, 1908-1926j). As the following discussion elaborates, in practice the classification of states into districts enabled the control of the scattered disabled population from a distance (Robson, 1992). The appointment of a Registrar and Magistrate was a method to investigate the conduct of disabled people who were residing in diverse areas, and to bring the information to the
Deputy Commissioner (centre) where a decision about each individual case was made. The following sections elaborate on the responsibility of the Registrars and Magistrates within the administrate network of disability benefits.

**The Registrar**

The Registrar was more or less the secretary of the district (Commonwealth of Australia, 1908-1926j). The Registrar had the power to administer oaths and receive and investigate claims as prescribed. In general, the Registrar was accountable for all communications between the applicants and the bureaucratic system, and for bookkeeping activities. For instance, the Registrar was responsible for recording the claimants in the register book, investigating the claim, and referring the case to the Magistrate. The Registrar was also accountable for receiving the Magistrate’s recommendation, referring it to the Deputy Commissioner, and collecting the disabled annual reports (Commonwealth of Australia, 1908-1926j).

**The Magistrate**

The Magistrate was a stipendiary police or a designated officer appointed by the Commonwealth in each district (Commonwealth of Australia, 1908-1926j). The general responsibility of the Magistrate was to examine the claims received in his/her district and make recommendations on the case. The Magistrate would receive the evidence from the Registrar and hear the case in an open court or an interview room. After listening to the case, the Magistrate would endorse his recommendation on the claim for the Deputy Commissioner. The Magistrate’s recommendation could include accepting or rejecting the claim, or postponing it until further information was produced. The claim was then returned to the Registrar, who would forward the report to the Deputy Commissioner (Commonwealth of Australia, 1908-1926j).
The Postmaster/mistress

The Postmaster/mistress was a Commonwealth Officer who delivered the pension certificate and arranged the cash payment (Commonwealth of Australia, 1908-1926j). Upon the approval of the claim, the Deputy Commissioner would send the pension certificate and an identification card to the Postmaster/mistress. The Officer would retain the card and deliver the certificate to the individual. Every fortnight on a Thursday, the Postmaster/mistress would pay the pension installment to the person or an authorised person/institution (Commonwealth Treasury, 1936). The postmaster/mistress was also accountable for distributing the annual Income and Property Statement to individuals (Commonwealth of Australia, 1908-1926j).
Figure 2: Organisation chart of administrative positions for the welfare program (1908)

- **Minister**
  - Controls the administration of the entire program

- **Commissioner**
  - General administration of the act

- **Deputy Commissioner of State**
  - Assists Commissioner by determining claims in each state and issuing pension certificates

- **Registrar**
  - Receives, examines and reports upon claims for pensions and submits the claim to a Magistrate

- **Postmaster/mistress**
  - Delivers the Pension Certificate and arranges the cash payment

- **Magistrate**
  - Hears claims and makes recommendations to the Deputy Commissioner
Figure 2 represents an organisation chart of the initial bureaucratic system. At first glance, the assembled administrative procedure appears to be a neutral program designed to deliver welfare benefits to disabled people. However, as the following discussion illustrates, the administrative procedures were a technique to normalise a new “regime of truth” (Foucault, 1980c, p. 131) for disabled people by knowing them and shaping their identity so that their conduct could be controlled and directed. As such, the administrative structure exhibits exercising mechanisms of pastoral power in governing disabled people. The following sections demonstrate how accounting embedded within the regulatory system enabled the institution to use mechanisms of pastoral power to direct disabled people towards salvation.

5.5 Mechanism of pastoral power: confession

The regulatory system assembled to identify eligible disabled welfare recipients and calculate the appropriate amount of financial relief was initiated through the individual’s application for the disability welfare payment. In fact, the identification of the person as a qualified disabled welfare recipient relied upon the person’s request to be known as disabled. The regulatory system’s reliance on individuals’ application resembles the requirements of early Christianity for transformation of the self, as described by Foucault (1988c, 2007), in which the individual asked the pastor to transform their identity. For disabled people, the means for requesting such a transformation of identity was possible through the submission of an application form to the Registrar for each district (Commonwealth of Australia, 1908-1926j). The application form exhibited techniques of verbal confession, *exagprēsis*, described by

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23 Foucault states that “each society has its regime of truth, its 'general politics' of truth: that is, the types of discourse which it accepts and makes function as true; the mechanisms and instances which enable one to distinguish true and false statements, the means by which each is sanctioned; the techniques and procedures accorded value in the acquisition of truth; the status of those who are charged with saying what counts as true” (Foucault, 1980c, p. 131).
Foucault (1988c), as it was a method that demanded the individual’s confession to extract the truth in directing them towards salvation.

As shown in Figure 3, the confession (Foucault, 1988c, 2007) began with the individual’s affirmation of their identity in the application form; disabled people had to affirm that they identified themselves as disabled and sought to be known as disabled by the authorities. For the welfare program to target the most eligible individual, the authorities must know the applicants’ true circumstances. Accordingly, as part of the affirmation, people were obliged to formally declare that the information given in the application form was true and correct. To ensure that the individual was stating the truth and that the content of the claim was accurate, the authorities appointed a penalty of £100 or imprisonment for one year for those who were dishonest and provided untruthful information (Invalid and Old-age Pensions Act, 1908, Part V, Division 2, Section 27, Sub-section 4). The financial penalty was a method to guarantee the minimisation of fraud and misuse of the system and to force individuals to confess honestly to their circumstances so that authorities could extract valid information from the forms (Australia Treasury, 1935, Instruction no. 1). After completing the form, the individuals would sign the application, which also required endorsement from a qualified member of the community, such as a police officer, a specified Magistrate, a Justice of the Peace, or a barrister (Commonwealth of Australia, 1908-1926a). The official statement demanded that applicants formally declare that the contents of their claim were genuine and correct in every particular. The witness would also sign the declaration form and provide their details for any future reference. While setting a financial penalty was a mechanism to force the claimant to confess the truth, the act of declaring in front of a witness, and demanding that both the applicant and the witness certify the declaration, formally reinforced the effect (Australia Treasury, 1935, Instruction no. 1-2).
5.5.1 Confession to financial means

Section 5.3 discussed how for the purpose of the welfare benefit, disability was perceived as an inability to generate income. This perspective of disabled people implied that the disability could be overcome by providing financial relief. To successfully target those in need of financial relief, the welfare program required knowledge regarding the financial circumstances of disabled people. Hence, disabled people were required to state their financial means.

Not surprisingly, the application form, as a means of confession (Foucault, 2007), was mainly concerned with the finances of the applicants, demanding that the applicants disclose sources and amounts of their income and properties. Figure 4 illustrates a copy of the application form for invalid pensions used in 1908-1926.
Figure 4: Application form for Invalid Pensions 1908-1926

PENSIONS

COMMONWEALTH OF AUSTRALIA.

The Invalid and Old-age Pensions Act 1908-1926.

INVALID PENSION CLAIM.

Attention is directed to the following:
Section 27, sub-section 4, of the Act reads:
Every claimant shall, by declaration to be indorsed thereon, declare that the contents of his pension claim are true and correct in every particular, and if in the declaration or claim he wilfully makes any statement which is untrue in any particular, he shall be guilty of an offence. Penalty: £100 or imprisonment for one year.

*Name of
Claimant
In full.
†Residence
(Postal
Address.)
‡Occupation.

I, * hereby claim an Invalid Pension under the above Act.
I affirm that, in respect of an Invalid Pension, I have all the qualifications and requirements and have not any of the disqualifications under the Invalid and Old-age Pensions Act 1908-1926.
My place of abode is at
where I have resided for a period of
and my place or places of abode during the last twelve months have been

The information given in answer to the questions hereinafter set out is true and correct.

QUESTIONS.                  ANSWERS.

Where were you born?
(Name the place and country.)
When were you born?
(Give exact date if possible.)
If not born in Australia, when did you first arrive in Australia?
From what port did you sail for Australia?
What was the name of the ship?
At what port did you land?
Were you a passenger or immigrant or member of crew?
(State which.)

Since you first arrived in Australia have you visited New Zealand or any other country?
If so, how long altogether were you away from Australia?
(Give full particulars, including dates of departure from, and return to, Australia.)
Are you single, married, widow, or widower?
(State which.)

If you are married, what is the full name of your husband or wife?
Where and when were you married?
(Give exact date if possible.)
If you are a widow or married woman, what was your maiden name?

Have you at any time applied for an Invalid or Old-age Pension? If so, when, and where?

Have you at any time applied for a War Pension? If so, when, and where?

Were you born a British subject?
Are you a naturalized British subject? If so, when and where were you naturalized?
(Papers or other evidence must be produced to the Magistrate.)

What are the names and addresses of your children?
### Questions

<table>
<thead>
<tr>
<th>Information concerning Claimant</th>
<th>Information concerning Claimant's Wife or Husband</th>
</tr>
</thead>
</table>
| How much per week are you earning now?  
(IF earning, give name and address of employer.) |  |
| By whom were you employed during the last twelve months? |  |
| How much did you earn during the last twelve months? |  |
| Did you receive board or lodging besides money wages?  
(IF not received during the whole of the last twelve months, state how long received) |  |
| How much did each of your relatives (namely, father, mother, husband, wife, or children) not living with you contribute to your support during the last twelve months? |  |
| How much did each of your relatives (namely, father, mother, husband, wife, or children) living with you contribute towards the maintenance of the home during the last twelve months? |  |
| Do you keep a shop or lodging-house or boarding-house or conduct a business of any kind, or have you an interest in any shop or business?  
What is the nature of the same, and what profit did you make during the last twelve months? |  |
| Has any one agreed to maintain you in whole or in part or to make any payments to you in consideration of property you have transferred?  
During the last twelve months did you receive free board or free lodging or both?  
(State which received, and for how long received.) |  |
| What other income have you received during the last twelve months?  
(Reply should include rents, after deduction of repairs, &c., dividends from banks or companies, interest on money lent or in banks and any other income. The nature and amount of the income in each case should be stated.) |  |
| Have you any claim against any employer, company, or any other person or body to maintain or compensate you on account of accident or invalid state of health?  
(if so, state full particulars.) |  |
| Have you ever received compensation on account of accident or ill health?  
(if so, state full particulars.) |  |
## Questions

- What house or land property do you own?
- Where is it situated?
- What is the nature of the title?
- What is the full capital value? (Where a valuation of the property has been made by any local authority, the last notice of assessment or a letter from an official of such local authority, stating the capital value as assessed, must be sent, pinned to this page, to the Registrar of Pensions.)
- If you own only one house, do you live in it?
- If you own more than one house, which of those mentioned above do you live in?
- Is any of the property mortgaged or otherwise encumbered? (If so, state amounts, also names and addresses of the persons to whom the mortgages or encumbrances have been granted.)
- Have you a share or interest in any other property?
- What is the nature and value of such property?
- Do you own any horses, cattle, sheep, or other live stock? (Give particulars and value.)
- Do you own any furniture, vehicles, &c.? (State nature and value of each separately.)
- Have you any money in any bank, savings bank, building society or other financial institution? (If so, state names, addresses, and amounts.)
- Is your life assured? (If so, state name of company, policy number, amounts, and age at which amount payable; also state by whom premiums are paid.)
- Have you any money or property not previously disclosed? (The reply should include information as to money in hand, money lent, debentures, stock, bank or mining shares, or any other property.)
- What property have you parted with during recent years?
- At what post office do you desire pension, if granted, to be paid?

## Answer

(In the case of married persons, information is required concerning both husband and wife.)

<table>
<thead>
<tr>
<th>Information concerning Claimant</th>
<th>Information concerning Claimant's Wife or Husband</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Signature of Claimant**

Source: Commonwealth of Australia (1908-1926a)
As presented in Figure 4, the application form consisted of 47 questions, 28 of which asked for information about the disabled applicant’s income and assets (Commonwealth of Australia, 1908-1926a). Aside from the number of questions asked, the nature of the questions was also of concern for disabled people. In most cases, applicants had difficulties in understanding the questions, as mentioned by Senator Charles McHugh in the Parliament:

The Invalid and Old-age Pensions Act should be administrated sympathetically, because invariably applicants for the pension are without friends to advise them. I have filled in hundreds of claims, and I have noticed that many applicants have little or no idea of what the questions mean (Australia, Senate Debates, 5 Aug 1926, p. 4911).

As shown in Figure 4, the complicated nature of the form was mostly due to the use of accounting terms and techniques. Disabled applicants who were unable to perform essential daily activities were required to detail their income and assets. For instance, candidates were questioned about their weekly earnings, the name and address of their employer, and their previous earnings. The form also required them to disclose the previous source and the amount of income acquired. These included income earned by the claimants, dividends and interest from companies or banks, money contributed by relatives to maintain the applicants, and income from board and lodging. The following is an excerpt from the original document (Figure 4).

Q. By whom were you employed during the last twelve months?

Q. How much did you earn during the last twelve months?

Q. Did you receive board or lodging besides money wage? (if not received during the whole of the last twelve months, state how long received)

Q. How much did each of your relatives (namely, father, mother, husband, wife or children) not living with you contribute to your support during the last twelve months?

Q. How much did each of your relatives (namely, father, mother, husband, wife or children) living with you contribute towards the maintenance of the home during the last twelve months?

Q. Do you keep a shop or lodging house or boarding house or conduct a business of any kind, or have you an interest in any shop or business?
Q. What is the nature of the same and what profit did you make during the last twelve months?

Q. What other income have you received during the last twelve months? (Reply should include rents, after deduction of repairs, &c., dividends from banks or companies, interest on money lent or in banks and any other income. the nature and amount of the income in each case should be stated) (Commonwealth of Australia, 1908-1926a, p. 893, emphasis in original).

Married applicants had to provide the same information for their partners, demonstrating how the government (as the pastor (Foucault, 2007)) was concerned with every detail of the individuals’ lives. The form required individuals to act as an accountant by computing any money received, deducting expenses, and calculating their profit for the year. Additionally, the applicants had to report the quantity and value of all their assets. The applicants were required to disclose any assets they owned, including any properties, houses, furniture, vehicles, cash, life insurance, and animals they owned. In effect, to attain the title of disability, applicants had to confess to their financial position by presenting a self-styled annual report of their finances. This type of disclosure provided the information necessary for the pastor, in Foucault’s (2007) terms, to assist with the management of the economic position of the individual.

With the purpose of the welfare program being to provide financial relief for a particular group of citizens, the application form provided a method to identify the most eligible citizens. The questions were designed to accurately demonstrate the applicant’s age, residential status, and family relations. For instance, just acknowledging marital status was not acceptable; full details were required in relation to the name of their spouse and the date and place of marriage. Applicants were also obliged to give the names and addresses of their children. Similarly, to demonstrate their residential status, applicants were requested to detail their place and country of birth and the date of arrival in Australia. They had to specify the port from which they had departed to come to Australia and the port of entry, as well as their status aboard the ship: immigrant, passenger, or crew member (Commonwealth of Australia, 1908-1926a). This type
of questioning provided detailed information regarding the applicants’ lives so that those whose merits were in line with the objectives of the welfare program could be identified.

5.5.2 Confession to a pastor

After submitting the claim, the individuals were summoned to an interview to have their case heard by a Magistrate (Commonwealth of Australia, 1908-1926e). The purpose of the interview was to know the applicant in every particular. The Magistrate had to ascertain that the applicant’s claim was genuine and that they deserved to be known as disabled (Australia Treasury, 1935, Instruction no. 12). The interview process resembled the techniques of exagprēsis described by Foucault (1988c). To locate the truth in exagprēsis, applicants had to verbalise their thoughts to a master, for the act of verbalising thoughts releases the truth (Foucault, 1988c). The interview process exhibited a verbal confession to a pastor (Foucault, 1988c), for the Magistrate would hear the individual’s verbal statement and examine the evidence to identify the truth (Commonwealth of Australia, 1911).

The interview was organised in the local area where the applicant resided (Commonwealth of Australia, 1908-1926j). Prior to the interview, the Magistrate would have received all the evidence gathered by the Registrar along with the claim (Commonwealth of Australia, 1908-1926g). The interview was held in a courthouse (Commonwealth of Australia, 1908-1926f), where applicants were asked to explain their situation, and reasons for transformation into a new identity (Foucault, 1988c). To make a decision about the status of the individual, the Magistrate was instructed by the Commissioner on how to extract the truth from the individual’s declaration. The instruction required the Magistrate to combine statements with examination and to apply techniques of recording, classification, and reporting (Australia Treasury, 1935). For instance, after the Magistrate heard the applicant's disclosure, the
Magistrate was instructed to compare the written claim with the oral report, even comparing the applicant’s signature on the forms to assure that the applicant’s statement was precise (Australia Treasury, 1935). To ensure that the individual had provided truthful information, all evidence was taken on oath and recorded on foolscap paper. The Magistrate would read the evidence to the applicant, and both the applicant and the Magistrate would sign it (Australia Treasury, 1935, Instruction no. 13). Releasing instructions on how to conduct the interview stresses the significance of confession (Foucault, 2007) in extracting the truth as a requirement for participation in the welfare program. Recording the claim, formal investigation, and verifying the claim were methods that compelled the individual to confess the truth, for it made the person feel the “gaze” (Foucault, 1977, p. 195) and the superiority of the Magistrate and his authority in disabled people’s lives.

With the welfare program designed to provide financial relief for those permanently incapacitated and unable to work, during the process of investigation, the Magistrate was mostly concerned with the candidate’s capacity to generate income. If there was an assumption that the disabled claimant could perform certain working activities, even in a minor way, the Magistrate would not entitle the applicant with a pension (Australia Treasury, 1935, Instruction no. 100). Techniques of classification facilitated the Magistrate’s decision on measuring the level of individuals' capacity to work. The Commonwealth classified some types of disability as cases that could constitute permanent incapacity for work (Commonwealth of Australia, 1911):

Claimant suffering from one of the following disabilities, or a disability of equal gravity, may be deemed to be permanently incapacitated for work

ACCIDENT:

The complete loss of a limb, where such loss renders the applicant permanently incapable of doing work. The complete destruction of vision.

INVALIDITY:
Nervous System: Locomotor ataxia (advanced). Cerebro-spinal sclerosis (advanced). Idiocy. Epilepsy-major, with frequent fits. Complete paralysis of a limb, where such paralysis renders the applicant permanently incapable of doing work. Advanced diabetes. Complete loss of vision at mature or advanced age

Respiratory System: Advanced tuberculosis, or miners’ complaint.

Circulatory System: Organic disease of the heart, with failure of compensation. A thoracic aneurysm.

Genito - Urinary System: Advanced kidney disease with dropsy

Senility: Advanced age (70 years and upwards) with marked degenerative changes.

Chronic articular rheumatism depriving sufferer of use of a limb, and rendering him permanently incapable of doing work.

Unspecified: Cases of cancer and advanced wasting disease of any kind generally recognised as incurable and permanently unfitting the sufferer for manual or mental work (Commonwealth of Australia, 1911, pp. 2-3).

Within the investigation, the Magistrate would have asked the applicant about the nature of the accident that had caused the claimant’s disability. The answer would assist the Magistrate in deciding on the merits of the candidate, as it would reveal whether the disability was self-induced with the view of obtaining the cash payment (Australia Treasury, 1935, Instruction no. 104). To establish the real cause of the disability, the Magistrate would also further investigate the case by demanding reports from other members of society, such as previous employers, medical officers, police, and governing bodies (Australia Treasury, 1935, Instruction no. 106). The Magistrate would also summon other members of society to report on the particulars of the applicant’s claim (Invalid and Old-age Pensions Act, 1908, Part II, Section 7). Involving other parties in the investigation ensured each applicant’s honesty and assisted in gathering accurate information about the population so that the welfare program could be tailored to a targeted group of citizens.

In his analysis of the history of sexuality, Foucault (1988a, p. 65) explains how “interrogation, the exacting questionnaire with the recollection of memories are all ways of
reinscribing the procedure of confession in a field of scientifically acceptable observations”. In a similar way, for the welfare program, the complex process of evidence gathering, interviewing, questioning, and examination elucidates the application of confession in a governmental field. The archival material indicates that, in addition to the technique of *exagprēsis*, the Magistrate would manage the merits and faults of disabled people. The following section discusses how accounting techniques assisted the administrative procedure to manage the economy of merits and faults.

5.6 Mechanism of pastoral power: analytical identification, the Means Test

Techniques of confession (Foucault, 1988a) embedded within the disability welfare program did not just capture the truth but, in fact, constituted the truth. As Foucault (1988a, p. 66) asserts:

> If one had to confess, this was not merely because the person to whom one confessed had the power to forgive, console and direct, but because the work of producing the truth was obliged to pass through this relationship if it was to be scientifically validated.

Techniques of both verbal and written confession, as described by Foucault (1988c), embedded with the administrative procedure per se did not represent the truth. As Foucault (1988a) states, in the production of truth confession must be interpreted. Similarly, for the disability welfare program, the procedures of written and verbal statements were not merely applied to decide on the case, but rather constituted a discourse of the truth of disability based on a particular decipherment. As such, disabled people’s statements and declarations (the “confession” in Foucault’s (2007) terms) constructed a form of truth that fueled the process of managing disabled people’s merits and faults. With the aim of providing financial relief for
disabled people, their merits and faults were predominantly related to their financial activities. Accordingly, the government required a technique that would assist in deciphering the confession (Foucault, 2007) to compute the exact amount of the cash payment. Hence, the Commonwealth designed the Means Test, a calculative mechanism intended to measure the financial eligibility of disabled persons (Horne et al., 1978; Invalid and Old-age Pensions Act, 1908; Kewley, 1973).

The Means Test would gather information from the individual’s statements and apply calculative formulas to assess the exact amount of the cash payment for which the individual was eligible. As a technique that measured financial needs of disabled people, the Means Test would extract information relating to the income and property of disabled people. To interpret this form of information, the Means Test drew on a definition of income and properties that had been set out in the Invalid and Old-age Pensions Act (1908):

Any moneys, valuable consideration, or profits, earned derived or received by any person for his own use or benefit by any means from any source whatever, whether in or out of the Commonwealth, and shall be deemed to, include personal earnings, but not any payment-

By way of benefit from any friendly society registered under any Act or State At, or

During illness, infirmity, or old-age from any trade union, provident society, or other society or association (Invalid and Old-age Pensions Act, 1908-1946, Part I Section 4).

Although the proposed definition broadly identifies income, the Invalid and Old-age Pensions Act (1908) did not concern itself with providing any explanation on the nature of the property. Perhaps the only occasion that the Invalid and Old-age Pensions Act 1908 refers to property is to exempt from the assessment the property in which the claimant permanently resides and produces no income (Invalid and Old-age Pensions Act, 1908-1946, part V Section 24, Sub-Section 2, Division a). However, it provides little guidance for assessing the accumulated properties, and leaves the matter in the hands of the Governor-General to apply
regulations to this issue (Invalid and Old-age Pensions Act, 1908-1946, Part V Sections 24 and 25). Accordingly, the instructions provided for the administration of the act define property as follows:

The term “home” in section 25 (1)(b) of the Act will be considered to include the house, the land, on which it stands, and the furniture. The land must be a continuous area. i.e. piece of land detached from the house by roads or intervening properties are not part of the “home”. This applies also to surveyed roads leased by the claimant. Moreover, the land which is considered part of the home must be free from other dwelling-house (or other building which is left for rent) on a continuous area, a division of the land must be made between the home and other house or building on a basis suitable to the circumstances. For the purpose of this instruction a house is deemed to be a dwelling in which access may be obtained internally to all rooms. This will also apply even though the building consists of a shop and dwelling. The letting of rooms or the shop will not affect the position. Rooms attached to a dwelling but having separate entrance and no internal access to the dwelling, are to be treated as a separate house. Furniture will, in all cases, be considered as part of the home even though portion may be used for boarders or lodgers. The exemption of a home applies, of course, to part owners as well as to claimants who are sole owners of a property (Australia Treasury, 1935, Instruction no. 59, emphasis in original).

It becomes apparent that the implication of the Means Test went beyond determining income and assets: it provided instruction on how to classify disabled people’s financial accounts and assess them in deciding the rate of cash payments. The Means test, therefore, presented a structure to determine the economic circumstances of the applicants and, more importantly, to quantify their needs.

Central to the Means Test were accounting techniques of classification and measurement. The Means Test classified what should constitute income and what should be regarded as property in calculating the amount of cash payment for disabled people. In other words, although some activities were generating revenue for the applicants, according to the Means Test some or all of this revenue was not considered related revenue. It was thus deductible from the claimant’s income24. For instance, money received from boarders was classified as income

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24 Appendix IV gives details of the classification and measurement of account according to the Means Test.
(Australia Treasury, 1935). However, according to the prescribed Means Test in measuring the amount of the income derived from boarders:

One fourth of the actual gross amount received by a claimant from boarders is to be regarded as the net income. In case where it is established that the boarding house is being jointly conducted by the claimant and a daughter only half the net income should be maintained against the claimant (Australia Treasury, 1935, Instruction no. 35).

Similarly, some accounts would have been considered as property, but a particular portion of their value was relevant to deciding on the merits and faults of disabled people. For instance, the instruction classifies the amount to the credit of a subscriber’s account in a Starr-Bowkett Society as property. However:

If the subscriber is still entitled to participate in a ballot for an appropriation, the total amount at credit of his subscription account less 5% should be maintained in the computation of property (Australia Treasury, 1935, Instruction no. 65).

The Means Test would measure the applicable income and assets of applicants to calculate the net income and assets of disabled people. The net income of the claimants for the 12-month period prior to the claim became the basis for deciding the rate of the cash payment (Australia Treasury, 1935, Instruction no. 31). While the Means Test appears to have been a neutral technique applied to determine the amount of cash payment, in practice it was a mechanism that gave the authorities information regarding disabled people, in order to decide on their financial conduct. Given this information regarding disabled people’s deviance from the financial norm, their financial affairs could be managed and consequently disabled people could become “normal”. In determining the rate of the cash payments, the authorities were instructed that:

25 This was the general role, unless the Deputy Commissioner was satisfied that such income would not continue, especially in case of seasonal employment (1935).
The amount of a pension shall in each case be at such rate as, having regard to all the circumstances of the case, the Commissioner or Deputy Commissioner who determines the pension claim deems reasonable and sufficient, but shall not exceed the rate of Twenty-six pounds per annum in any event, nor shall it be at such a rate as will make the pensioner's income, together with pension, exceed Fifty-two pounds per annum (Invalid and Old-age Pensions Act, 1908, Part V, Division 1, Section 24, Sub-Section 1).

This clause explicates how accounting defined “normality”; one was a normal citizen when one’s financial means did not cross the prescribed limit. The Means Test enabled differentiation of disabled from normal people so that those who were deviating from the criteria of normality could be directed to comply with the regime of truth of the time. Central to the Means Test were concepts of “permissible income” and “exempt property”. These concepts presented the amount of income and property that were allowable before deducting cash payments (Invalid and Old-age Pensions Act, 1908-1946), ensuring the individual’s finances fitted with the current regime of truth.

In deciding on the rate of cash payments, the Means Test had provided a limit on the applicant’s income (£52) and assets (£310). If these limits were exceeded, the applicant was not entitled to cash payments26 (Invalid and Old-age Pensions Act, 1908-1946, Part V, Division 1, Section 24). At the same time, even though the individual was identified as eligible for governmental care, the amount of cash payment differed depending on the amount of the claimant’s income and assets. For example, in 1910, when the Invalid and Old-age Pensions Act (1908) was enacted, the value of property owned by a single pensioner could not exceed £310. According to the limits of the exempt property, where the value of the asset of a single pensioner, including their residential property, exceeded £100, the payment was reduced by £1 for every £10 in excess of £100. Where the pensioner was not residing on the property, or it was generating income for the applicant, the payment was reduced by £1 for every £10 over

26 Appendix V contains an illustration of the limits of the applied Means Test from July 1909 to present.
The same rule applied to income. Based on the limits of permissible income prescribed by the Invalid and Old-age Pensions Act (1908), where the income of a single applicant exceeded £52 annually, they were not eligible for cash payments. Annual income over £26 pounds reduced the amount of pension on a pound-for-pound basis (Invalid and Old-age Pensions Act, 1908-1946, Part V, Division 1, Section 24). Accordingly, the accounting components of the Means Test not only empowered the authorities to know disabled people, but also enabled the definition of merits and faults as the regime of truth. Moreover, accounting embedded within the Means Test provided a seemingly neutral method that enabled managing disabled people’s merits and faults.

5.7 Mechanism of pastoral power: total obedience

One mechanism that enables the exercise of pastoral power, according to Foucault (2007), is total obedience. Complete compliance means that individuals totally surrender themselves to the pastor so that their spiritual and material matters and everyday activities can be controlled and directed (Foucault, 2007). The archival data indicate that the welfare program was not merely designed to provide financial relief, but to renounce disabled people’s previous identity and transform them into accountable individuals (Australia Treasury, 1935, Instructions no. 24-26). The program was intended to direct disabled people to become responsible citizens who did not:

... misspend any part of his/her pension, wastes or lessens any part of his estates or of his income or earnings, or injures his health, or endangers or interrupts the peace and happiness of his family, or unfit to be trusted with a pension (Invalid and Old-age Pensions Act, 1908-1946, Part V, Division 3, Section 44).

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27 The benefit payment for married pensioners or applicants was reduced in the same way, but the amounts above which payment was reduced were halved to £50 and £25 respectively.

28 Each member of a pensioner couple was deemed to receive half of the couple’s total income and own half of the couple’s total property.
To ensure that individuals have been successfully transformed into the desired character, the authorities required a monitoring mechanism. The surveillance device had to be capable of controlling disabled people who were residing in scattered areas, as a centralised controlling system was not adequate to monitor the behaviour of people living over a wide area. As specified by MP William Irvine:

...[p]ensions will give relief to hundreds and thousands of persons who deserve it, but a considerable percentage of the payments will not be justified according to the principles on which the Act is based. In many parts of the country, the money goes to the persons who misspend it, and to whom it will be of little service. It would be easier not to mention this fact, but I have every reason to believe that it is true. Of course, it is not a ground for depriving those who properly spend the relief given to them of the slightest part of their present pensions. I suggest to the Government that it would be far wiser to introduce some system of local control and management rather than the present system of central control (Australia House of Representatives, Parliamentary Debates, 14 Nov 1911, p. 2573, emphasis added).

For this reason, the Registrar of each district was appointed to closely monitor the lives of disabled people and report to the Deputy Commissioner. Supervising the conduct of disabled people would assist in evaluating the transformation of those who were living in dispersed areas into the desired character. Accounting techniques were integral to the monitoring system, which was designed to provide distant information to the central authority. Once the claim was submitted, the Registrar of the district would record its details, such as the applicant’s surname, name, occupation, postal address, and date of receipt of application, in the register book (Commonwealth of Australia, 1908-1926c). After the claim was determined, the decision, along with the associated pension number, were recorded in the “Remarks” column in the register book (Australia Treasury, 1935, Instruction no. 5). Any modifications of the claim, such as transferring to another state or cross-referencing to claim by a partner, was also recorded in the “Remarks” column (Australia Treasury, 1935, Instruction no. 5).

In addition, all communication between the applicant and the government, or between governmental organisations regarding the case, was recorded on a cardboard cover (Australia
Treasury, 1935, Instruction no. 3). This file included application forms, evidence, and confidential reports, as well as medical certificates and correspondence regarding complaints, adjustments, and particular instructions. The file also contained information regarding the amounts of cash payment, date of payment, and receipt of payment. The name of the applicant and the name of the pay office at which the pension was to be paid and the pension number were written on the cover of the file, along with the word “INVALID”, which was marked using a rubber stamp (1935, Instruction no. 4). Documenting the conduct of disabled people was an influential mechanism in monitoring their actions from a distance (Robson, 1992). Recording their conduct enabled knowledge of disabled people so that programs could be targeted. It also provided a basis for tracing improvement in disabled people’s circumstances. Codifying disabled people facilitated detaching emotions from the issue of disability and rendered disabled people as cases; an object of governmental program. The technique of recording thus made disabled people knowable and amenable to control and surveillance (Foucault, 1977).

In addition, to investigate an individual’s character, the Registrar would contact members of the community who had known the disabled person for at least five years (Commonwealth of Australia, 1908-1926b). The Registrar would also communicate with the local police and demand a report on the character of the disabled person, the nature of the disability, the level of capacity to work, citizenship and residential status, family, and living arrangements (Commonwealth of Australia, 1908-1926d). The local police were also asked to provide information regarding the financial circumstances of disabled people. For instance, the police report disclosed the value of the claimant’s property, tangible assets, the amount of cash, accounts received, and any liabilities payable by the applicants. The police report also included information regarding the disabled person’s income, current occupation, average weekly earnings, and any other income. The police also would report upon the prospect of future
employment for those claimants who had ceased work (Commonwealth of Australia, 1908-1926d).

The police report confirmed the Registrar’s knowledge of disabled people and facilitated the Registrar’s decision on the character of disabled people. If the Registrar was under the assumption that the disabled person was dissipating or misspending their pension, he would report the case to the Deputy Commissioner, recommending that the payment be cancelled, suspended, or reduced. Nevertheless, upon the report of the Registrar, the cash payment was delayed or paid to a third party, such as an asylum, until a decision was made (Invalid and Old-age Pensions Act, 1908-1946, Part V, Divison 3, Section 44). In addition, involving the police in examining the conduct of disabled people enforced disabled people’s total subordination to the government. It becomes apparent that the police investigation and the Registrar’s authority ensured that the individuals felt constantly scrutinised. Accordingly, the disabled would comply with governmental directions, as any deviation from the norms prescribed by the government would have been reported and resulted in financial loss.

It is apparent that the authority of the Registrar extended beyond acting as a neutral administrative agent. The Registrar was the Commonwealth informative official in each district, gathering information from widespread areas and sending it to the central authority where a decision could be made. Drawing on the Registrar’s report, the government extended its intervention to control most aspects of disabled people’s lives. In this regard, accounting techniques of recording and reporting empowered the Registrar to exercise a judgemental power over disabled people. Evidence provided by accounting techniques enabled the authorities to decide whether a disabled person was completely obeying the prescribed norms and continued to conform to the identity of being disabled, or had been deviating from complete obedience and now required further intervention.
In teaching the truth, pastors must have a never-ending knowledge of the conduct of the members of the community they supervise (Foucault, 2007). Foucault (2007) explains that pastors undertake a continuous observation of the actions of the individuals under their direction. Such monitoring in return empowers the principle of total subordination. In the case of the disability welfare program, once individuals were deemed disabled, they were required to constantly confess to their financial circumstances (Australia Treasury, 1935, Instruction no. 137). As the analysis shows, the continuous confession (Foucault, 2007) to authorities, in the form of written reports, provided constant knowledge of the individuals, and stabilised the relationship of obedience to the Commonwealth. Disabled people were obliged to provide an annual *Income and Property Statement* and disclose all their financial activities (Commonwealth of Australia, 1908-1926h). The local Postmaster/mistress in each district would distribute the form before the first pension payday in the fiscal year. Disabled people were obliged to return the completed form by the following payday (Australia Treasury, 1935, Instruction no. 138). The Postmaster/mistress would keep a record of the all forms sent out and the date sent. Recording the date that the form was dispatched was a method of control over disabled people. When a disabled person failed to return the form, another form with a written warning was sent. The formal notice indicated that the individual must complete the report and return it within seven days (Australia Treasury, 1935, Instruction no. 139). Failure to provide the report would result in the termination of the governmental benefit and the cancellation of all future benefits (Australia Treasury, 1935, Instruction no. 139).

The *Income and Property Statement* was a comprehensive form that exhibited a combination of the “Statement of financial position” and “Income statement”. Figure 5 illustrates a copy of the *Income and Property Statements* used during 1908-1926.
COMMONWEALTH OF AUSTRALIA.

The Invalid and Old-age Pensions Act 1908-1926.

INCOME AND PROPERTY STATEMENT.

The pensioner must answer fully and correctly the questions contained herein, and make the declaration before one of the persons mentioned. The form, when completed, should be returned immediately to the Deputy Commissioner of Pensions. An envelope addressed to the Deputy Commissioner will be handed to the pensioner by the Postmaster. Should the form not be returned within four weeks, payment of pension will be stopped.
PENSIONS—

Clause 3 (2) of the Invalid and Old-age Pensions Regulations reads:—

If any person wilfully makes any false statement in any declaration provided for under these Regulations he shall, if subject to no higher penalty under the Act, be liable to a penalty not exceeding One hundred pounds.

Note.—Where the pensioner is married, information is required concerning both husband and wife.

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>ANSWERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is your full name?</td>
<td>Information concerning the Pensioner.</td>
</tr>
<tr>
<td>At what post office is your pension paid?</td>
<td>Information concerning the Pensioner’s Wife or Husband.</td>
</tr>
<tr>
<td>What is your pension certificate number?</td>
<td></td>
</tr>
<tr>
<td>What is your fortnightly rate of pension?</td>
<td></td>
</tr>
<tr>
<td>Are you single, married, widower, widow, or divorcee?</td>
<td></td>
</tr>
<tr>
<td>(State which.)</td>
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</tr>
<tr>
<td>If married, is your husband or wife a pensioner?</td>
<td></td>
</tr>
<tr>
<td>Are you at present in employment?</td>
<td>(State names and addresses of employers.)</td>
</tr>
<tr>
<td>(If so, state name and address of employer, and rate of wages.)</td>
<td></td>
</tr>
<tr>
<td>By whom were you employed during the last twelve months?</td>
<td></td>
</tr>
<tr>
<td>(State names and addresses of employers.)</td>
<td></td>
</tr>
<tr>
<td>How much did you earn during the last twelve months?</td>
<td></td>
</tr>
<tr>
<td>During the last twelve months did you receive free board or free lodging?</td>
<td>(Give situation of each house, and its value.)</td>
</tr>
<tr>
<td>If you own only one house, do you live in it?</td>
<td></td>
</tr>
<tr>
<td>If you own more than one house, which do you live in?</td>
<td></td>
</tr>
<tr>
<td>Is any of your property mortgaged or subject to any other debt?</td>
<td></td>
</tr>
</tbody>
</table>
**Questions.**

<table>
<thead>
<tr>
<th>Information concerning the Pensioner.</th>
<th>Information concerning the Pensioner's Wife or Husband.</th>
</tr>
</thead>
</table>
| Have you a share or interest in any property other than that above mentioned?  
  (If so, give particulars.) |  |
| Do you own any horses, cattle, sheep, or other live stock?  
  (Give particulars and value.) |  |
| Do you own any vehicles, implements, &c.  
  (Give particulars and value.) |  |
| Is your life assured?  
  (If so, state name of company, number and amount of policy, and when payable.) |  |
| Have you any money in any bank, savings bank, building society, or other institution, or any cash in hand?  
  (Give details as to amounts, name and address of bank, &c.) |  |
| Have you disposed of any property by sale or deed of gift since the pension was granted?  
  (Give full particulars.) |  |
| Does any person owe you money?  
  (If so, give particulars.) |  |
| Have you any property or money otherwise invested not previously disclosed in this statement? |  |
| What is your present postal address?  |  |

**Important.**—All questions must be answered in words. Strokes will not be accepted.

**Declaration.**

I* do hereby declare that I am the pensioner whose income and property are set out in the foregoing statement, and that the contents of such statement are true and correct in every particular.

Declared at the  

| day of 19 |

(Signature of Pensioner.)

Before me†

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* Full name of pensioner.
† Address and occupation.

Note.—The declaration may be made before any of the following persons:—A postmaster or postmistress or person in charge of a post office, a police officer, solicitor or special magistrate of the Commonwealth or of a State, a justice of the peace, a barrister or solicitor, a State school head teacher, an officer of the Department of Trade and Customs, a member of the public force of the Commonwealth or of a State, a legally qualified medical practitioner, a notary public, a commissioner for oaths, a commissioner for declarations, a register under the Unclaimed Moneys and Disposed of Property Act, 1806-1926, a minister of religion, an officer of the Commonwealth Department of the Treasury, a councillor of any municipality or shire, or a member of the Parliament of the Commonwealth.

Source: Commonwealth of Australia (1908-1926)
As shown in Figure 5, the statement obliged individuals to disclose all their financial activities, including accounts receivable, accounts payable, and cash received during the last fiscal year (Commonwealth of Australia, 1908-1926h). Moreover, disabled people were obligated to report details of their assets including houses, land, furniture, vehicles, and life insurance (Commonwealth of Australia, 1908-1926h). For instance, an excerpt from the original document shown in Figure 5 reveals that in completing the Income and Property Statement, disabled people would report:

Q. Are you at present in employment? (If so, state name and address of employer, and rate of wages.)

Q. By whom were you employed during the last twelve months? (State names and addresses of employers.)

Q. How much did you earn during the last twelve months?

Q. During the last twelve months did you receive free board or free lodging or both? (State which, for how long and from whom received.)

Q. Do you keep a shop or lodging house or boarding house or conduct a business of any kind, or have you an interest in any shop or business? If so, state nature of same; also state gross receipt and profit made during the last twelve months.

Q. What other income have you received during the last twelve months? (Reply should include rents, dividends, interest on any other similar income, but not income in the form of donations from children or Commonwealth War Pensions.)

Q. What house or land property do you own? (Give situation of each house, and its value.)

Q. Is any of your property mortgaged or subjected to any other debt?

Q. Have you any money in any bank, savings bank, building society, or other institution, or any cash in hand? (Give details as to amounts, name, and address of banks, &c.)

Q. Does any person owe you money? (If so, give particulars.) (Commonwealth of Australia, 1908-1926h, pp. 908-909).

In practice, the Income and Property Statement represented a written “confession” (Foucault, 1988c, 2007) designed to detect whether the individuals had met the government’s guidelines and remained eligible for governmental assistance; or whether further intervention was required. After the individuals submitted the report, the Postmasters/mistress would send
it to the Deputy Commissioner to decipher so that truth could be known (Australia Treasury, 1935, Instruction no. 140). In interpreting the *Income and Property Statement*, the Deputy Commissioner would apply the Means Test (Australia Treasury, 1935, Instruction no. 141-147). In this way, the truth regarding the individuals would emerge. Disabled people could remain entitled to receive a governmental cash payment or have it taken away. Drawing on the interpretation of the statement, exercised by the Means Test, the amount of the cash payment could change (Australia Treasury, 1935, Instruction no. 148).

Where the results of the annual disclosure indicated an overpayment to a pensioner, the administrators were tasked with computing instructions to determine the causes and amount of the overpayment (Australia Treasury, 1935, Instruction no. 165). The review could lead to suspension, reduction, or in extreme circumstances, the cancellation of the payment (Australia Treasury, 1935, Instruction no. 167). In all incidents, the pensioners were accountable for refunding the amount of overpayment to the government. To recover the amount of overpayment, the government attempted every available action; these could include forcing the disabled to repay the overpayment by installments or transferring their assets to the government even after the death of the disabled (see Financial Emergency Act, 1932). The government could even appear as a creditor and file a claim in Court (Financial Emergency Act, 1932, Section 52B, Subsection 3). Holding disabled people accountable for repaying the overpayment ensured that a disabled person’s financial status did not deviate from the prescribed economic “normality”, and that they remained responsible and of good character.

In recovering the overpayment, accounting techniques of measurement and recording assisted the government in applying (at times insensitive) punitive action. The Means Test required inspectors to identify and compute any extra payment. Furthermore, accounting

29 If the overpayment was due to an untruthful declaration, the cash payment was suspended and the case sent to the court (Australia Treasury, 1935, Instruction no. 173).
concepts facilitated the process of recording overpayments. Debits were to be made and included in the Control Account in all cases in which disabled pensioners had received payments for which they were not eligible (Australia Treasury, 1935, Instruction no. 176). In cases where the recovery of overpayments was not feasible, the authorities would write off the amount (Australia Treasury, 1935, Instruction no. 177). All recovered pension amounts were paid into a Collector’s Receipt Account to the credit of the Invalid and Old-age Pension Trust Account, and any fines earned due to overpayment of the pensions were identified as revenue and credited to the Invalid and Old-age Pension Trust Account (Australia Treasury, 1935, Instruction no. 180).

Foucault (1982, p. 214) describes pastoral power as “coextensive and continuous with life”. For the disability welfare program, preparing continuous reports of disabled people’s financial circumstances facilitated exercising a lifetime governmental control over their lives. Confession (Foucault, 2007) to financial means through submitting occasional and annual reports enabled the authorities to manage the merits and faults of disabled people. Holding disabled people accountable for preparing such reports and investigating the conduct of disabled people using police or Registrars’ reports ensured that disabled people surrendered themselves to the authorities unconditionally, and reinforced the relationship of subordination. Thus it is apparent that confession in the modern world remains an instrument of subordination (Foucault, 1988a).

5.8 Resisting obedience

In managing the merit and faults of disabled people, the disability welfare program of the 1908-1926 period mainly relied upon the individuals’ confessions (Foucault, 2007), submitted in the form of reports. As discussed in Section 5.7, in an attempt to access accurate information, a localised system was assembled. The local Registrar would assist in extracting the truth by conducting an investigation. As part of the Registrar’s examination, other members of society
were required to report on the financial transactions of disabled persons. However, in some cases, this method of information-gathering did not provide accurate information for decision-making. Perhaps the most accurate financial data was the amount of the cash in bank accounts, attained through bank reports.

The welfare program’s extensive reliance on the individual’s declaration and a local investigation created an opportunity for disabled people to misrepresent their income and assets. For instance, in some cases, disabled people resisted the monitoring system by transferring their property to their relatives, or disposing of their assets so that they could meet the criteria of the Means Test and become eligible for cash payments. To overcome this, the Commonwealth Government sought local police assistance. In addition to the bank report, after receiving the annual statement, the Deputy Commissioner would contact the local police in each district and request that they confirm each individual’s declaration (Commonwealth of Australia, 1908-1926i). The local police were not required to initiate a formal investigation. Rather, they were requested to report on the known financial conduct of disabled people. The police report would confirm an individual’s statement by providing information on the annual income of disabled people, specifying their income from earnings, rents, or any other sources. The police would also report on the nature and value of the individuals’ assets, including their home, other houses, land, bank accounts, stock, or any other properties they owned (Commonwealth of Australia, 1908-1926i). The police report enabled authorities to certify declarations made by individuals who were living distantly from the central authority. Demanding that a police officer report on the economic actions of disabled people was also a mechanism that made disabled people feel constantly under surveillance. This was an incentive to present truthful information in their written confession (Foucault, 2007).

In addition to the local police report, the Commonwealth introduced new regulations to manage disabled people’s resistance to the program. Whenever disabled people acquired
property or earned, derived, or received income, they were accountable for notifying the Government within 30 days (Financial Emergency Act, 1932, Section 52B, Subsection 1). Failure to comply with the new legislation could result in a financial penalty of £10; in extreme cases, the disabled could be imprisoned for up to one month (Financial Emergency Act, 1932, Section 52B, Subsection 2). When disabled individuals acquired a new asset or earning additional income, their entitlement would be recalculated. When a review of the case identified an overpayment, the amount constituted a liability to the Government and was recoverable from the assets of the disabled person (Financial Emergency Act, 1932, Section 52B, Subsection 2).

Moreover, the recipients were required to obtain written consent from the Commissioner of Pensions before engaging in any financial transactions such as transferring or mortgaging properties or estates (Financial Emergency Act, 1932, Section 52D, Subsection 1). Transfers of properties or mortgage without the Commissioner’s written approval were deemed void and had no effect (Financial Emergency Act, 1932, Section 52D, Subsection 5). When disabled people were found in breach of the requirements of the legislation, they were fined £50 and could lose their entitlement to the governmental cash payment (Financial Emergency Act, 1932, Section 52D, Subsection 2). In addition, to overcome any possible resistance, the Government imposed a fine of £100 on those people who accepted a mortgage or property from the welfare recipient without the Commissioner’s consent (Financial Emergency Act, 1932, Section 52D, Subsection 4). These provisions enabled the government to become deeply involved in the actions of disabled people. The technique of reporting facilitated government control over the conduct of disabled people, enabling the authorities to influence disabled people’s decisions. Monitoring most aspects of disabled people’s lives defeated any resistance. More importantly, it ensured the transformation of people with disabilities into those who would comply with the national economic normality.
5.9 Rationalising pastoral power

According to Miller and Rose (1990), accounting information is useful for the justification of political programs because numbers are conceived as neutral representations of phenomena (Miller & Rose, 1990). Numbers have attained this character as they “promise a ‘depoliticization’ of politics” (Rose, 1991, p. 674) In fact, it is argued that numbers marginalise the social and emotional aspects of these types of debates (Graham, 2010; Neu, 2000a). Numbers have the power to demonstrate aspects of individuals that are measurable and governable (Greer, 2005; Neu, 2000b). It is with this implicit contextual framing that governmental information is presented in numerical form (Miller & Rose, 1990); once a qualitative phenomenon is transformed into a quantifiable “thing”, it is rendered measurable and amenable to control (Greer, 2005; Neu, 1999; Rose, 1991, p. 677). To maintain the disabled population as the object of governmental control, the Commonwealth required assessable information of the disabled community. The archival material obtained from the Commonwealth Budgets issued between 1910 and 1935 demonstrated that the government attempted to present the disabled population in a quantified form, such as numbers of disabled, their age, sex, marital arrangement, and residential status. Quantified data identified the numbers of disabled people admitted or rejected for welfare payment, or who had their case canceled due to their death or transfer to the old-age pension. This gave measurable visibility to the success of the program. Transforming problematic disabled people, into numerical information justified a life-long intervention in the lives of disabled people. This information was presented to the Australian Parliament annually in the form of statistics and tables that rationalised the progress of the program (Commonwealth of Australia, 1910-1935). The annual reports prepared by the Minister of Pensions and presented in the Commonwealth budget, consisted of the following information:

- Disposal of claims received during the year broken down by state;
- Number of disabled pensioners admitted during the year based on their age, sex, and marital status;
- Sex and marital status of all disabled pensioners admitted during the year;
- Total number of claims, death, and cancelations broken down by state;
- Total number of disabled pensioners and number of disabled pensioners in each 10,000 of the population broken down by state;
- Total fortnightly and annual liability payable to pensioners broken down by state;
- Average fortnightly rate of pension in each state, and in Australia as a whole;
- Number and percentage of pensioners receiving the maximum pension rate in each state of Australia;
- Number of disabled pensioners in Benevolent Asylum broken down by state and the liability towards them;
- Total payment to pensioners and Benevolent Asylum and hospitals for custodial maintenance of the disabled broken down by state;
- Cost of administration of the program, including expenditures such as salaries, postage, medical examination, and traveling expenses; and,
- A comparison of payments and costs of the program during all years beginning with the commencement of the Act (Commonwealth of Australia, 1910-1935).

In the case of disability welfare, benefits were not allocated to those who suffered more from their medical situation, but to those who earned less (Australia Treasury, 1935; Invalid and Old-age Pensions Act, 1908). The annual reports submitted to the Parliament reveal that the Commonwealth, being the source of financial support for the program, was mostly concerned with its economical execution. The annual report, which focused predominantly on the costs of the program, reported the receipts and expenditures of the pension fund and provided a comparison of actual and estimated expenditure for the financial year (Commonwealth of Australia, 1910-1935). The annual report also reported an estimation of expenses for the following fiscal year (Commonwealth of Australia, 1910-1935).

The annual reports suggest that improving the welfare of disabled people was not the government’s primary concern. The Ministry of Pensions was not required to report on the income, expenses, or lifestyle of disabled pensioners; instead, it was held accountable to report any expenditure for the administration of the act. The summary table presented to the Parliament indicates that the success of the program was rationalised with its cost. Figure 6 provides a copy of the summary table.
**Figure 6: Invalid and Old-age Pensions annual report (Summary table)**

**Source:** Commonwealth of Australia (1935-1936)
As shown in Figure 6, the summary table presented historical statistics from the commencement of the act in 1910 until the year of the report (1910-1935). The figures presented the number of the welfare recipients according to their circumstance, their status as old-age or disabled, and the total number of the welfare recipients. The summary table classified the amount paid to pensioners, hospitals, and benevolent asylums, and calculated the total amount paid. The report also included annual liability on the last day of the financial year, and specified the average fortnightly pension rate on the final day of fiscal year and the number of disabled people and old-age welfare recipients in each 10,000 of the population. The summary table enabled the Parliament to compare the expenditure of the program in different years and to determine whether the program was being run cost-effectively.

The significant emphasis on the cost of the programs in the reports presented to the Parliament indicates that, from the Australian Government’s nationalistic perspective of the time, which promoted an egalitarian ideology, (Gollan, 1955), the abled-bodied were prioritised over disabled people; disabled people were a national cost that should be managed. In this way accounting techniques assisted in portraying an image of the disability-benefits program as an efficient and effective mechanism for the welfare of the disabled. The statistical data presented in the reports submitted to the Parliament enabled “materialization and visualization” (Miller, 1990, p. 329) of disabled people so that they could be transformed into a governable domain. In this way, accounting numbers distracted the disability debate away from a medical perspective and presented it as a financial matter to be managed (see Preseton et al. (1997) for a description of the power of accounting to detach emotion from sensitive topics). The disabled individual was not identified as a human being suffering from a specific medical problem, but as a case, living in a particular area, receiving a welfare benefit and thus subject to control and examination.
5.9 Concluding comments

This chapter has investigated the early construction of the governance of disabled people in Australia. Being historical, the chapter has not presented a chronological explanation of events; rather it has focused on the exercise of pastoral power through the disability welfare program. The discussion articulates the role of accounting as a technique of the self that enabled the government to direct individuals to a prescribed identity without appearing to do so.

The analysis demonstrates that the Commonwealth welfare program was underpinned by a desire to control the whole nation and to stabilise the status of the federal government. The discussion shows how accounting assisted in applying the individualising and totalising aspect of pastoral power. Accounting functioned as a mechanism to implement the promised egalitarian approach in directing the nation. Accounting empowered the welfare program with methods to regulate the amount of cash payments in a way that encouraged disabled people to seek paid work and permitted visually impaired people to contribute to the economic progress of the nation. In this way, the government managed to direct individuals toward its national strategy of building a productive country (Gollan, 1955), while appearing as a caring pastor that restores citizens’ right to resources.

This chapter illuminates that accounting techniques enabled identifying and justifying the merit and faults of disabled people. Ableness and ability to generate income were identified as the merits of a productive citizen. In comparison, disabled people, the “corrupted citizens”, were those incapable of working and thus in need of control and direction. Such conceptualisation of disability was in line with the political context of the Commonwealth and the global capitalist political economy of the time. The identification of disabled people’s merits and faults and their classification as distinct from the rest of the population enabled tailoring governmental programs to a targeted group of citizens.
The discussion demonstrates that accounting techniques embedded within the localised bureaucratic system enabled control from a distance and stabilised the authority of the government. The administrative structure, which was empowered by accounting techniques, functioned as the mechanism of pastoral power, as it manifested techniques of confession, total obedience, and analytical identification. The analysis demonstrates that the system was based on the confession (Foucault, 2007) of the applicants. Without the individual’s statement, the heavily administrative machinery could not operate, and the government (pastor, in Foucault’s (2007) terms) could not “take care” of the citizens. The confession (Foucault, 2007) was a crucial element of the program through providing information regarding the conduct of disabled people. The discussion demonstrates that as the aim of the program was to provide financial assistance to those unable to work, the confession (Foucault, 2007) was mostly concerned with the financial conduct of disabled people.

The attempt to apply for disabled status implied the imperative toward renunciation of the self. The individual had to affirm their inability to perform in a society that favoured self-dependence, as well as to request a new identity that would have enabled them to survive within this type of community. The accounting techniques visible in the Means Test allowed the authorities to manage the merits and faults of disabled persons. The program was similar to the techniques of the self described by Foucault (1988c). The applicant was requested to report their annual activity to a Master. To assess the purity (or "truth") of the claim, the bureaucratic system would deploy calculative procedures. The Commonwealth designated financial features of disabled people as their chief merits and faults in attaining salvation. Hence, in assessing the actions of disabled people, the authorities were mostly concerned with financial activities, rather than the medical circumstances of the individuals. The application of accounting permitted highlighting the financial aspect of the individuals’ declarations and eliminated non-financial features.
The analysis demonstrates that confession (Foucault, 2007) created and maintained the relationship of subordination and complete obedience. Confession, in the form of written statements and declarations, opened up a lifetime of monitoring and examination for disabled people. With the application, in which disabled people stated their financial circumstances, the government initiated control over their conduct under the rationale of providing welfare. The discussion elucidates the salience of accounting in monitoring the behaviour of disabled people. The authorities required permanent confession (Foucault, 2007) of financial circumstances. They also requested reports from external parties to ensure that disabled people were declaring the truth. Accounting also facilitated observing the everyday activities of disabled people to confirm they remained “civilised” and “accountable”. By means of reporting and recording the actions of disabled people, a never-ending monitoring system was applied; disabled people were under scrutiny at all times and complied with the prescribed forms of normality. Hence, accounting upheld the relation of complete obedience.

The analysis also noted that accounting enabled both individuals and the government to know disability from a financial perspective. Individuals applied accounting to identify themselves as disabled. They also used accounting techniques to resist the power over them. At the same time, accounting enabled the authorities to know the individual as disabled or to usurp such identity. Accounting also enabled the authorities to defeat disabled people’s resistance. Moreover, accounting numbers justified the exercise of pastoral power on the lives of disabled people. Accounting language defined the boundaries of governmental intervention and facilitated the government’s justification of its decisions. Accounting statements constitute the “reality” of the disabled life through stressing its economic characteristics and silencing other aspects of disability. In this context, accounting allowed the prioritisation of the program’s economic dimension over the clinical condition of disabled people. For the purpose
of the welfare program, disability was conceptualised as an economic deficiency rather than a medical issue.

This chapter analysed the establishment of the disability welfare program in 1908. The discussion centred on the influence of nationalism ideology in designing welfare policies for disabled people. In particular, the chapter emphasised the implication of accounting for disability welfare programs as a technology of the self. The following chapter discusses the influence of the political atmosphere resulting from the Second World War on the disability welfare program. The discussion will describe how accounting enabled the transformation of disabled people into savers and investors who contribute to the post-war economy of Australia.
Chapter Six: The Australian disability welfare program (1940s-1980s)

6.0 Introduction

In Chapter 5, the examination of the first period (1908-1930s) of the disability welfare program was presented. The analysis demonstrated the influence of the government’s political agenda on the welfare program and revealed the influence of accounting in delivering the objectives of a national program for disabled people. The chapter elaborated on the administrative structure of welfare programs and explained the role of accounting as a technology of the self. Accounting enabled the exercise of the verbal form of confession practiced by early Christians in the modern world (Foucault, 1988c, 2007). The chapter also found that accounting enabled the interpretation of disabled people’s confessions and reinforced the requirement of total obedience. The chapter concluded by noting the significance of accounting in indirectly inducing an individualising and totalising form of power over disabled people during the first epoch.

This chapter continues the investigation into the disability welfare program. It examines the influence of Australia’s involvement in the Second World War (WWII) on the disability welfare program. In particular, it analyses the influence of accounting on implementing the wartime and post-war strategies for disabled welfare recipients and demonstrates how accounting enabled the direction of disabled people towards Australia’s post-war economic objectives.
6.1 The Second World War and the constitution of disability

On 3 September 1939, the Australian Government announced its involvement in the Second World War (WWII) (Menzies, 1939). The outbreak of WWII provided an opportunity for the Commonwealth Government to reinforce its leadership by expanding its intervention in the economic and social lives of its citizens under the invocation of “defense power” (Kewley, 1973, p. 173).

One regulatory avenue that contributed to enhancing Commonwealth intervention in the lives of the population during WWII was to fundamentally revise the structure of income taxation. In 1942, the Commonwealth legalised the consolidation of income tax. As the result, the states were excluded from collecting income tax, and their share was reimbursed with a federal grant (States Grants (Entertainments Tax Reimbursement) Act, 1942). The economic superiority of the Commonwealth attained by consolidating income taxation empowered the federal government’s intervention in different fields of government (Kewley, 1973), such as the management of immigrants, higher education, national development programs, and social services (Commonwealth, 1963).

Having unrestricted access to national financial resources, the Commonwealth embarked on positioning itself as the ultimate care provider for less fortunate citizens (see Australia House of Representatives, Parliamentary Debates, 12 Dec 1940; 20 Nov 1941; 7 May 1942; 23 Mar 1943). Miller and Rose (1990) discuss that the modern government gives visibility to

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30 The grant was payable under condition that the states did not levy taxation on income (States Grants (Entertainments Tax Reimbursement) Act, 1942, Section 4).
31 The Chifley Government initiated the post-war immigration program, which brought almost 2 million immigrants to Australia during the years 1946-1963 (Commonwealth, 1963). In 1945, the Commonwealth established a housing agreement with the states that provided low-cost housing for rental by workers (Kewley, 1973). The Commonwealth also extended its social provisions by introducing the Child Endowment Benefits 1941 and Widow’s Pensions 1942 (Mendelsohn, 1979).
a particular realm of governing in an attempt to rationalise its intervention in that field. As elaborated by accounting scholars such as Lai et al. (2012), Neu (2000b), Rose and Miller (1992), and Sargiacomo (2009), accounting techniques are one of the mechanisms that justify the interference of governmental programs in the social lives of the population. In a similar way, for the Australian Government to rationalise its involvement in the lives of its citizens, it first needed to justify its welfare program. To that end, the Commonwealth attempted to demonstrate the superiority of its welfare program for the distressed by giving visibility to the circumstances of the potential recipients of financial relief. It classified the population into different groups according to their social status. For instance, Thomas Holloway, the then-Minister for Labour and National Services, once stated:

In recent years, there has been developed in the peoples of enlightened countries a recognition of the fact that care of the aged, the infirm, the widowed, the unemployed and the sick is a matter that cannot properly be left to individuals and to organisations that are set up for charitable purposes. It is now an accepted principle that the matter is one of community responsibility and that it must be implemented and administered at the governmental level (Australia House of Representatives, Parliamentary Debates, 23 May 1947, p. 2864).

This technique of classification enabled the Commonwealth of Australia to stress the effectiveness of its program to the community. The classification of the population into different groups facilitated comprehension of the community’s circumstances: the distressed were not a small portion of the population. Rather, it included the aged, the disabled, widows, and the unemployed. This classification of less fortunate citizens emphasised the importance of this branch of government and facilitated governmental intervention into the social lives of those who could not maintain themselves financially. Simultaneously, towards the agenda of enforcing the significance of the Commonwealth’s welfare program, those who suffered financially were identified as an inferior class of citizen who needed a compassionate and caring pastor. For instance, Dr. Evatt, Minister for External Affairs asserted:
The Government considered that immediate action was required to prevent hardship. Pensioners, as a class, have a mere subsistence and would suffer by the loss of 1 Shilling. Where the loss of Pounds would not distress others. If therefore, relief were to be given to them it had to be given quickly (Australia House of Representatives, Parliamentary Debates, 23 Feb 1944, p. 446).

Providing measurable visibility to the circumstances of the poor, and dividing them from the rest of the population, were methods that enabled the government to appear as a caring leader that was genuinely concerned with the well-being of those under its direction. As the discussion will demonstrate, such a discourse of segregation assisted the government to legitimise changing welfare programs provisions that enabled achieving Australia’s wartime strategies.

Foucault (2007) discusses how pastoral power is both individualising and totalising: it interferes with the lives of each individual to achieve the objectives of the population. In a similar manner, while the Commonwealth established its welfare policies as an expression of care for those who could not survive financially, the archival material points out an alternative motive. An official document prepared by a Parliamentary Committee on Social Security (1941) discusses how social-welfare programs could advance the Commonwealth’s war efforts. The Committee emphasised that enhancing national social services would improve Australia’s involvement in WWII in two ways:

…[b]y improving the morale and willingness to work of the employees, who will feel that a regime which is prepared, even at this time of the emergency, to improve their conditions is worth working and fighting for, and secondly, by directly increasing the welfare of war workers through improved nutrition, housing and the like, and thus increasing their productivity (Parliamentary Joint Committee on Social Security 1941, p. 3).

In this respect, it is apparent that welfare provision was not a neutral program designed to improve the economic circumstances of the welfare recipients; rather it was a method to engineer individuals’ behaviour so that they would comply with contemporary national
objectives. The archival material extracted from the Parliamentary Hansards (dated 23 Feb 1944) demonstrates that techniques of calculation facilitated the enhancement of social provisions that would ultimately contribute to improving Australia’s war effort. Prior to the Second World War, the rate of the cash payment was adjusted based on the price index (Invalid and Old-age Pensions Act, 1908)\(^{32}\). During World War II, to stabilise the wartime economy, the price index was reduced (Australia House of Representatives, Parliamentary Debates, 23 Feb 1944), with the consequence of reducing the rate of the cash payment. However, the Australian Government was unwilling to take the risk of appearing as an unfair pastor. It was stressed that the “…war was being fought to guarantee to everyone decent conditions and the bare sufficiency which the pensioners receive should certainly be maintained during the war as a matter of national policy” (Australia House of Representatives, Parliamentary Debates, 23 Feb 1944, p. 446). In particular, the Parliamentary debates demonstrate that those responsible for legalising policies argued that during wartime, disabled people were “…in greatest need of assistance in order to re-establish themselves in civil life” (Australia House of Representatives, Parliamentary Debates, 23 Feb 1944, p. 448). The government was concerned that the decision to reduce the cash payment would conflict with the agenda of advancing war efforts, thereby compromising its leadership position. Representative Herbert Evatt stressed:

> To give general effect to the reduction, therefore, involved special hardships in many cases, and this was likely to react unfavourably not only on the pensioners but on the community as a whole (Australia House of Representatives, Parliamentary Debates, 23 Feb 1944, p. 446).

Due to this potential backlash, the government set a standard rate for the welfare benefit. Calculating a standard rate for the cash payment enabled the government to appear as a fair

\(^{32}\) According to the Invalid and Old-age Pension Act the rate of the benefit was linked to the cost-of-living figures; specifically, the weighted average retail price index number for all items of household expenditure, "C" series, for the six capital cities.
pastor that takes care of each individual even during times of war, by providing sufficient financial relief. At the same time, by expressing itself as considerate, the Commonwealth strengthened the obedience of both the welfare recipients and the rest of the community, thus enforcing its leadership. Accordingly, this accounting regime facilitated the achievement of Australia’s wartime objectives. The following section discusses the role of accounting in constructing post-war Australian disabled people.

6.2 Constructing post-war disabled people

With the United States President Roosevelt's 1941 speech of four freedoms33 (Roosevelt, 1995), the post-war Australian public discourse became concerned with freedom (see Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, pp. 1234-1236; Menzies, 1949; Menzies, 1986c). Robert Menzies, the leader of the newly established Liberal Party, acknowledged in his public speeches freedom as the “…essence of the nature of man” (Menzies, 1949) and the real object of the modern world (Menzies, 1986c). He argued that:

The real freedoms are…to be ambitious, to be independent, to be industrious, to acquire skill, to seek reward. These are the real freedoms (Menzies, 1949).

Through conceptualising freedom as independence and productivity, the Australian government positioned itself as a capable pastor (Foucault, 2007), directing the population

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33 The four freedoms were:
Freedom of speech
Freedom of worship
Freedom of want
Freedom from fear (Roosevelt, 1995).
towards freedom (see Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, pp. 1234-1236; Menzies, 1949; 1986c). Freedom, as expressed in the form of a productive, self-reliant worker, was achievable through compliance with governmental legislation. The discourse of productivity encouraged compliance with governmental strategies, in particular the objective of enhancing the post-war national economy.

As Hugh Roberton, the then-Minister for Social Services, asserted:

During the last nine years the Menzies/Fadden Administration has demonstrated a legislative determination to reveal that the four fundamental freedoms, which serve to distinguish the free world from the enslaved world, are not to be accepted as faint expressions of hope, but as vital and practical realities in this most blessed country where we all are privileged to live and work, and which we all are privileged to serve. All the legislation of the present Government, which now must be described as the Menzies-McEwen Administration, is designed to that end (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1234).

By the end of the Second World War, most Western countries embarked on improving their national economy to avoid economic failures such as the Great Depression in the 1930s (Harvey, 2005; Palley, 2005). Similarly, post-war Australia became concerned with building the national economy (Keating, 2014). Toward the end of improving the national economy, those in power stressed the significance of an individual’s productivity as a form of freedom, or salvation in Foucauldian terms (Foucault, 2007). For instance, Robert Menzies emphasised in numerous public speeches that individuals’ endeavour was the prime force for creating a stable, strong country (Menzies, 1986a, 1986b, 1986d). Towards the aim of improving Australia’s post-war economy, the Commonwealth classified disabled people as a source of labour, who, if trained, could re-establish themselves as “useful citizens” (Australia House of Representatives, Parliamentary Debates, 11 Oct 1951, p. 556). Among Western capitalist countries the post-war economic principle drew on Keynesian ideologies, an economic orthodoxy initiated by the British economist John Maynard Keynes (Colander & Landreth, 1996; Hall, 1989; Harvey, 2005; Piketty & Saez, 2003; Smyth, 1994). Keynesianism advocated
active policy actions by the government as a means of securing economic development (Harvey, 2005; Keynes, 1973). As described by Harvey (2005, p. 10), governments that adopt Keynesian policies advocate that

The state should focus on full employment, economic growth, and the welfare of its citizens, and that state power should be freely deployed, alongside of or, if necessary, intervening in or even substituting for market processes to achieve these ends.

Under the influence of Keynesianism, the Australian authorities encouraged the belief that disabled people could positively contribute to the economic circumstances of the country if directed and controlled by the government. The authorities pointed out:

If a critical survey of all invalid pensioners in Australia were made, it would be found that many of them could have been made self-dependent if steps had been taken earlier to train them in some vocation. Even now many of them could be restored to economic independence by proper training (Sir Frederick Stewart in Australia House of Representatives, Parliamentary Debates 20 Nov 1941, p. 643).

Identifying disabled people as capable of becoming productive expresses a shift in the attitude towards them. The previous chapter discussed that, in line with the broad national perspective of the Commonwealth, the Australian Government sought to provide basic financial relief for those incapacitated who could not survive in a capitalist world that favoured production (Keating, 2014). However, post-war Australia required the contributions and efforts of every individual, including disabled people, to improve the national economy (Australia House of Representatives, Parliamentary Debates, 23 Nov 1948). As stressed by Thomas Holloway, the then-Minister for Labour and National Services, when addressing the circumstances of disabled population:

In this field,…there is unquestionably a large potential source of man-power which, under proper direction and guidance, may contribute materially to the productive efforts of the
The archival material drawn from the Parliamentary Hansard indicates that the post-war Australian community was confident that disabled people could improve their “inferior position” (Australia House of Representatives, Parliamentary Debates, 23 Nov 1948, p. 3296) in society and contribute to advancing the national economy, if supervised by the Commonwealth (see Australia House of Representatives, Parliamentary Debates, 20 Nov 1941, 30 Mar 1944, 23 Nov 1948, 11 Oct 1951). Thus, economic discourse opened avenues to enhance political involvement in the social lives of disabled people under the name of social economic progression (Battin, 1998; Cass, 2005; McDonald & Marston, 2002; Roe, 1976; Smyth, 1994).

The expansion of government intervention in disabled people’s social lives was exhibited by introducing a rehabilitation and vocational-training program. Training programs designed for disabled people were in line with the broader public strategy of including all citizens’ contribution to the wealth of the nation. It was an individualising and totalising program that could transform disabled people into beneficial entities for the community. As MP Herbert Barnard (MP) described it:

> Vocational training will serve to restore a sense of citizenship and responsibility, and, surely, that is something, which should be encouraged by every honourable member. It was shown to us in Queensland that as a result of their training many young people had become useful and profitable citizens. They had developed confidence in themselves and were far more valuable units of the community than they had been in the past (Australia House of Representatives, Parliamentary Debates, 30 Mar 1944, p. 2422).

From Barnard’s statement, it becomes apparent that post-war Australia identified the ability to work as one of the prime characteristics of an accountable citizen (see also Australia House of Representatives, Parliamentary Debates, 23 May 1947, 30 Nov 1948, 4 Oct 1949, 11 & 18
Oct 1951). Under this perspective, disabled people, due to their incapacity to work, were classified as deviant (see Australia House of Representatives, Parliamentary Debates, 21 May 1947, 30 Nov 1948, 11 Oct 1951, ). However, participating in rehabilitation programs would transform them into “normal”, “full citizens” (Australia, Senate Debates, 11 Nov 1948, p. 2855) with an “ordinary civilian life” (Australia House of Representatives, Parliamentary Debates, 30 Nov 1948, p. 3644). In this respect, training programs would benefit the national strategy of improving the economy, as it could diminish the corrosive influence of the “corrupted” citizens (Foucault, 2007) by turning them into productive, self-dependent citizens.

The analysis reveals that accounting discourse based on the significance of individuals’ productivity rendered rehabilitation as a program that would benefit both the public and disabled people (see Australia House of Representatives, Parliamentary Debates, 11 Oct 1951). For example, rehabilitation was introduced as the “…act of helping pensioners to return to a normal way of life as efficient members of the community” (Australia House of Representatives, Parliamentary Debates, 11 Oct 1951, p. 556). In a society where working was greatly admired (Keating, 2014; Menzies, 1986a; Sangkuhl, 2015), attending the training program was acknowledged as an opportunity for people with disabilities that could transform them from “takers” to “earners” (see Australia House of Representatives, Parliamentary Debates, 23 Nov 1948, 11 Oct 1951). Rehabilitation would restore disabled people’s moral and social standing by transforming them into “trainees” (Australia House of Representatives, Parliamentary Debates, 23 Nov 1948, p. 3298) who would potentially benefit the economy of the community. In this essence, Mr. Joly (MP) once discussed the advantages of the training program:

I regard as very sound the proposal to encourage vocational training of invalid persons. This is not a matter merely of saving money for the Government; what is more important, it is a plan for giving invalids an interest in life (Australia House of Representatives, Parliamentary Debates, 20 Nov 1941, p. 666).
In addition, discussion on the cost of disabled people gave measurable visibility to the national advantage of the rehabilitation program. For instance, MP Rupert Ryan emphasised the possible savings achieved by the program:

I consider that the scheme is eminently sound and that it offers good possibilities of benefiting the invalids who might take advantage of it, and the country at large, which would be relieved of certain financial obligation without hardship to individuals (Australia House of Representatives, Parliamentary Debates, 20 Nov 1941, p. 664).

Drawing on Ryan’s statement, it becomes apparent that post-war Australians considered disabled people as a financial burden upon the country. In this case, vocational training programs promised to ease the financial hardship that resulted from disabled people’s dependency on the community by training them to perform activities that ultimately would generate income. When disabled people could earn their own income, not only would they cease to access government payments, they could contribute to the economy through their tax contributions. It is in this context that Holloway reported:

The training, rehabilitation and reconditioning of those who suffer some incapacity is of considerable consequence both to the individual and to the nation. In spite of the limited facilities available during recent years, since the 1st July, 1944, about 500 invalid pensioners have been trained and placed in employment, while 364 are in course of training. The rehabilitation of the 500 invalid pensioners cost the Commonwealth about £6,000, and resulted in a saving in invalid pensions of approximately £40,000 per annum. Perhaps an even more important feature is the fact that former pensioners are now earning their own living. They are important units in the economic structure. They are putting into the Commonwealth revenue, and not taking out of it. They have a new psychological approach to life, and are a complete justification of the scheme (Australia House of Representatives, Parliamentary Debates, 23 May 1947, p. 2866).

Foucault (1991a, 2007) explains that the modern government applies different techniques to indirectly shape the conduct of individuals so that they pursue the objectives of the government. The post-war Australian Government aimed at expanding the national economy. Stressing the cost reductions achieved through training disabled people indicates that one of the government’s concerns was the cost of disabled people. As the above discussion
demonstrates, Australian authorities not only sought to reduce the cost of individuals with disabilities but also attempted to turn these citizens into a source of income that would benefit the national agenda. To encourage individuals’ obedience to the plan, the government first discussed the significance of their effectiveness and productivity, and normalised self-reliance as a primary attribute of a good citizen. Later, by introducing the programs that would encourage disabled people’s efforts, the authorities explained how dependent citizens, the “deviants” (Foucault, 1977), could become “normal” (Foucault, 1977) and “beneficial” (Miller & O’Leary, 1987). Costs and eventual productivity gains were the accounting discourse used by the government to justify the program as being beneficial for both disabled people and the community.

Drawing on accounting concepts, the Australian authorities portrayed the rehabilitation program as an investment with a considerable return. For instance, Barnard stated:

Undoubtedly, a certain amount of money will be required to finance vocational training activities, but I consider that it will be money well spent, because ultimately it will mean a saving to the Treasury. We were given evidence of cases, in which vocational training had been encouraged and had resulted in the saving of a considerable sum of money to the Pensions Department (Australia House of Representatives, Parliamentary Debates, 30 Mar 1944, p. 2422).

Archival data drawn from Parliamentary Hansards reveals the significant reliance on accounting-based cost and savings information to give measurability to the consequences of the rehabilitation program that the government was proposing. Holloway discussed the possible outcomes of the program:

Assuming that 1,800 pensioners or claimants are successfully rehabilitated each year, the annual saving on invalid pensions would be £200,000. Having regard to the expectation of life of the pensioners concerned, this would represent a total saving of £4,000,000. This figure might well be brought up to £5,000,000 by the successful rehabilitation of many of the 73,000 existing pensioners. This does not take into account the saving which would be effected in respect of the short-term benefits for unemployment and sickness, particularly in preventing many sickness beneficiaries from becoming invalid pensioners (Holloway in Australia House of Representatives, Parliamentary Debates, 23 Nov 1948, p. 3297).
In a similar manner, MP Henry Pearce referred to accounting numbers to justify the decision to train disabled people:

The rehabilitation of invalid pensioners and prospective pensioners has provided already for an estimated contribution to Australia’s economy of £412,500,000…. We find in terms of cold figures, which do not lie, that the rehabilitation section of the Department of Social Services is of immense value to the nation (Australia House of Representatives, Parliamentary Debates, 11 Oct 1951, p. 556, emphasis added).

This statement indicates how calculative techniques became integral for governing this particular social field. As noted by prominent accounting researchers, the modern world has become a calculative world (Graham, 2010; Jeacle, 2012; Miller & Rose, 1990; Spence & Rinaldi, 2014) that “trusts in numbers” (Porter, 1996, p. 1) for rationalising actions and making decisions. Numbers are significant to the modern world, as they translate qualitative realities to a quantifiable format (Kornberger & Carter, 2010; Miller, 2001). For Australian disabled people, demonstrating the fiscal outcomes of the program rationalised the intervention in their lives. A decision on rehabilitating disabled people was rationalised as numbers, and calculative techniques showed it to be economically beneficial.

The above discussion demonstrates that rehabilitating disabled people was part of a program designed to make them function in line with Australia’s national objectives. As part of improving Australia’s national economy, the Australian Government attempted to decrease its welfare expenditure. The following discussion demonstrates how accounting discourse facilitated achieving the aim of diminishing welfare spending by transforming disabled people into savers and investors and tailoring governmental benefits to a particular group of disabled people.
6.3 Constructing an independent disabled person

As part of the agenda of enhancing the national economy, Australian authorities argued to reduce welfare expenditure, discussing that a dependence on welfare benefits would conflict with the ideal of the modern world, in which independence was highly admired (see Australia House of Representatives, Parliamentary Debates, 23 Sep 1954; Menzies, 1946, 1949). Foucault (1977, 1991a) explains that the modern government applies different mechanisms, including normalising techniques, to induce an individualising and totalising form of control in a less apparent manner. In a similar way, the Australian Government attempted to indirectly shape the behaviours of the citizens to one that served its political objectives. For example, MP Keith Wilson asserted:

[T]he best way to prevent inflation is to encourage people voluntarily to do what is right; that is, to work harder and to save money (Australia House of Representatives, Parliamentary Debates, 11 Oct 1951, p. 547).

With the objective of normalising attitudes toward working and saving, the Australian Government applied an inferiority discourse to address welfare recipients. For instance, Robert Menzies, the Prime Minister of Australia (1939-1941 and 1949-1966), stated:

To say that the industrious and intelligent son of self-sacrificing and saving and forward-looking parents has the same social deserts and even material needs as the dull offspring of stupid and improvident parents is absurd (Menzies, 1986a, p. 20).

This discriminatory attitude prioritised the working class over welfare recipients and implied the merits and faults of the desired citizen: working and saving attitudes were superior to being a dependent welfare recipient. Such articulation of the merits and faults was a method to rationalise decisions to reduce welfare expenditure; welfare dependency would diminish self-endeavour and personal thrift (Menzies, 1986a, 1986d) and thus would contribute to the
faults of the citizens. A similar discourse regarding the significance of individuals’ working and saving attitudes normalised these attitudes as the characteristics of citizens, and thus indirectly encouraged a person’s compliance with the political objectives of progressing the economy. For instance, the government discourse related the unstable post-war economic situation (Keating, 2014) to individual’s choices, blaming the lack of individuals’ work and savings for the progressive post-war unemployment (see Australia House of Representatives, Parliamentary Debates, 23 Sep 1954). In this regard, William McMahon, the then-Minister for Social Services, stressed that citizens’:

...work and savings are necessary to ensure full employment and progress, with a reasonable level of stability for the purchasing power of money (Australia House of Representatives, Parliamentary Debates, 23 Sep 1954, p. 1588).

This rhetoric highlighted the significance of individuals’ endeavour to stabilise the national economy, and at the same time justified the government’s interventionist actions. Normalising working and saving as the main attributes of a stable economy rationalised devising regulatory programs that allowed private savings and investment (see Australia House of Representatives, Parliamentary Debates, 23 Sep 1954; Menzies, 1986d). The allocation of scarce financial resources was accepted in order to enhance national investments, rather than expanding expenditure on welfare (see Menzies, 1942, 1946; 1949, 1954; 1986a).

Archival material drawn from Parliamentary Hansard (23 September 1954) indicates that accounting concepts of savings and investment were integral in justifying the reallocation of financial resources from the welfare program to programs that encouraged “…saving and investment of private funds” (Australia House of Representatives, Parliamentary Debates, 23 Sep 1954, p. 1588). Drawing on accounting concepts of investment and savings, the government argued that “public and private investments and savings” create the financial resources for social security that would eventually generate a “sustainable” welfare system.
Thus, the reallocation of financial resources to encourage production and development was articulated as a strategic decision that would create a sustainable economy.

Foucault (1977) discusses that modern power does not capture lives or territories; rather, it exercises an indirect form of control that encourages populations’ compliance with national objectives. The discussion in Section 6.2 demonstrated that post-war Australia acknowledged the capacity of disabled people to contribute towards political objectives. With the political objective of encouraging an attitude toward savings, the Commonwealth sought mechanisms that facilitated disabled welfare recipients’ participation in the government plan. One mechanism that enabled the inclusion of welfare recipients’ financial contribution towards the national economy was to liberalise the Means Test. The following section discusses how modifying the accounting technique embedded within the Means Test enabled the Australian Government to direct welfare recipients, including disabled people, towards national economic strategies.

### 6.3.1 Managing merits and faults

The discussion in the previous chapter (Section 5.6) demonstrated how the Means Test was a mechanism that facilitated managing the merits and faults of disabled welfare recipients. It revealed that measuring and classification techniques embedded within the Means Test enabled control of the financial conduct of people with disabilities in order to ensure their compliance with the national objectives of the time. This chapter has discussed that the objective of post-war Australia was to improve the national economy. As such, the Commonwealth attempted to initiate programs that would contribute to this aim. However, archival material drawn from the Parliamentary Hansards (dated 28 September 1945) indicates that the Australian public believed that measuring some assets of disabled welfare recipients in deciding their entitlement to the governmental cash payment discouraged individuals’ savings. As explicitly stressed by
MP Eric Harrison: “…the system is designed to penalise the thrifty…it gives no encouragement to people to be thrifty” (Australia House of Representatives, Parliamentary Debates, 28 Sep 1945, pp. 6153 and 6155). To modify the Means Test to a program that facilitated achieving government agendas of promoting savings, the Australian Government exempted more properties in the calculation of welfare recipients’ assets when deciding on the amount of cash payment. The assets that became exempted were as follows:

- the value of any furniture and personal effects;
- the surrender value of any life-insurance policy up to a limit of £200;
- the capital value of any life interest or annuity;
- the value of contingent interest;
- the present value of any reversionary interests up to a total value of £500; and
- the value of any property to which the pensioner or spouse was entitled from the estate of a deceased person but which had not yet been received (Invalid and Old-age Pensions Act, 1946).

Foucault (2007) discusses how the Christian pastorate teaches the truth by setting an example of virtue. Pastors need not necessarily be perfect, because if they exhibit traits of perfection they might engage with the sin of pride (Foucault, 2007). Hence, it is acceptable for pastors to be imperfect, but it is important for them to acknowledge their faults and repent of them explicitly (Foucault, 2007). This principle of the Christian pastorate, which Foucault (2007, p. 171) calls the “alternate correspondence”, is part of the movement towards salvation (Foucault, 2007). Foucault (2007, p. 172) states that the pastor’s “…self-abasement will edify the faithful, just as carefully hiding frailties will produce a scandal”. The archival data drawn from the Parliamentary Hansards indicates that the Australian Government exhibited the alternate-correspondence principle of pastoral power. In addressing the reclassification of accounts in managing the merits and faults of disabled welfare recipients, the Australian Government acknowledged the shortfalls of the previous programs. In this regard, Holloway stated:
It has always been anomalous and somewhat unfair to hold against a pensioner as property the amount which he could obtain by surrendering a small life policy. These policies are usually kept alive by the exercise of the utmost thrift on the part of those pensioners who hold them... The present treatment of the capital value of a life interest or an annuity as property is also a definite anomaly, as the life tenant or annuitant cannot at the same time enjoy his interest or annuity, which is taken into account in the income means test, and derive any benefit from the capital which, nevertheless, is taken into account in the property means test. The treatment of a contingent interest as property is also anomalous (Australia House of Representatives, Parliamentary Debates, 12 July 1946, p. 2458).

Discourse on the methods of classification of accounts into, for example, property or insurance policies, enabled fairness to be addressed from a financial perspective, from which a “fair decision” could be made. Similar to Foucault’s (2007) explanation of principles of the Christian pastor, admitting that what had been done was “unfair” assisted the government in presenting itself as reliable, thereby reinforcing the requirement of obedience. In addition, archival material extracted from Parliamentary Hansards indicates that accounting concepts, such as the net value of income and assets, gave visibility to shortfalls of the criteria of the Means Test. For instance, in discussing the Means Test, McMahon stated:

The effect of the application of this test is that a person may be disqualified from receiving a full pension, or, alternatively, the maximum pension payable is reduced, because of the amount of his other income or the net value of his property. Modification is desirable because in some cases the test creates anomalies, and is a penalty on thrift, particularly in the lower income groups. It is an essential element of Liberal policy that people should be given incentives to work and save, and by this means to increase the amount of property owned by them (Australia House of Representatives, Parliamentary Debates, 23 Sep 1954, pp. 1587-1588).

With the aim of encouraging saving and working, the government required programs that supported its political objectives. However, as McMahon explicitly identified, the accounting component of the Means Test fell short in directing the nation. Thus, classification of accounts and measurement techniques rendered the decision on modifying the Means Test as a rational decision. Accordingly, it was revised to allow exempting income from property, including rents, dividends, and interest from investment (Social Services Act, 1954). Reorganising the
accounting component of the Means Test enabled the exercise of a fair program that ensured that cash benefits were provided to the most eligible disabled people. McMahon, when discussing the decision on changing the criteria of the Means Test, stressed:

This concession, of course, does not mean that there will be no limit to the amount of income from property which a person may have and still qualify for a pension, because the capital value of the property, apart from the claimant's home, will be taken into account in applying the property test. Consequently, where the total value of such property, other than the home, exceeds the new limit of £1,750, or £3,500 in the case of a married couple, a pension will not be payable (Australia House of Representatives, Parliamentary Debates, 23 Sep 1954, p. 1589).

The modification of the Means Test exhibits practicing an individualising and totalising form of control in the modern world. For disabled people, classification and calculation techniques enabled them to be included into the totalising agenda of enhancing the national economy. At the same time, accounting information such as the capital value of a property enabled the government program to be tailored to those disabled people who were deemed as the most in need of governmental care (the “corrupted sheep” in Foucault’s (2007) terms). By measuring the capital value of the property, the welfare administration could measure the financial needs of a disabled person, ensuring that government attention was directed to the most qualified disabled welfare recipient. The next section will examine how during the post-war period, other mechanisms of pastoral power were exercised on the lives of disabled people.

6.3.2 Law: the will of God

Modification of the Means Test was one method that transformed disabled people, bringing them into line with the political strategy of promoting individuals’ working and saving attitudes. However, as with the Christian pastor described by Foucault (2007), which demands the pastor’s attention to the whole flock as well as each sheep, the financial condition of the welfare recipients (Garton, 1990) positioned the government in a similar paradoxical situation. On one hand, the Commonwealth was faced with strong voices that demanded that it improve
the financial condition of welfare recipients, particularly disabled people (Nikidehaghani & Hui, 2016). On the other hand, the government had to be careful that its welfare program did not conflict with its broader strategy of encouraging individuals' contributions to improving national economy. As McMahon stated:

We live in a world of uncertainty. Most of us want a reasonable degree of social security. Those who have responsibility for the welfare of the community must be careful, in attempting to attain that objective, not to destroy individual effort and initiative (Australia House of Representatives, Parliamentary Debates, 23 Sep 1954, p. 1593).

The Australian Government calculated that even a one-shilling increase in the weekly cash payment to pensioners would cost the taxpayers an additional expenditure exceeding £1,600,000 a year (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1246). Calculating the cost of welfare recipients on taxpayers implicated the recipients as a financial burden to the community. Presenting welfare recipients, including disabled people, as a cost brought forward the issue of fairness for the taxpayer, which in turn circumvented notions of fairness for pensioners. In addition, it was discussed that when the amount of cash payments to married welfare recipients was increased, their income would exceed the basic wage and their financial circumstances would be far better than the majority of working-class citizens (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1246). Robertson stated:

It became obvious to the Government that there were married, unmarried, and widowed people alike with domestic and family responsibilities who were entirely dependent on a single pension. To attempt to improve their circumstances through a general and an appreciable increase in the pension rate this year would have aggravated a set of circumstances that would have compelled every wage and salary earner to pay taxes to provide dual pensions which, when added to permissible income, would far exceed the basic wage (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1247).
Roberton’s statement makes it apparent that taxpayers were considered as productive and useful citizens who deserved superior financial circumstances compared to pensioners who relied upon government payments. It was considered unfair to demand that taxpayers meet “vast and ever-increasing” welfare expenditures (Australia House of Representatives, Parliamentary Debates, 5 Sep 1961, p. 802). Whilst the government sought to enhance the financial circumstances of the welfare recipients, a blanket approach was not applicable. As Roberton stated:

The importance of the bill [Social Services Bill 1958] lies chiefly in that fact that, for the first time in our history, a Government recognises that, even within the general scheme of social services, there are groups of pensioners with special needs (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1244).

Therefore, the Commonwealth required a technique that would assist in tailoring governmental cash payments to the welfare recipients most in need, whilst allowing the Commonwealth to sustain its strategy on reducing national welfare expenditure (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1244). Foucault’s (2007) analysis on pastoral power illustrates that Christianity is not a religion of the law; rather, it is a religion of the “will of God” (Foucault, 2007, p. 231). Foucault (2007) explains that the pastor is not a judge, who treats every individual equally, but is essentially a doctor who takes care of every individual in a particular way. Similarly, to overcome the paradox discussed above, which required different treatment for a minor group of welfare recipients, the Australian Government initiated the Supplementary Assistance program (Social Services Act, 1958).

Supplementary Assistance was a financial payment exclusively to those welfare recipients who were identified as the most in need34 (Social Services Act, 1958). For disabled people, the

34 Supplementary Assistance was payable to eligible disabled people, widow pensioners and old-age pensioners (Social Services Act, 1958).
Supplementary Assistance was a cash payment of 10 shillings per week, payable to those disabled people who were classified as single, and to married disabled people when only one person in the relationship was the recipient of governmental benefits (Social Services Act, 1958). Disabled people’s eligibility for Supplementary Assistance was measured according to their financial status. The cash payment was only payable to those who were paying rent or board and lodging. In addition, for disabled people to be deemed as most in need, their assessed income should not exceed 10 shillings per week (Social Services Act, 1958). In this way, accounting techniques of classification and cost and financial measurement information were integral in identifying the disabled people most in need so that they could be managed differently from the total disabled population. The following section demonstrates that, similar to what Foucault (1988c, 2007) explains, the “confession” of disabled people enabled them to be identified as the most in need of Supplementary Assistance. The discussion also reveals how this identification facilitated expanding governmental intervention in the lives of this group of disabled people.

6.3.3 Whom deems “most in need” shall confess

Foucault (1988c, 2007) demonstrates that “confession” is an effective mechanism that enables the Christian pastor to comprehend individuals’ inner thoughts and temptations and thereby extract the truth about them. The discussion in Section 6.3.2 demonstrated that the Australian Government initiated the Supplementary Assistance scheme to improve the financial circumstances of those in real need, while maintaining its agenda of reducing national welfare expenditure as part of the broader strategy of enhancing the national economy (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1246). To ensure that Supplementary Assistance was targeted to the most deserving disabled welfare recipients, the Commonwealth required knowledge of those who were truly in financial need (Australia House of Representatives, Parliamentary Debates, 16 Sep 1958, p. 1244). Therefore the
Commonwealth needed knowledge of the financial circumstances of disabled welfare recipients. While the Christian pastor relied upon verbal techniques of confession, *exagprēsis*, in extracting the truth (Foucault, 1988c), Foucault (1988c) states that in the modern world written forms of confession provide a mechanism that enables knowing the truth.

Consistent with Foucault's (1988c) explanations on the application of confession in the modern world, the Australian Government accessed the true financial circumstances of disabled people through their written statement. To be identified as the most in need and thus eligible for the Supplementary Assistance, disabled people were required to disclose their financial circumstances by lodging an application form. Figure 7 shows a copy of the Supplementary Assistance Application Form used in 1958.
Figure 7: Supplementary Assistance claim form (1958)

Source: Commonwealth of Australia & Department of Social Services (1958)
As illustrated in Figure 7, The Supplementary Assistance Application Form, which also applied to the applicants for the old-age and widow pensions for Supplementary Assistance, was mainly concerned with the financial situation of the claimants, demanding that the applicants reveal their expenses and income (Commonwealth of Australia & Department of Social Services, 1958). For instance, question 2 asked whether the applicants were paying rent (Commonwealth of Australia & Department of Social Services, 1958). If the applicants were living in a rental residential home, they were required to disclose the amount of weekly rent and the name and address of their landlord (Commonwealth of Australia & Department of Social Services, 1958). In completing the application form the applicants were required to disclose whether they paid board and/or lodging and the amount they paid each week (Commonwealth of Australia & Department of Social Services, 1958). The applicants were also required to disclose the name and address of the person to whom they were paying their weekly board and lodging (Commonwealth of Australia & Department of Social Services, 1958). To be known as the most in need, the applicants had to confess whether they and their spouse were receiving income (Commonwealth of Australia & Department of Social Services, 1958). If so, they were required to disclose the weekly amount and the source of the income (Commonwealth of Australia & Department of Social Services, 1958). Interestingly, the form specifically provided guidance to the applicants by defining earnings as a type of income that they were required to declare (Commonwealth of Australia & Department of Social Services, 1958). Through examination of the expenses and income of disabled people, the truth would emerge; one could be identified as the most in need and eligible for special governmental care, or rejected as not qualifying for the Supplementary Assistance (Social Services Act, 1958).

Foucault (1988c, 2007) demonstrates how confession empowers the Christian pastor to control the individuals under his direction. Confession is an effective mechanism that enables the Christian pastor to teach the truth in a way that develops the individual’s actions (Foucault,
Through confession, the pastor creates an in-depth knowledge of the individual by knowing their “feelings, temptations, smallest movements of consciousness, sins and intentions” (Foucault, 1988c, p. 46). Knowing every aspect of the individual, the pastor heals their soul by tailoring an individualised spiritual direction aimed at directing and controlling the individual's behaviour (Foucault, 2007). It is in this essence that confession becomes an “instrument of subordination” (Foucault, 2007, p. 238): it binds the individual to the pastor and enables the pastor to extract the truth from the individual, thereby empowering the pastor to direct the individual’s conduct (Foucault, 2007). In a similar way, the archival material extracted from the Parliamentary Hansards dated 17th May 1962 and 8th October 1963 demonstrate that disabled people’s written confessions regarding their financial means rendered them amenable to further control and intervention.

The Official Year Book of the Commonwealth of Australia (1959) reported that by the end of the 1958 financial year, 67,957 disabled people (87.7% of the entire disabled population) qualified for Supplementary Assistance (Australian Bureau of Statistics, 1959a, p. 669). Quantifying those who were qualified for Supplementary Assistance, which was determined by confessing to their financial means, gave measurable visibility to the financial circumstances of disabled people and demonstrated the severity of their financial situation. The Parliamentary Hansards reveal that those who were responsible for making decisions to improve the welfare of disabled people attempted to address the problem by encouraging their employment in sheltered workshops (see Australia House of Representatives, Parliamentary Debates, 17 May 1962; 8 Oct 1963). In this regard Roberton claimed that these workshops, voluntarily organised enterprises that employed disabled people (Soldatic, 2009), enabled “the maimed and broken to restore a better life free from the economic chain of their infirmities” (Australia House of Representatives, Parliamentary Debates, 8 Oct 1963, p. 1513). The perception that attending sheltered workshops would improve disabled people’s financial situation (Australia House of
Representatives, Parliamentary Debates, 8 Oct 1963) rationalised the allocation of governmental grants to those charitable organisations that would accommodate disabled people working in these institutions (Disabled Persons Accommodation Act, 1963). By allocating financial aid to the voluntary organisations assisting disabled people, the government extended control over the life of disabled people. Drawing on governmental accountability to the taxpayers, Roberton argued that

> Since public moneys are involved, the Commonwealth should have some legislative authority to ensure that the purpose of the grant is fulfilled (Australia House of Representatives, Parliamentary Debates, 8 Oct 1963, p. 1515).

Accordingly, in order to be eligible for governmental assistance, the government demanded access to the private organisations’ accounts (Disabled Persons Accommodation Act, 1963). This was done, in part, by requiring the organisations to disclose their cash on hand and expenses when requesting governmental grants (Disabled Persons Accommodation Act, 1963, Section 9). Moreover, to be eligible for receiving the governmental subsidy, private organisations were required to demonstrate to the responsible Minister that the disabled people engaged in the workshop were getting paid, even if only a small amount or in the form of incentives, for their work (Disabled Persons Accommodation Act, 1963, Section 4, Subsection b).

Data drawn from the Parliamentary Hansards (during April 1967) indicate that at that time, from the public view, employment was considered as the worldly form of salvation (Foucault, 1988c), for it secured happiness. As Senator Annabelle Rankin stressed:

> We all are concerned about people who are not so well equipped as others are to face life and the problem of finding employment. We pay a tribute to organisations and individuals who assist these handicapped people to lead a happier life. We believe that this allowance will be of great assistance, particularly to those whose lives would otherwise not have been productive (Australia, Senate Debates, 19 Apr 1967, p. 937).
Perceiving employment as a form of salvation, the Australian Government sought methods to improve disabled people’s employment prospects (see Australia House of Representatives, Parliamentary Debates, 4 Apr 1967, 6 Apr 1967, 11 Apr 1967, 12 Apr 1967). In this regard, the Australian Government argued that the sheltered workshops had been effective in improving disabled people’s ability to work and employment prospects (see Australia House of Representatives, Parliamentary Debates, 4 Apr 1967, 6 Apr 1967, 11 Apr 1967, 12 Apr 1967; Australia, Senate Debates, 3 May 1967, 18 Apr 1967). This rationalised the allocation of a government subsidy at the rate of $2 for $1 capital expenditure by sheltered workshops (Sheltered Employment (Assistance) Act, 1967, Section 10, Subsection 2). For instance, Ian Sinclair, the then-Minister for Social Services, asserted that:

Handicapped people in the community want to work and play a role in our society. They are unable to enter ordinary employment but have some capacity for work and it is thought that they should not be condemned to a life of idleness. It was to meet the needs of these people that sheltered workshops were established (Australia House of Representatives, Parliamentary Debates, 6 Apr 1967, p. 1002).

In the Senate, when Rankin motioned to read the Sheltered Employment (Assistance) Bill 1967 for the second time, she said:

Sheltered workshops…provide a worthy part of community assistance for the disabled. Just as rehabilitation services have released thousands of people from dependence on invalid pensions, so too can sheltered workshops provide new opportunities for thousands more. The purpose of this Bill is to foster and encourage the sheltered workshop movement by enabling grants to be made to eligible organisations to assist them in establishing and equipping sheltered workshops in which severely handicapped people will be able to earn up to the limits imposed by their disabilities. Some will eventually be able to graduate to outside jobs; others will find within the workshops themselves employment which is both socially and financially rewarding (Australia, Senate Debates, 19 Apr 1967, p. 918).

Further, in an attempt to direct disabled people to attend sheltered workshops, the Commonwealth allocated an allowance for those disabled persons who did so (Social Services Act, 1967). Sinclair stated:
To strengthen the incentive to the development of sheltered workshops it has now been decided to introduce a special allowance for employees in sheltered workshops…. [This] provision will assist the sheltered workshop movement, as well as the disabled employees, by enabling them to provide employment to persons before their disability has reached a stage that would enable them to qualify for an invalid pension (Australia House of Representatives, Parliamentary Debates, 4 Apr 1967, p. 870).

The sheltered-employment allowance was payable to qualified disabled people who were employed by an approved sheltered workshop, and to those disabled people who were likely\(^\text{35}\) to become qualified to receive disability pensions if they were not employed by a sheltered workshop (Social Services Act, 1967). The sheltered-employment allowance was in lieu of disability pension benefits (Social Services Act, 1967). The sheltered-employment allowance and the disabled person’s earnings were paid by the workshop in one composite payment to represent a salary (Social Services Act, 1967).

The maximum amount of cash payment for the sheltered-employment allowance was identical to the maximum standard ($13 per week) and married ($23.50 per week) disability-pension benefit (Social Services Act, 1967). However, for disabled people who were employed by the workshops, the Means Test was liberalised to allow $1 for every $2 earnings from workshops beyond $10 per week to be disregarded for a single disabled person, and beyond $17 and up to $25 per week to be disregarded for a married disabled person in calculating the amount of cash payments\(^\text{36}\) (Social Services Act, 1967, Section 6). This indicates that accounting techniques of measurement facilitated the government’s intention to encourage “disabled people’s employment prospects and increase their income” (Australia House of Representatives, Parliamentary Debates, 4 Apr 1967, p. 870). However, in a document created

\(^{35}\) This category of disabled people required the approval of the Director-General of Social Services to receive the sheltered-employment allowance (Social Services Act, 1967).

\(^{36}\) The sheltered-employment allowances would have ceased after earnings from a workshop reached $36 per week for an unmarried disabled person and $47 per week for a married disabled person (Social Services Act, 1967, section 20).
by the Commission of Inquiry into Poverty (1977), in practice it seems that disabled peoples’ salary from the sheltered workshops was not commensurate with the efforts nor sufficient to enhance disabled people’s financial circumstances (Treloar & Commission of Inquiry into Poverty, 1977). The Commission of Inquiry into Poverty reported that in attending workshops, disabled people incurred expenses, such as transportation, clothing, and food, that would not arise if they remained unemployed (Treloar & Commission of Inquiry into Poverty, 1977). Moreover, the Commission of Inquiry into Poverty observed that tenants of governmental housing experienced an increase in their rent due to the earnings they received as the result of employment at the sheltered workshops (Treloar & Commission of Inquiry into Poverty, 1977). In addition, due to the provisions of the Means Test, the Supplementary Assistance benefit of $4 per week appointed in 1972 would reduce cent by cent when income rose above $1 per week (Social Services Act, 1972). As the expenses were greater than revenue, the majority of those disabled people who attended sheltered workshops would experience financial loss (Treloar & Commission of Inquiry into Poverty, 1977). The Commission reported:

Taking into account increased expenses and reduced benefits, it is obvious that some invalid pensioners are out of pocket as a result of attending sheltered workshops, the majority make a small net gain, and a small minority get a reasonable return for effort (Treloar & Commission of Inquiry into Poverty, 1977, p. 49).

While there was a small financial benefit for disabled people in attending sheltered workshops, the workshop employers and the Commission of Inquiry into Poverty blamed disabled people for their financial shortfalls (Treloar & Commission of Inquiry into Poverty, 1977). The Commission of Inquiry into Poverty believed the slow rate of increases in average earnings of sheltered-workshop employees was due to the “low productivity of the workers” (Treloar & Commission of Inquiry into Poverty, 1977, p. 49). The report of the Commission of Inquiry into Poverty demonstrates that accounting concepts facilitated the decision to
continue allocating grants to sheltered workshops (Treloar & Commission of Inquiry into Poverty, 1977). The Commission of Inquiry into Poverty concluded:

In 1972, sheltered workshops produced goods to the value of $11.6 million and placed into open employment 503 disabled workers, 75 percent of whom were on invalid pension or sheltered employment allowance prior to placement. The production of the workshops constituted a worthwhile contribution to gross national product and each successful rehabilitation represents, potentially at least, a substantial gain to the economy taking into account pensions payments saved, tax payable as a worker and increased contribution to gross national product by way of production (Treloar & Commission of Inquiry into Poverty, 1977, p. 49).

It is apparent from this statement that the Commission drew on accounting concepts such as cost and profit to justify its recommendation. Quantified and financial information presented disabled people as a financial cost for the nation, and informed taxpayers that transferring even one disabled person from welfare to employment would reduce the total national cost. Graham (2010) has shown that accounting is capable of giving visibility to one aspect of the issue while rendering other aspects of the phenomenon less visible. Similarly, accounting concepts concerned with saving the cost of supporting disabled people and increasing gross national production presented the effectiveness of the program for the national economy, and enabled the government to ignore the rights of disabled people to secure reasonable rewards for their efforts. In a society where productivity and efficiency were admired (see Australia House of Representatives, Parliamentary Debates, 4 Apr 1967, 6 Apr 1967, 11 Apr 1967, 12 Apr 1967; Australia, Senate Debates, 3 May 1967, 18 Apr 1967, 19 Apr 1967), the workshops were considered profitable, as they were transforming inefficient persons into productive citizens. Highlighting the financial gain of this transformation for the nation rendered disabled people’s experiences less visible.

The discussion in this section demonstrated the manner in which confession reinforced relations of obedience and enabled exercising an individualising and totalising form of power (Foucault, 2007). The Commonwealth sought to reduce its welfare expenditure in an attempt
to enhance the national economy. At the same time, the Commonwealth was accountable for securing the “corrupted sheep” (Foucault, 2007): those individuals who were deemed as most in need. As the salvation of the abandoned sheep was as important as the salvation of the whole nation (Foucault, 2007), the Commonwealth demanded a technique that would facilitate directing those citizens. Accordingly, Supplementary Assistance was introduced to improve the financial circumstances of the individuals most in need while maintaining the national agenda. Confession to financial means provided an effective tool that ensured that governmental programs were targeted to the most appropriate candidates. Moreover, as confession revealed the truth, it rendered the individuals knowable and amenable to control. Drawing on disabled people’s confessions of their finances, the Commonwealth stressed the importance of programs that would direct disabled people towards salvation (Foucault, 2007). The discussion demonstrated that discourse on the significance of working and individual productivity normalised salvation in the form of employment: disabled people could attain salvation if controlled by the government and transformed from welfare recipients into employees. Allocating a monetary reward to those disabled people who became employed by the workshops (Social Services Act, 1967) encouraged disabled people’s engagement with the Commonwealth program. Thus accounting facilitated the transformation of disabled people into earners and their direction to contribute towards the national plan of improving economy. The following section discusses the role of accounting in other techniques that were designed to reduce welfare expenditure.

6.4 Restructuring the welfare state: moving towards a minimal welfare state

From 1972 to 1986 Australia witnessed a significant change in the social, political, and economic circumstances of its citizens (Mendes, 2008). Between 1972 and 1975 the Whitlam Labor government committed to expanding governmental expenditure on welfare, urban
development and education (Cass, 2005; Mendes, 2008). However, the Whitlam government’s initiatives to large-scale welfare expenditure were challenged (Cass, 2005; Mendes, 2008; Shaver, 1989; Soldatic, 2009; Soldatic & Pini, 2012) by the global structural changes caused by the growing crisis of Fordism (Harris & McDonald, 2000; Keating, 2014; Lloyd, 2002). An economic recession took over the country, and the nation suffered from growing unemployment (Australian Bureau of Statistics, 1959b). Subsequently, the Fraser government (1975-1983) attempted to dismantle the hegemonic Keynesian approach in governing the nation (Cass, 2005; Mendes, 2008; Shaver, 1989), asserting it had contributed to economic and political instability (see Australia House of Representatives, Parliamentary Debates, 17 Feb 1976; Fraser, 1975).

Miller and Rose (1990), in their elaboration on Foucault’s (1991a) thesis on the modes of governing, state that the modern government holds an “…eternal optimistic assumption that a domain or society could be administered more effectively with new policies” (Miller & Rose, 1990, p. 4). Similarly, while the Fraser government exhibited the alternate-correspondence principle of the Christian pastor (Foucault, 2007), by regretting the earlier governmental decision, it was optimistic that the new procedures would save the nation (Fraser, 1975). The new direction for governing the nation was introduced in the form of decreasing governmental intervention and an approach that aimed for minimalised government (see Australia House of Representatives, Parliamentary Debates, 17 Feb 1976; Fraser, 1975).

In 1976, Sir John Robert Kerr, the Governor General under the Fraser government, stated:

Government [has] a strong directive to bring under control the highest unemployment for forty years and the worst prolonged inflation in the nation's history. The Government believes that excessive government intervention in the life of the nation is a major factor in economic instability. Government's immediate objective is to bring inflation under control so that there can again be jobs for all who want to work...[and] to prevent the growth of centralised bureaucratic domination in Australia, the increasing dependence of individuals on the state. It is to encourage the development of an Australia in which people have maximum freedom and independence to achieve their own goals in life, in ways which they decide (Australia House of Representatives, Parliamentary Debates, 17 Feb 1976, p. 12).
This statement demonstrates the manner in which economic discourse is an influential mechanism to rationalise governmental decisions. The government exploited the fear of the nation’s unemployment crisis in an attempt to rationalise the decision on reducing governmental interventions in the social and economic lives of the nation. The rhetoric was that the nation was experiencing high unemployment due to a high reliance on the government. As such, reducing governmental intervention was considered the ultimate approach that could save the nation (see Australia House of Representatives, Parliamentary Debates, 17 Feb 1976; Fraser, 1975), and direct the community towards salvation (Foucault, 2007).

The government’s objective of minimalising individual reliance on the state, as stated by the Governor General’s speech in Parliament quoted above (Australia House of Representatives, Parliamentary Debates, 17 Feb 1976, p. 12), implied an articulation of a new form of governmental accountability towards the nation. The government was accountable for the creation of an environment in which citizens could liberally advance their working potential and contribute to the national agenda of enhancing the wealth of the nation. From this perspective, large-scale government spending on social welfare would conflict with the desires of a liberal nation. The Fraser government emphasised that welfare programs should improve self-dependency, rather than encouraging a “debilitating dependence” on the welfare providers (Fraser, cited in Ghosh, 1978, p. 21). In his election speech, Fraser stressed:

We will help the disadvantaged in ways leaving them the greatest scope for independence (Fraser, 1975).

The Fraser government instigated a restriction on welfare expenditure to those in “real” need to encourage independence (Mendes, 2008). Economic discourse facilitated rationalisation of the decision to restrict government welfare benefits to those considered to be
in “real” need. First, the Fraser government argued that increasing welfare payments at taxpayers’ expense was the root of the economic crisis (Australia House of Representatives, Parliamentary Debates, 17 Feb 1976, p. 13). The Fraser government stressed the need to stop the “ever-growing public sector” at the expense of the private sector (Australia House of Representatives, Parliamentary Debates, 17 Feb 1976, p. 13). This discourse enabled the diversion of attention from welfare recipients’ social circumstances, presenting them as a burden on the taxpayers. The cost of the welfare expenditure and its impact on the community was highlighted as justifying the Fraser government’s decision to decrease the Whitlam government’s large-scale welfare expenditure. Second, Fraser (1975) drew on numbers to give a measurable reality to the consequence of allocating welfare expenditure to those in real need. In his election speech, Fraser (1975) stated:

Labor's inflation has harmed the poor most of all. Its emphasis on huge bureaucratic welfare schemes failed to provide help for those most in need. The total expenditure on welfare last year was $5,700 million; $8,000 for every person below the poverty line. We will have a rigorous examination of social welfare machinery to ensure that those in need actually get the money. We will ensure that there is a basic level of security below which no one can involuntarily fall (Fraser, 1975, emphasis added).

For disabled people, the plan to reduce welfare expenditure was executed by rejecting their application for disability benefits and granting them an unemployment benefit. Archival material extracted from governmental documents created by the Department of Social Services (1988) illustrates a major decline in the number of claims rejected between the years 1977-1982, due to claimants not being permanently incapacitated to work. The document reports:

In 1981/82, 41.1 percent of all claims assessed were rejected. Between 1974/75 and 1981/82 the reason for rejecting 73.8 percent of rejections was 'not permanently incapacitated’. This reason increased significantly, from 52.7 percent to 73.8 percent of total rejections (Nichol & Australia. Department of Social Security. Research and Data Analysis Section, 1988, p. 17).
Economic reasons explain the transformation of disabled persons into unemployed people (Australian Government & Department of Families Community Services and Indigenous Affairs, 1983). To be eligible for a disability pension a person must be “permanently incapacitated for work” to the extent of not less than 85% (Invalid and Old-age Pensions Act, 1941; Social Services Amendment Act, 1976). When an individual’s application for disability welfare payment was rejected based on their capability to work, they were granted an unemployment benefit (Australian Government & Department of Families Community Services and Indigenous Affairs, 1983). In that case, the government could save up to $72 per week per person in the amount of cash payment and associated allowances for each case (Australian Government & Department of Families Community Services and Indigenous Affairs, 1983). Therefore, the criterion for being permanently incapacitated for work was assessed rigorously to reduce governmental expenses (Australian Government & Department of Families Community Services and Indigenous Affairs, 1983).

Another governmental document confirms how the insensitive and inappropriate attitude of Commonwealth Medical Officer (CMO) influenced the assessment of disabled people’s capacity to work and rejecting their entitlement to the cash payment. The Commonwealth Medical Officer Handbook specifically instructed CMOs to consider socio-economic factors in assessing applicants’ capacity to work (Department of Social Security, 1983). The Handbook states:

> Assessment of incapacity is made having regard to the degree of the claimant’s impairment which, together with relevant facts about the applicant such as age, sex, education, lack of skills and personal disabilities, constitute incapacity (Department of Social Security, 1983, p. 90).

Despite the abovementioned instruction, the government document showed that, in assessing the incapacity of the disabled person to work, doctors disregarded socio-economic
factors such as age, education, previous work experience, and employment chances (Smith & Australian Council of Social Service, 1982, p. 29). For instance, the government document reports:

A man (aged 50-59) with ‘excruciating’ back pain which causes problems bending down or even sitting has found that his pension is now to be canceled after 3 years of being on the pension. He is illiterate and his only previous job is as a labourer (Smith & Australian Council of Social Service, 1982, p. 15).

The government document states that one reason for disregarding socio-economic factors in assessing the incapacity of disability welfare benefit applicants was that the CMOs believed that the applicants were solely accountable for their misfortune and did not deserve welfare payments (Smith & Australian Council of Social Service, 1982, p. 7). The government documents show that disability welfare applicants were considered as “second class citizens” and were subjected to unsympathetic and hostile examinations by CMOs, who frequently rejected their claim of incapacity to work (Smith & Australian Council of Social Service, 1982, p. 6).

However, the Fraser government experienced adversity when attempting to exercise the strategy of enhancing private investment (Fraser, 1975, 1986) and applying the explicit objective of imposing severe budgetary constrictions on social spending. The Fraser government was facing the rise of the “normalisation principle” (Whitehead, 1992, p. 47) and pressure from family groups for enhancing social-security measurements (Cass, 2005). In addition, the Fraser government was faced with a rapidly growing emergence of the disability movement, driven by global movement towards enhancing the right of disabled people (Clear, 2000). With the 1981 United Nations declaration of the International Year of Disabled

37 The publication of non-binding treaties such as the Declaration on the Rights of Mentally Retarded Persons 1971 by the United Nations gave momentum to the Australian disability movement (Clear, 2000).
Persons (IYDP), disability issues in Australia received greater recognition (Soldatic, 2009). Accordingly, the Fraser government, although arguably uncommitted to disability (Meekosha, 2002), established several committees to address the demands made by the disability movement (Soldatic, 2009). The IYDP Advisory Committee recommended an increase in income support for disabled people and their inclusion in policy-making procedures (Advisory Committee for the International Year of the Disabled Persons, 1983).

It is apparent that, while it advocated independency and reductions in welfare expenditure, the Fraser government also faced powerful voices that requested social-security provisions (Soldatic, 2009; Soldatic & Pini, 2012). Therefore, the Fraser government required a technique that facilitated achieving its totalising objectives while addressing individuals’ demands. Towards this end, the government replaced the Means Test with an Income Test. The next section discusses how the change in the assessment technique enabled the Australian Government to indirectly induce a totalising and individuating form of control (Foucault, 2007).

6.5 Accounting: a method for governing welfare recipients

The discussion in Section 6.4 elaborated on the governmental strategy of promoting private investments and reducing dependency on the government. The Australian Government observed that the existing Means Test, a mechanism designed to manage the merits and faults of all welfare recipients including disabled people (Roberton, 1960), opened avenues that resisted governmental objectives (see Australia House of Representatives, Parliamentary Debates, 7 Oct and 14 Oct 1976 ). Previously, under the Means Test, the total value of welfare recipients’ assets was brought to account by adding a notional 10% of its assessed value into any other income other than income from properties owned by the welfare applicants
(Roberton, 1960). The Australian Government realised that calculating both income and assets of welfare recipients in assessing their eligibility for cash payments conflicted with the agenda of increasing private saving and investment (see Australia House of Representatives, Parliamentary Debates, 7 Oct and 14 Oct 1976). The archival material extracted from Parliamentary Hansards dated 7 October 1976 reveals discussions that methods of assessing properties under the provisions of the Means Test, which assessed the capital gains on individual’s property, resulted in the strategy of exhausting assets to become eligible for welfare payments. During the Parliamentary debates dated 7 and 14 October 1977, it was discussed that a government that advocated private investment would not find it desirable to enact programs that conflicted with such objectives (see Australia House of Representatives, Parliamentary Debates, 7 Oct and 14 Oct 1976).

To bring welfare applicants in line with the governmental objective, the government introduced the Income Test as a new mechanism to locate those who were most in need (Social Services Amendment Act, 1976). The Income Test, as the new calculation technique in assessing the eligibility of welfare recipients, including disabled people, merely accounted for the income of the applicants, disregarding the value of their assets (Social Services Amendment Act, 1976, Section 1). For disabled people, as for other welfare recipients, disregarding the value of their assets in assessing the amount of cash payment allowed them to hold unlimited assets, including houses, cars, caravans, etc. (Social Services Amendment Act, 1976). Accordingly, as long as the property did not produce income, disabled people were considered the most in need. However, transitional arrangements allowed welfare recipients to continue on their previous amount of cash benefit if they would otherwise encounter a financial loss because of the Income Test (Social Services Amendment Act, 1976).

In presenting the new program, the Australian Government raised the financial discomfort caused by the Means Test. For example, Kevin Newman, the then-Minister for Environment,
Housing, and Community Development, asserted that the Means Test had been penalising those who had saved (Australia House of Representatives, Parliamentary Debates, 7 Oct 1976, p. 1649). He contended that it was unjust to treat income from assets differently from other income. The following demonstrates how Newman applied accounting concepts such as investment, fund, assets, and income to demonstrate the unfairness of the Means Test:

One anomaly arising from these arrangements has been that a person who has invested funds in a valuable home received a full pension, whereas another person with the same funds invested in non-exempt assets might receive little or no pension, despite possibly having to pay for his accommodation. To remove the anomalies from the present arrangements the Bill replaces the existing means test with a test on income only, including income from assets (Australia House of Representatives, Parliamentary Debates, 7 Oct 1976, pp. 1649-1650).

Stressing the financial hardship caused by the previous Means Test, MP John Hodges claimed that the Income Test is the most “…generous method of determining eligibility ever introduced” in Australia (Australia House of Representatives, Parliamentary Debates, 14 Oct 1976, p. 1871). It is apparent that the government drew on accounting concepts such as savings, investments, assets, and income to justify its decision to change the assessment method. Accounting, therefore, enabled the Australian government to reinforce its position as a caring and responsible pastor, encouraging public obedience to its proposed program.

Archival material extracted from governmental documents created by a panel to review the proposed Income and Assets Tests demonstrates that, at the time of the recession in 1984, the Income Test appeared to be the most appropriate mechanism to govern individuals, as it would improve savings (Gruen & Panel of Review of the Proposed Income and Assets Test (Australia), 1984). However, the report of the Panel of Review demonstrates that by the time the national economy had become more stable, the program had become ineffective in recognising those in immediate need for financial assistance (Gruen & Panel of Review of the Proposed Income and Assets Test (Australia), 1984). During the Fraser Prime Ministership, an
effective welfare program was considered as the one that ensures financial assistance to those in genuine need (see Gruen & Panel of Review of the Proposed Income and Assets Test (Australia), 1984). However, members of the Parliament also believed that the Income Test, which merely accounted for the individuals’ income in determining their eligibility, miscalculated their eligibility for governmental assistance (Australia House of Representatives; Parliamentary Debates, 1 Mar 1984, p.208; 30 May 1984, pp. 2473-2478; 1 Jun 1984, p. 2718).

Members of Parliament discussed cases in which welfare recipients, including disabled people, invested in assets, such as holiday houses, boats, luxury cars, jewellery, and antiques, and yet remained entitled to welfare benefits (Australia House of Representatives; Parliamentary Debates, 23 Aug 1983, p. 38; 1 Mar 1984, p. 208; 29 May 1984, p. 2032; 30 May 1984, pp. 2473-2478; 1 Jun 1984, p. 2718; 3 Oct 1984, p. 1133). The authorities accountable for reviewing the implementation of the Income Test were also concerned that welfare recipients were resisting the test by structuring their wealth in the form of assets to avoid earning current income (Gruen & Panel of Review of the Proposed Income and Assets Test (Australia), 1984). Accordingly, the Income Test had become unproductive, as it could not effectively identify the most in need and allowed the allocation of financial resources to those who, in the public view, were not considered to be the most in need (Australia House of Representatives, Parliamentary Debates, 1 Jun 1984, p. 2718). Due to the inefficiency of the Income Test in achieving the new governmental objectives, the Australian Government acknowledged the need to assemble another calculative program. In this regard, Neal Blewett, the then-Minster of Health, stated:

It is necessary to have a measure of need which takes account fully of the financial resources of a person. Clearly, it is not fair for those with little or no assets to be treated on the same basis as those with substantial assets (Australia House of Representatives, Parliamentary Debates, 21 Aug 1984, p. 79).
The discourse of fairness justified restructuring the program to one that could ensure equitable results, unquestioning the strategies that underpinned it. It became apparent that the Income Test was merely appropriate for a short period to promote private saving. When welfare recipients, including disabled people, attempted to resist the governmental strategy and create an identity of a person in need, the government defeated their actions by introducing an alternate program. The alternative program assessed both assets and income of all welfare recipients (Social Security and Repatriation (Budget Measures and Assets Test) Act, 1984). Each test was applied separately, but only the test that produced the lower amount of cash payment was applied, ensuring that governmental assistance was tailored to those assessed as the most in need (Social Security and Repatriation (Budget Measures and Assets Test) Act, 1984). It is apparent that by assessing both income and assets of welfare recipients, the recipients experienced further intervention in their lives. Thus their resistance resulted in being subjected to further control and intervention.

6.6 Concluding comments

This chapter has studied the influence of the Second World War on the constitution of welfare programs for disabled people. The investigation demonstrated that during the war the federal government sought to enhance its leadership position. The discussion showed that rearranging the methods of collecting income tax gave full control over financial resources to the Commonwealth, and thereby empowered the requirement of obedience to the Commonwealth. The classification of the population according to their financial means gave visibility to the issue of the poor, and rationalised governmental intervention in their lives. The case of changing the basis of determining the amount of cash payment from the price index to a standard rate demonstrated that the flexibility of accounting techniques enabled the exercise of an individualising and totalising form of control in directing the nation. The example of changing the basis of the cash payment demonstrated how accounting components of the
welfare program facilitated the advancement of Australia’s war efforts while allowing the government to appear as a compassionate pastor in directing the community.

The discussion on the post-war welfare program illustrated the exercise of an individualising and totalising power in the modern world. It explained that the government of the post-war period sought to improve the national economy. Having this agenda, the Australian Government required the effective contribution of the whole nation, including disabled people. From this point shifts in attitudes towards disabled people were identified: they had the capacity to become effective. As such, disabled people were encouraged to renounce their identity as being incapacitated and contribute to the national economic effort. Such a renunciation was achieved by subjugation to governmental intervention in the form of undertaking training.

The analysis reveals the influence of accounting in justifying the transformation of disabled people into independent citizens. Using accounting discourse, saving and investing were normalised as the merits of an effective and productive citizen. At the same time, accounting gave a measurable visibility to disabled welfare recipients, rendering them as a burden on society. Disabled people were classified as an inferior class, one that was ineffective, costly and unproductive. Simultaneously, statistical data on the program’s financial benefits rationalised the decision of government to turn disabled people into useful citizens.

One particular finding of this chapter is that post-war Australia interwove the disability identity into other welfare-recipient categories, such as old-age and unemployed recipients. On one hand, this indicates that with the expansion of Australia’s welfare program, disabled people were identified as welfare recipients, and thus subjected to the broader national welfare programs. On the other hand, disabled people, due to their incapacity to generate income, differed from other welfare recipients. Thereby they were subjected to further control and
direction to become normal. The discussion on the modification of the Means Test demonstrated the conditions under which disabled people were considered to be welfare recipients, rather than disabled welfare recipients. The analysis has shown that simply changing the accounting components of the Means Test was a mechanism to direct welfare recipients toward the national agenda of encouraging savings. The flexibility of accounting components of the Means Test that permitted excluding and including assets and income of welfare recipients in assessing their merits and faults were integral in transforming them into the prescribed identity. The analysis showed that modification of the Means Test applied to disabled welfare recipients placed them in line with the political objectives of the day.

However, disabled people were subjected to further control. The introduction of additional cash benefits for people with disabilities, as one category of the population who were deemed as the most in need, exhibited exercising the will of God (Foucault, 2007), rather than a law for disabled people. The Supplementary Assistance program demonstrated the influence of accounting in exercising mechanisms of pastoral power in the modern world. Disabled people confessed to their financial means in order to achieve salvation, in the form of freedom of financial means. Confession of financial circumstances was acknowledged as a technique to identify the most eligible individuals. The chapter has demonstrated that in practice confession reinforced the requirement of obedience to governmental programs. Disabled people’s confessions revealed their financial dependency, giving viability to transforming them into productive citizens. As such, the decision to encourage disabled people’s attendance in sheltered employment as way of enhancing disabled people’s productivity was rationalised. The discussion demonstrated that accounting justified the transformation of disabled people into employees. Financial reports disclosed the monetary outcomes of sheltered workshops for taxpayers, as the main stakeholders, disregarding the financial circumstances of attending the
workshops for disabled employees. In this way, the workshops were presented as profitable entities, thus confirming their continuing operation.

This chapter discussed how the national economy influenced welfare programs' directions. Australia’s economic recession and high rate of unemployment explained the move towards a minimalistic government. Accounting concepts of expenditures and revenues gave measurable reality to the circumstances of the welfare recipients, presenting them as a national cost. Classifying welfare recipients as inferior citizens, in contrast to taxpayers, who were characterised as deserving of financial resources, justified reducing national welfare expenditures. At the same time, accounting provided a mechanism to enhance private investments as one solution to overcome the economic recession. Changing the Means Test to an Income Test allowed individuals to invest in non-assessable assets. The discussion demonstrated that such a solution was practical for a short time, as it distinguished those welfare recipients who were the most in need from those the public considered to be wealthy. This chapter explained that while accounting had created a problem, it managed to provide a solution to address the issues: separately assessing both income and assets of the individuals enabled the identification of the most in need, ensuring that financial resources were spent strategically.

The discussion in this chapter identified a shift towards a minimalist government. Chapter 7 presents an analysis of the consequence of the decision on minimising government for welfare programs, and reveals the influence of accounting for implementing such strategy and its affects on disabled people.
Chapter Seven: The Australian disability welfare program (1980s-2016)

7.0 Introduction

Chapter 6 examined the second period (1940s-1980s) of the disability-welfare program. The discussion centred on the role of accounting in delivering the post-war economic plan for disabled people. Chapter 6 suggested that rearranging income taxation procedures empowered the requirements of obedience to the Commonwealth. Having full access to their financial resources, the federal government interfered with the lives of disabled people to bring them in line with governmental objectives. Chapter 6 demonstrated that “accounting regimes” (Jones & Dugdale, 2001, p. 35) were influential in justifying rehabilitation programs and employing disabled people in private workshops as part of the broader strategic plan to involve disabled people’s contributions to the national economy.

In this chapter, the analysis on the formation of disability continues. This chapter examines the constitution of disability in the third epoch of investigation (1980s-2016). The discussion reveals the salience of accounting in delivering the economic objectives of neoliberalism for disabled people. In particular, the discussion examines how accounting enabled changing the regime of truth for disabled people to transfer them from welfare to the workforce.

7.1 Neoliberalism in the making (1980s)

The period 1978-1980 signaled an economic and social revolution around the world: Deng Xiaoping’s initiative to liberalise the Chinese economy, the election of Thatcher as the Prime Minister of Britain, Reagan’s election as the President of the United States, the appointment of Paul Volker as the chairman of the Federal Reserve, which led to the reconstruction of monetary policy (Harvey, 2005, 2011), the rise of globalisation (Ruggie, 2004), and the failure of Keynesianism (Palley, 2005) marked ideological, economic, and political change (Cooper
et al., 2010; Hall, 2005; Harvey, 2005, 2011; Peck, 2004; Ruggie, 2004). The revolutionary events of this two-year window gave widespread recognition to neoliberalism as a principle of economic and social thought (Cahill, 2010; Castree, 2008a; Cooper et al., 2010; Epstein, 2005; Olssen & Peters, 2005; Zhang & Andrew, 2014) and as an ideological project (Hackworth, 2007; Harvey, 2005, 2011; Navarro, 2007; Peck, 2001; Peck, 2004; Sadler & Lloyd, 2009).

While there is no generic definition of neoliberalism (Andrew & Cortese, 2013; Barnett, 2005; Castree, 2008a; Harvey, 2011; Peck, 2004) it implies advocacy of privatisation, deregulation of the labour market, and minimisation of government (Castree, 2008b; Friedman & Friedman, 1980; Harvey, 2005, 2011; Munck, 2005; Peck, 2001; Peck, 2004). Predominantly, neoliberalism promotes changing the relationship between the state and the market (Harvey, 2011; MacEwan, 2005; Munck, 2005; Palley, 2005; Peck, 2004). Neoliberal theory centres on the assumption that the best possible social and economic outcomes for all are realised in a self-regulated market, in which governments withdraw from involvement in social programs that distort market signals and encourage dependency (Gamble, 2006; Munck, 2005; Ong, 2006; Palley, 2005; Rapaczynski, 1996). As Munck (2005, p. 65) states, “It is government intervention in economic life that threatens freedom, according to the neoliberal theorists.”

The acceptability of neoliberalism, as argued by Andrew and Cortese (2013) and Peck (2001), stems from the way it structures the macro context that surrounds public policies. The discussion in this chapter centres on how a neoliberal ideology that claims there is no alternative to a course of deregulation, marketisation, privatisation, and public asset-stripping (Peck, 2001, p. 445) has directed welfare policies for disabled people.

In Australia, a severe currency recession coupled with a collapse in the terms of trade in 1986 (Australia Treasury, 1986; Australian Bureau of Statistics, 1988), signalled the need for
a new economic and political direction (Beeson & Firth, 1998; Bell, 1997; Cheshire & Lawrence, 2005; Lucarelli, 2003). In May 1986, Paul Keating, the treasurer of the Hawke Labor government (1983-1991), announced that without an extensive transformation in all segments of the society, Australia was at risk of becoming a “banana republic” (Australian Government & National Archives of Australia, 2013). Keating stated:

If this government cannot get the adjustment, get manufacturing going again and keep moderate wage outcomes and a sensible economic policy, then Australia is basically done for. We will just end up being a third-rate economy, a banana republic (Keating cited in Australian Government & National Archives of Australia, 2013).

Committed to the ascending neoliberal ideology (Cheshire & Lawrence, 2005; Conley, 2001; Lucarelli, 2003; Pusey, 1991; Quiggin, 2001; Western et al., 2007), the Hawke government argued that extensive governmental intervention would diminish investment and create welfare dependency (Australia, Senate Debates, 15 Sep 1987, pp. 98-99). The federal government thus embarked on a “liberalising agenda” (Beer et al., 2003, p. 250) and restructured Australia’s welfare position (Burgess et al., 2000; Maddison & Martin, 2010; Mendes, 2008; Shaver, 1989; Stilwell, 2002).

7.2 Towards enabling policies

Disabled people were not immune to neoliberalist welfare reform (Marston & McDonald, 2007; Soldatic & Pini, 2012). As part of the plan to align Australia’s welfare position with the new, neoliberal political direction, a major review of the social-security program was implemented. When in 1988 the social-security review published its findings, it dedicated an entire paper to social security for disabled people (Cass et al., 1988). The paper, entitled *Towards Enabling Policies: Income supports for people with disabilities* (Cass et al., 1988), reported a restructure of Australia’s labour market that demonstrated an increase in part-time employment as a proportion of all employment. The paper also acknowledged the capacity of
disabled people in contributing to community activities, particularly their potential for employment (Cass et al., 1988). While the report consented to income support for disabled people, it recommended introducing “enabling policies” that would increase their opportunities to join the labour force (Cass et al., 1988, p.197). The Social Security Review Report (Cass et al., 1988) was embraced by members of Parliament, as it called for a major reform in the disability welfare system in favour of a system that would direct disabled persons into the workforce (see Australia House of Representatives, Parliamentary Debates, 30 Nov 1989; Howe, 1990). MP David Connolly stated:

We have noted the conclusions of the Cass report. It recommends income support for people with disabilities and suggests that a greater reliance on the invalid pension may reduce further labour force opportunities for those who are unable to gain employment or who might be assisted to re-enter gainful employment. We must encourage greater work force participation for disabled or incapacitated people who have some ability to contribute towards their own well-being and that of the community. We do not accept that people on invalid pensions should receive them indefinitely with no prospect of participation in the work force or in the mainstream of society (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, p. 3268).

Statistical data such as the age, number, and costs of disabled welfare recipients influenced the decision on reforming the welfare system (see Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, pp. 3264-3269). When introducing the new welfare policies for disabled people, Brian Howe, the then-Minister for Social Security, stressed the increasing number of disabled welfare recipients and their cost to the nation:

Since the early 1970s, there has been a significant increase in the level of dependence on invalid pensions and sickness benefits, which are the major forms of income support for people with disabilities. The numbers receiving these payments are now greater than the numbers in receipt of unemployment benefit and the cost is in excess of $3 billion a year (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, p.3265).

The cost of disabled people was not the government’s only concern. The Hawke government, committed to the ideologies of neoliberalism (Cheshire & Lawrence, 2005;
which advocated individuals’ efficiency (Cooper et al., 2016; Peck, 2001; Sadler & Lloyd, 2009), cautioned about young disabled people’s dependence on welfare payments for an indefinite time. Howe asserted:

_There is a significant number of young people receiving an invalid pension. Under current arrangements the overwhelming majority of these will spend the rest of their lives dependent on income support. One of the major problems with the current income support system for people with disabilities is that once they are on invalid pension it is very difficult for them to move off this form of economic dependence. Each year less than 2 per cent of invalid pensioners actually move from income support into employment (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, p. 3265)._ 

Howe believed that the disabled people’s long-term dependence on welfare was not due to their incapacity to work; rather, it was due to society’s and disabled people’s perception that took for granted that disabled people were unemployable and ignored their capabilities (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989). Having this perspective, the Hawke government initiated welfare reform for disabled people. Its disability welfare reforms were aimed at changing attitudes towards disability and enabling disabled people to integrate into the labour market (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989). The following section discusses how accounting encouraged the transformation of disabled people, as incapacitated welfare recipients, into the workforce.

### 7.2.1 Re-identification of disability: disabled person is capable

The above section discussed how the Hawke government’s totalising objective of reforming Australia’s political and social landscape in line with neoliberalism ideology (Cheshire & Lawrence, 2005; Conley, 2001; Lucarelli, 2003; Pusey, 1991; Quiggin, 2001; Western et al., 2007) directed reform of the disability welfare system. Critical to the Hawke government’s plan of restructuring the disability welfare system was the re-articulation of disability
Stressing the abilities of disabled people, rather than their incapacities, led to a new perspective towards people with disabilities; the disabled became known as “able-bodied”, not only in the eyes of the society but, more importantly, from the disabled person’s own perspective. Foucault (1988a, p. 123) asserts that a “…political ordering of life is achievable not through the enslavement of others but through self-affirmation”. Drawing on Howe’s statement above, it becomes apparent that to ensure the successful integration of people with disabilities into the labour market it was essential for disabled people to affirm their capacities. The Hawke government believed that disabled people’s affirmation of their abilities resulted in their independence and full integration into the community’s economic activities (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, p. 3265; Hawke & Howe, 1990).

The disability movement’s demands for the inclusion of disabled people into society (see ACROD, 1983b; Advisory Committee for the International Year of the Disabled Persons, 1983; Hahn, 1985; Oliver, 1986, 1989, 1990; Oliver & Barnes, 1991) encouraged the assumption that the affirmation of disabled people’s capacities would result in their participation in the labour market (Clear, 2000; Galvin, 2004; Morris, 2006; Soldatic, 2009).
Oliver, 1996, p. 20) was underpinned by the idea that disability is socially constructed and that a disabled person is capable (Humpage, 2007; Oliver, 1989, 1990; Roulstone & Prideaux, 2012; Siebers, 2008). The disability movement argued for recognition of disabled people’s social rights and demanded (Maddison & Martin, 2010) inclusive policies (Barnes & Mercer, 2005; Becketta & Campbell, 2015; Humpage, 2007; Oliver & Barnes, 1991, 1998; Parker, 2006; Shakespeare, 1996; Shakespeare & Watson, 2002). Faced with the disability movement’s rapidly increasing activities, the Hawke government took the opportunity to align the disability movement with its welfare reform (Clear, 2000; Galvin, 2003; Meekosha, 2002; Meekosha & Jakubowicz, 1999).

Prior to the 1983 election, the incoming Hawke government had acknowledged the disability movement’s requests and promised to adjust the social-policy shortfalls it had identified (ACROD, 1983a). The newly elected Hawke government allocated a governmental grant to the first Australian national representative body for disabled people, Disabled People’s International (Australia) (Meekosha, 2002). In addition, the Hawke government conducted extensive nationwide consultation with consumers of publicly funded disability services, in particular those set up through the Handicapped Persons Assistance Act (1974) (HPAA), to assess the program and its governing legislation (Commonwealth of Australia, 1985). The result of this review was the release of the first major report on disability, the New Direction Report (1985). As the result of this report, the Handicapped Persons Assistance Act was replaced with the Disability Services Act (1986). The new regulations recognised some disabled people’s social rights, such as:

- accommodation support;
- respite care;
- supported employment;
- competitive employment, training, and placement;
- advisory and information services; and
- individual assessment and program planning (Disability Services Act, 1986).
By including disabled people and their families in policy-making (Commonwealth of Australia, 1985), as well as acknowledging disabled people’s social rights, the Hawke government was able to appear to be compassionate and caring toward disabled people, thereby reinforcing relations of obedience to the Hawke government. It was in this context that the Hawke government epitomised disabled people’s participation in its disability welfare reform (Clear, 2000; Maddison & Martin, 2010; Marston & McDonald, 2007; Meekosha, 2002; Parmenter, 1999; Soldatic, 2009; Soldatic & Pini, 2012).

The Australian Government’s response to the disability movement’s demands for respect, human dignity, and social justice (Chouinard & Crooks, 2005; Humpage, 2007; Meekosha, 2002; Meekosha & Jakubowicz, 1999; Symeonidou, 2014) was to centre disability welfare reform on the discourse of “social justice” (see Australia House of Representatives, Parliamentary Debates, 5 Sep 1991). However, in line with Hawke’s neoliberal agenda, justice for disabled people was articulated in the form of undertaking employment and active intervention in the workfare. Howe, in his Ministerial Statement: Social Justice for People with Disabilities, stated:

The Labor vision of a socially just society is one where all Australians can share equitably in the distribution of resources, especially employment opportunities. In a society that revolves around the activities of production and consumption, those who are denied participation in the work force are fundamentally marginalised. It is the Government's belief that, by enabling people with disabilities to participate fully in society, benefits accrue not only to the individual and his or her family, but also to employers, the economy, and ultimately society as a whole (Australia House of Representatives, Parliamentary Debates, 5 Sep 1991, p. 788).

Howe’s statement makes it evident that the governmental social justice platform for disabled people is expressed in the form of employment opportunities, as it is their participation in the workfare that can benefit the national economy. Thereby, in the “fairer Australia” (Hawke & Howe, 1990, p. 1) that the Hawke government encouraged, fairness for disabled
people was defined, in accounting terms, by disabled people’s capacity to work and make a fiscal contribution to the national economy. Foucault (1991a) reveals the salience of discourse in the construction of objects and subjects of government. Foucault (1991a) argues that governmental policies are located in a discursive field, in which language serves to “…found, justify and provide reasons and principles” (Foucault, 1991a, p. 79) to render objects amenable to controls and regulations. Drawing on the notion of fairness and social justice, the Australian Government argued that a humane system for disabled people was one that “actively encourages independence” (Australia House of Representatives, Parliamentary Debates, 30 Nov 1989, p. 3266). The government discourse rendered the “just” society as one that allows production, employment, and independence for the entire nation (Australia House of Representatives, Parliamentary Debates, 5 Sep 1991, p. 788). A “fair” society was articulated as one that facilitated contribution to the nation’s economy by means of employment (Australia House of Representatives, Parliamentary Debates, 10 Oct 1991, p. 1673). This unique form of representing fairness rendered the Hawke government responsive to disabled people’s demands while enabling it to implement neoliberal principles of “individualisation” (Harvey, 2011; Peck, 2001; Peck, 2004). Therefore, representation of social justice through an economic discourse rationalised the exercise of an individualising and totalising form of control in directing disabled people. The following section discusses how economic discourse facilitated implementing the Hawke government’s individualising and totalising welfare reform.

7.2.2 Redefining merits and faults

Prior to the Hawke government, the disability welfare reform ideology of disabled people being incapable of working underlined social provisions for them. Indeed, the Social Security Act (1991), which regulated welfare benefits for disabled people, was underpinned by the assumption that the disabled are incapable of working, articulating the merits of disabled people as those who are:
Such identification of disabled people directed social policies discouraging them from engaging in paid employment (Department of Social Security, 1975, 1983, 1985, 1986). For instance, archival material created by the Department of Social Security instructed the assessors of welfare eligibility to send successful applicants for a disability pension a formal letter informing them that engaging in paid employment would change their eligibility for welfare payment (Department of Social Security, 1983). Figure 8 illustrates the formal letter sent to disabled people who were manifestly permanently incapacitated for work.

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38 The characteristic of a disabled person defined by Social Security Act (1991) also includes:
the person has turned 16 and is under the pension age; and the person either:
is an Australian resident at the time when the person first satisfies paragraphs (a), (b), and (c); or
has 10 years qualifying Australian residence; or
is born outside Australia and, at the time when the person first satisfies paragraphs (a), (b), and (c) the person:
is not an Australian resident; and
is a dependent child of an Australian resident; and the person becomes an Australian resident while a dependent child of an Australian resident (Social Security Act, 1991, Part 2.3, Division 1, Subdivision A, Section 94 (1)).
Figure 8: Letter to disabled people who were manifestly permanently incapacitated for work

Letter to Invalid Pensioner who is Manifestly Permanently Incapacitated for Work

Dear ...........

I am writing to tell you how your invalid pension will be affected if you start work.

INCOME AFFECTS PENSION

If you commence work, your earnings will be taken into account when assessing the rate of your pension and payment may therefore be reduced or stopped. The enclosed invalid pension leaflet shows the effect of income on your pension.

IF YOU LATER STOP WORK

If your pension is stopped due to your earnings and you are forced to give up work within three months of starting work, you need not lodge a claim but you should contact the department as soon as you stop work so that your pension payments can begin again. If you are forced to give up work after three months, a new claim will be required. A claim form is enclosed.

You will not be required to have a medical examination for pension purposes if you give up work within 12 months of starting work.

FREE HEALTH COVERAGE

If you commence work and your pension is stopped due to your earnings, a Health Care card will be issued to you regardless of how much you earn. The card will cover a period of 12 months from the day after your last pension pay day. The enclosed invalid pension leaflet explains the benefits provided to a Health Care card holder and his dependants.

Source: Department of Social Security (1983, p. 81)
Figure 8 illustrates how authorities were formally notifying disabled people that engaging in the labour market could result in losing access to disability payments and associated services, such as free wheelchairs (Department of Social Security, 1983). Predominantly, the formal letter stressed the need to re-lodge a claim for a cash benefit if the individual ceased work after three months of employment. The situation was also challenging for those disabled people whose degree of incapacity was not simple because, for this group of people, their claim for disability welfare payments needed to be accompanied by a medical examination (see Appendix VI). As explained in Section 6.4, the medical examination was a hostile procedure. As revealed in the results of a government survey, the long waiting period together with the medical practitioner’s attitude discouraged many disabled people from attending the examination or appealing the results (see Smith & Australian Council of Social Service, 1982). It was in this context that, prior to the Hawke government disability welfare reform, financial barriers resulting from employment income, together with the rigid administrative procedures, prohibited disabled people from seeking or undertaking employment. Since the incapacity of people with disabilities constituted their merits, their employment was a fault that would negatively influence attaining salvation in the form of welfare payments.

However, the Hawke welfare reform, which sought to shift perceptions of disabled people by stressing their abilities, shifted the merits of disabled people from incapacity to abilities (see Australia House of Representatives, Parliamentary Debates, 5 Sep 1991; Hawke & Howe, 1990; Howe, 1990). In line with the newly identified merits of disabled people, the Hawke government introduced “enabling policies” (Cass et al., 1988, p. 1). At the level of policy-making, it was argued that enabling policies would reinforce disabled participation in Australia’s economic life by transferring them into the labour market (see Australia House of Representatives, Parliamentary Debates, 30 May 1991, 5 Sep 1991). Howe, when introducing
The Disability Reform Package (1991), which guided enabling policies for disabled people, stated:

The package of new labour market and income support arrangements, known as the disability reform package and introduced in the 1990 Budget, is one demonstration of the Government's response to implementing practical measures for full and active integration of people with disabilities into the labour market. The package is built on earlier Government initiatives in the provision of support for people with disabilities; it involves an active system of payment and support for people with disabilities, and links new disability support pension recipients with appropriate vocational training, rehabilitation and employment placement services. The disability reform package will bring into sharper focus the special needs of clients with disabilities and is an outstanding illustration of the Government's broad approach to reform (Australia House of Representatives, Parliamentary Debates, 5 Sep 1991, p. 788).

The Hawke government’s reformed social provisions suggest that with the government’s neoliberal perspective of encouraging individual’s financial effectiveness, welfare reform embraced policies that enabled overcoming workplace barriers to disabled people’s employment opportunities (see Australia House of Representatives, Parliamentary Debates, 5 Sep 1991; Hawke & Howe, 1990; Howe, 1990). For instance, the introduction of the Disability Discrimination Act (1992) was to “…secure disabled people with the same employment rights and opportunities enjoyed by Australians” (Australia House of Representatives, Parliamentary Debates, 5 Sep 1991, p. 789). Another initiative that encouraged disabled people’s employment (Disability Taskforce, 1991) was the introduction of a Supported Wage System in 1994 to supplement disabled people’s payments from employment (Social Security Act, 1994), and the allocation of financial funds to cover 12,000 labour market program places for a period of three years, with a third of the places under the Disability Employment Program (Disability Taskforce, 1991) targeting the young disabled school leavers.
7.2.3 Rationalising the redefined merits

In addressing the enabling policies, the government argued that the policies in place, particularly the conceptualisation of disability, allowed a minor group of the disabled population to take advantage of the system, as the Minister saw it (Australia House of Representatives, Parliamentary Debates, 30 May 1991). Peter Staples, the then-Minister for Aged, Family and Health Services, stated:

There was a small but significant percentage of cases of relatively young people, even people in their twenties, who were not manifestly impaired but who were being awarded invalid pension with the expectation that they would continue to receive it on an indefinite basis…. Another important issue has been the failure of any significant number of invalid pensioners to benefit from rehabilitation. Very few were referred or, if referred, accepted for rehabilitation. This was basically due to a lack of motivation which again appears to be linked to the fact that invalid pension was regarded as a permanent payment (Australia House of Representatives, Parliamentary Debates, 30 May 1991, p. 4477).

The governmental discourse argued that interplay between disabled people and policies/system operations resulted in what could be articulated as an “idle” person, who relies on taxpayers’ contributions. Hence, by referring to the act of a minor group, the Hawke government debated that the system was not sufficiently transforming disabled people from not being able to work to contributing to the national economy. Staples stressed: “There has been minimal movement into the labour market by invalid pensioners” (Australia House of Representatives, Parliamentary Debates, 30 May 1991, p. 4477). The case of young people as disability-welfare recipients justified dismissing socio-economic and labour-market factors in assessing disabled people’s ability to work (Social Security (Disability and Sickness Support) Amendment Act, 1991, Part 2.3, Division 1, Subdivision A, Section 94, Subsection 3). It was discussed that excessive consideration of applicants’ education, work experience, age, and lack of English skills along with labour-market factors had enabled those with a minor disability to access cash payments (see Australia House of Representatives, Parliamentary Debates, 30 May 1991).
Statistical data assisted in emphasising the significance of the issue under discussion (see Australia House of Representatives, Parliamentary Debates, 30 May 1991, p. 4478). It was reported that, due to consideration of socio-economic factors, only 2% of disabled people had been transferred into the workforce (Australia House of Representatives, Parliamentary Debates, 30 May 1991, p. 4478). Numbers were important, as they gave particular visibility to the realm of governance. By using statistical discourse, the authorities dismissed the social and medical circumstances of disabled people as individuals and articulated them as a group reluctant to work. In this case, these working expectations were normalised. In a society that encouraged self-reliance, it was not acceptable for young people to become idle. It was stressed that every individual should work, even a disabled person who lacked of work experience, education, or skills (see Australia House of Representatives, Parliamentary Debates, 30 May 1991). Accordingly, new legislation, the Social Security (Disability and Sickness Support) Amendment Act (1991), was introduced, and the long-standing Invalid Pension was replaced with the DSP. In assessing the eligibility of the applicants for DSP, the new regulation did not take into account the structural disadvantages of the applicants, such as their residential status, the labour market, and applicants’ socio-economic background (Daniels, 2011). Predominantly, the newly introduced regulation encouraged disabled people into the workforce by suspending cash payments for two years, rather than canceling them, to those disabled people who found employment (Social Security (Disability and Sickness Support) Amendment Act, 1991, Section 139). In addition, the new regulations provided a job-entry payment of $200 to disabled people who found full-time work or whose income from work exceeded the threshold amount of payment under either the Job Search or Newstart Allowances (Social Security (Disability and Sickness Support) Amendment Act, 1991, Section 12).
7.2.4 Accounting for the redefined merits

Economic discourse and accounting techniques rationalised the introduction of enabling legislation for disabled people. Archival material obtained from the Bills Digest, prepared for debates on the proposed amendments to the disability welfare legislation, indicates that reducing the cost of welfare programs was one of the prime motives to enact enabling policies (Department of the Parliamentary Library, 1991). The Bills Digest says:

The reasons given for the proposed changes include to remove anomalies and encourage greater participation by disabled persons in the labour market. The proposed reforms to the invalid pension and sickness benefit are estimated to achieve savings of $41.1 million in 1991-92, rising to $139.6 million in 1993-94. These savings are estimated to be offset by assistance measures totalling $48.6 million 1991-92, rising to $88.0 million in 1993-94. (Department of the Parliamentary Library, 1991).

Accounting-based information on the costs and savings achieved by the proposed acts showed the plan as a profitable decision for the Australian Government. Disabled people’s participation in the labour market would have made them efficient and independent, able to contribute to the cost of their rehabilitation and training. In this regard, the economic discourse rationalised an individualising and totalising program: enabling policies would transform the incapable person into an able individual, thereby reducing the national cost. Interestingly, indicated in the archival material is the disability groups’ and welfare communities’ expression of concern over the proposed enabling policies: they referred to it as “…an attack on people with disabilities” (Department of the Parliamentary Library, 1991, p. 2). However, the commencement of the proposed legislation demonstrates that the financial benefit of the program, represented by accounting discourse, overruled the social effects of the enabling policies for disabled people.

Central to the Hawke government’s enabling policies for disabled people was the redefinition of the merits of disabled people from incapacitated individuals to capable persons.
The new welfare legislation expressed the re-identification of disabled people’s merits by replacing the provision of permanent incapacity to work with the continuing inability to work (Social Security (Disability and Sickness Support) Amendment Act, 1991). Howe believed that the change in merits of disabled people would result in their integration into the labour market:

The change not only in the name but also in the essential criteria for assessment of pensions for those with disabilities represents a very historic change. It is historic essentially, because it throws the emphasis more on the capacities of people with disabilities than on their incapacities, more on their abilities than on their disabilities (Australia House of Representatives, Parliamentary Debates, 12 Nov 1991, p. 2823).

The analysis demonstrates that measurement techniques facilitated communicating the provision of continuing inability to work. According to the new provision, the degree of disabled people’s productivity, calculated by an abstract measurement of work time, became the main criterion in assessing the disability-payment entitlement (Social Security (Disability and Sickness Support) Amendment Act, 1991, Part 2.3, Division1, Subdivision A, Section 94, Subsection 1(c)). The new legislation provided applicants who were capable of working up to 30 hours per week with a disability-welfare payment39 (Social Security (Disability and Sickness Support) Amendment Act, 1991, Part 2.3, Division1, Subdivision A, Section 94, Subsection 5(a)). However, since the primary objective of the enabling policies was to transfer disabled people to the labour market, the entitlement to DSP was accompanied with an

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39 The Social Security (Disability and Sickness Support) Amendment Act, 1991 provides the qualification to receive the DSP as follows:

94. (1) A person is qualified for disability support pension if:
(a) the person has a physical, intellectual, or psychiatric impairment; and
(b) the person's impairment is of 20% or more under the Impairment Tables; and
(c) the person has a continuing inability to work;
“work” means work:
(a) that is for at least 30 hours per week at award wages or above; and
(b) that exists in Australia, even if not within the person's locally accessible labour market (Social Security (Disability and Sickness Support) Amendment Act, 1991, Section 94).
expectation to seek employment for those who were assessed as capable of working. As Howe stressed:

The way that the invalid pension system or the new income support system is to be reformed is to remove that classification of permanent incapacity for work and to move to a position which puts more emphasis on people’s potential. It introduces a minimum impairment threshold of 20 per cent together with a reduced range of non-medical factors and a target payment to those with significant disabilities. It requires people assessed as being able to benefit from rehabilitation and training to undertake appropriate activities as a condition of pension entitlement (Australia House of Representatives, Parliamentary Debates, 20 June 1991, pp. 5112-5113).

Moreover, accounting techniques of classification facilitated the CMOs’ assessment of the degree of individuals’ impairment. The Social Security (Disability and Sickness Support) Amendment Act (1991) provided the medical professions with 26 tables to measure the level of disabled people’s impairment. Figure 9 illustrates one table excerpted from the legislation of 1991 designed to calculate the rate of impairment caused by “intermittent disorders”. The level of impairment was computed through classifying the intermittent attacks based on their severity, duration, and frequency. The severity of attacks was ranked from “Nil” (minor) to “Six” (total incapacity). The length of attacks was identified with a range of classificatory labels. For instance, “Transient” referred to attacks that lasted up to and including five minutes; attacks that lasted more than four hours were labeled as “Prolonged”. As shown in Figure 9, a grading code was created based on the relation between the severity and duration of attacks. The grading code, ranging from A to J, in conjunction with the frequency of attacks provided relevant data in calculating and deciding the impairment rate.
Figure 9: Instructions for calculating the rate of impairment caused by “intermittent disorders”

Social Security (Disability and Sickness Support) Amendment
No. 141, 1991

SCHEDULE 2—continued

TABLE 26. INTERMITTENT IMPAIRMENT

Intermittent disorders are those that remain asymptomatic between discrete episodes of impairment. They are rated by reference to severity, duration and frequency of attacks:
- severity during an attack is defined in the descriptions below;
- duration is defined in the descriptions below;
- frequency is determined by the number of affected days in a year.

An impairment rating using the above three factors is made by first coding severity and duration into an intermittent grading. The code is then combined with frequency, using Table 26.4, to give the rating.

When attacks vary in severity, duration or frequency, an average for each factor should be estimated. Only one rating for a given disorder may be made from Table 26.4. Further, the impairment rating is not combined with any other rating for the same disorder.

Acute exacerbations of chronic disorders cannot be measured using this table unless the chronic component is completely asymptomatic.

Some intermittent disorders may be rated using system-specific tables. The system-specific table is then used in preference.
Social Security (Disability and Sickness Support) Amendment
No. 141, 1991

SCHEDULE 2—continued

TABLE 26.1  Intermittent attack — severity

<table>
<thead>
<tr>
<th>Level</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIL</td>
<td>Minor symptoms which are easily tolerated.</td>
</tr>
<tr>
<td>ONE</td>
<td>Mild to moderate symptoms which are irritating or unpleasant but which rarely prevent completion of any activity. Symptoms may cause loss of efficiency in some activities.</td>
</tr>
<tr>
<td>TWO</td>
<td>More severe symptoms which are distressing, but prevent few everyday activities. Loss of efficiency is discernible elsewhere. Self-care is unaffected and independence is retained.</td>
</tr>
<tr>
<td>THREE</td>
<td>Loss of efficiency is discernible in many everyday activities. Some elements of self-care are restricted but in most respects, independence is retained. Bed-rest is often necessary during an attack.</td>
</tr>
<tr>
<td>FOUR</td>
<td>Major restrictions in many everyday activities. Capacity for self-care is increasingly restricted, leading to partial dependence on others.</td>
</tr>
<tr>
<td>FIVE</td>
<td>Most everyday activities are prevented. Dependent on others for many kinds of self-care. Able to be maintained at home only with considerable difficulty, or hospital admission is required.</td>
</tr>
<tr>
<td>SIX</td>
<td>Total incapacity. Unconscious or delirious. Self-care is impossible.</td>
</tr>
</tbody>
</table>

TABLE 26.2  Intermittent attack — duration

<table>
<thead>
<tr>
<th>Description</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transient</td>
<td>Lasting up to and including five minutes.</td>
</tr>
<tr>
<td>Short</td>
<td>Lasting more than five minutes but less than 30 minutes.</td>
</tr>
<tr>
<td>Medium</td>
<td>Lasting from 30 minutes to four hours.</td>
</tr>
<tr>
<td>Prolonged</td>
<td>Lasting more than four hours.</td>
</tr>
</tbody>
</table>
### Table 26.3 Severity - grading code

<table>
<thead>
<tr>
<th>Description</th>
<th>Severity Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Transient</td>
<td>A</td>
</tr>
<tr>
<td>Short</td>
<td>A</td>
</tr>
<tr>
<td>Medium</td>
<td>A</td>
</tr>
<tr>
<td>Prolonged</td>
<td>A</td>
</tr>
</tbody>
</table>

An impairment rating is obtained using Table 26.3 and Table 26.4:
- determine the intermittent grading code appropriate to the estimated severity and duration from Table 26.3 and
- make the impairment rating appropriate to the intermittent grading code and frequency from Table 26.4.

### Table 26.4 Assignment of impairment rating

<table>
<thead>
<tr>
<th>Intermittent Grading code</th>
<th>Impairment rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>-</td>
</tr>
<tr>
<td>B</td>
<td>-</td>
</tr>
<tr>
<td>C</td>
<td>-</td>
</tr>
<tr>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>E</td>
<td>-</td>
</tr>
<tr>
<td>F</td>
<td>-</td>
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<tr>
<td>G</td>
<td>-</td>
</tr>
<tr>
<td>H</td>
<td>-</td>
</tr>
<tr>
<td>I</td>
<td>-</td>
</tr>
<tr>
<td>J</td>
<td>5 10 20 40 70 90</td>
</tr>
</tbody>
</table>

Source: (Social Security (Disability and Sickness Support) Amendment Act, 1991)
Foucault (2007) notes that Christian pastors rely upon techniques of examination in controlling the conduct of members of their community. Examination, as Foucault (2007) demonstrates, empowers an individualised form of knowledge that ensures the salvation of the individual. Foucault (1977) asserts that examination and monitoring remains a powerful technique of governing for the modern government. Similarly, archival material drawn from the official instructions for assessment of the conduct of disabled people reveals that the administrative officers would annually review disabled people’s conduct (Department of Social Security, 1992). The purpose of the annual review was to detect improvements in disabled people’s medical conditions that would influence the decision on their circumstances (Department of Social Security, 1992). Hence, examination of disabled people’s medical circumstances would ensure that governmental programs were tailored to the targeted group, as well as rationalising further control and intervention in the lives of disabled people. However, the Australian Government noted that inspecting all disabled people would impose a “massive cost” (Australia, Senate Debates, 26 Nov 1991, p. 3310) on the Commonwealth. Accordingly, the classification of impairment in numerical format was integral in deciding which cases to examine. As stated by Graham Richardson, the then-Minister for Social Security in answer to a Question Without Notice about the DSP:

I do not think Senator Alston has any idea at all of the kinds of disabilities people have when they are on 20 per cent or 30 per cent impairment levels. Most of them tend to be in the 30 per cent to 40 per cent range, and they are people with very severe problems indeed. At 70 per cent, the level quoted in the Opposition document, such people are in very desperate trouble. The idea of those cases getting regularly reviewed is nonsense. What happens now is a much more sensible and workable proposal. Anyone who has any kind of medical doubt at all about them is scheduled for a review. The information for that will come from their treating doctor, from a Commonwealth medical officer or from a disability review officer in the Department. Where there is any evidence whatever that a person is receiving a payment to which he may not be entitled, he is reviewed now. The idea that one would put in mobile review teams to chase people with these levels of impairment is absolute nonsense (Australia, Senate Debates, 26 Nov 1991, p. 3310, emphasis added).
Figure 9 exemplified that disabled people’s impairment could fall into different numerical categories, ranging from zero to 90%. With the norm of disability being 20% impairment (Social Security (Disability and Sickness Support) Amendment Act, 1991), the numerical classification of impairment enabled targeting of the most eligible cases for review. In other words, it provided a tool for the administrative procedures to target the places where the level of fraud was considered to be the greatest.

Nonetheless, a review of the disability welfare reform, *Working Solutions*, prepared by the Australian Government (1995) reported that the Hawke government’s plan to transfer disabled people from welfare to the labour market was not successful. In June 1984, there were 240,574 disability welfare recipients; this had risen to 464,430 by June 1995 (Park & Department of Parliamentary Services, 2005). The year between June 1991 and June 1992 witnessed the greatest single-year increase in the number of DSP recipients (from 334,234 to 378,558; an increase of 44,324 people, or 13%) (Park & Department of Parliamentary Services, 2005). The accelerated rate of increase in the number of disability welfare recipients was mostly due to the change in the welfare policies. As a result of the Social Security (Disability and Sickness Support) Amendment Act (1991), which abolished the sheltered-employment and rehabilitation allowances, the recipients of those payments were granted the DSP (Park & Department of Parliamentary Services, 2005). Therefore the policy changes directly increased the rate of inflow of DSP recipients, rather than the outflow rates (Robert & Lixin, 2002-2003).

Miller and Rose (1990), in their elaboration of Foucault’s (1991a) analyses of the modern government, demonstrate that in the modern modes of governing, “…‘failure’ of one policy or set of policies is always linked to attempts to devise or propose programmes that would work better, that would deliver economic growth, productivity, low inflation, full employment or the like” (p. 4). Likewise, statistical data that reported an increase in the number of disabled welfare recipients gave rise to another disability welfare reform, initiated by the next Australian
Government (Beeson & Firth, 1998; Grover & Soldatic, 2013; Maddison & Martin, 2010; Mendes, 2008; Soldatic & Pini, 2012; Western et al., 2007). The following section discusses the construction of disability under the direction of the Howard government (1996-2007).

### 7.3 The Howard government’s disability welfare reform

Although the Hawke government grounded the process to neoliberalise the Australian community, it was the Howard government that stabilised neoliberalism in Australia (Cheshire & Lawrence, 2005; Maddison & Martin, 2010; Mendes, 2008). Australian Prime Minister John Howard (1996-2007), instigated major reform across most realms of social life, including refugees, Indigenous Australians, unemployed people and people with disabilities, in an attempt to secure the status of neoliberal orthodoxy in Australia (Maddison & Martin, 2010). The Howard government’s disability welfare reform, which has remained in place to the current day, is consistent with the US government’s “workfare”⁴⁰, a central national social plan of neoliberal global reform (Soldatic, 2009). The concept of workfare expresses the neoliberal policy of “no rights without responsibilities” (Fiske & Briskman, 2007, p. 50). In the US, and other jurisdictions such as Australia where the concept has been adopted, workfare has reconceptualised citizenship from the citizen’s “entitlements” to the citizen’s “obligations” (Goodin, 2002). This means that, in a neoliberal environment, engaging in paid work is perceived as the most important responsibility (Lister, 2001), and citizens are expected to earn their social entitlements through engaging in the labour market (Peck, 2001).

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⁴⁰ The concept of workfare was first discussed by United States President Reagan (Haylett, 2003). It became fully active in the US during the Clinton presidency (1992-2000) with the Personal Responsibility and Work Opportunity Reconciliation Act 1996 (Abramovitz, 2006). Currently, with most global policy institutions such as the OECD and IMF promoting workfare (Humpage, 2007), it is practiced internationally (Haylett, 2003). Since the early 21st century, most western nations have embarked on restructuring welfare programs to comply with the requirements of a workfare state (Goodin, 2002; Peck, 2001)
Prime Minister John Howard’s commitment to both neoliberal economics and neoconservative ideologies (Cheshire & Lawrence, 2005; Grover & Soldatic, 2013; Maddison & Martin, 2010) influenced his argument to assign paid work as the primary objective of Australian citizens (see Howard, 1996). As stated by Jocelyn Newman, the then-Minister for Family and Community Services:

Leaving aside the moral dimension that every member of the community should be encouraged and able to participate in the economic opportunities which characterise the modern world; no nation can afford to leave unchecked the waste, economic and social isolation that is the consequence of welfare dependency (Newman, 1999).

Towards the aim of increasing individuals’ participation in the workforce, the Howard government embarked on reforming the desired characteristics of welfare recipients (Department of Family and Community Services, 2000). Central to this reform was redefining welfare recipients’ obligations. Previously, welfare recipients had been subjected to a “reciprocal obligation” (Commonwealth of Australia, 1994a, 1994b). The reciprocal obligation indicated that the government was obliged on behalf of society to provide “real” jobs or “real” training to every Australian (Australia House of Representatives, Parliamentary Debates, 25 Feb 1997, p. 1222). In return, unemployed people had an obligation to accept the offered opportunities (Australia House of Representatives, Parliamentary Debates, 25 Feb 1997). It can be observed that the reciprocal obligation apportioned more responsibility to the government to provide employment for its citizens.

The interventionist feature of reciprocal obligation conflicted with a market-oriented approach to solving social and economic issues (Kerr & Savelsberg, 1999). Howard, as a leader who advocated a free-market approach (Mendes, 2008), believed that in the 21st century, there should be a “fair balance” between citizens’ and government’s responsibility (Australia House of Representatives, Parliamentary Debates, 17 Nov 1997, p. 10460). For Howard it seemed
reasonable and “fair” to demand that those who were guaranteed a safety net do something in return for that guaranteed safety net (Prime Ministers Office, 1997a). The Howard ministry asserted that welfare recipients were under the assumption that “taxpayers owe them something for nothing” (Newman, 1999). The Howard government argued that this assumption would change if welfare recipients worked for the dole (Prime Ministers Office, 1997b). It was in this essence that Howard argued for a mutual, rather than reciprocal, obligation. In answering a Question Without Notice, Howard explained:

The doctrine of mutual obligation is that those in the community who receive support from the rest of society reasonably can be asked, in appropriate and fair circumstances, to give something in return for that support that is provided (Australia House of Representatives, Parliamentary Debates, Questions Without Notice, 27 Feb 1997, p. 1573).

The notion of mutual obligation became the keystone of Howard’s extensive welfare reform (Australia House of Representatives, Parliamentary Debates, Questions Without Notice, 10 Feb 1997, p. 475). The implication of the notion of mutual obligation relied upon reconceptualisation of governmental accountability in providing social security (Marston & McDonald, 2007). As part of the broad agenda of distracting expectations from the government to provide welfare benefits, the Howard government attempted to legislate the assignment of the administrative services delivered by the Department of Social Security to Commonwealth Services Delivery Agencies (Centrelink). Centrelink was launched in 1997 as a “one-stop shop” for Commonwealth social security services (Vardon, 2002, p. 39). According to the newly established legislation, the federal government retained the right to legalise social services, whilst Centrelink took over the delivery of all social-security services (Commonwealth Services Delivery Agency Act, 1997). This included assessing applicants’ eligibility, arranging cash payments, monitoring individuals’ behaviour, and penalising them in the case of breaching the agreements (Vardon, 2002). Sue Vardon, the Chief Executive Officer of Centrelink, explained:
There was a search for a name that was friendly, did not have bureaucratic overtones and could not be turned into initials, nor would it limit the scope to welfare alone. It should not infer the superiority of government as a supplier, but as a partner with the community and customers. There was extensive customer research to find the word to project these images. Two thousand suggestions from staff were also considered. ‘Centrelink’ seemed to satisfy all expectations (Vardon, 2002, p. 41).

The establishment of Centrelink was in line with the governmental agenda of minimising the role of the government in providing social security and constructing independent citizens. This objective is also evident in Centrelink’s purpose: “Serving Australia by assisting people to become self-sufficient and supporting those in need” (Centrelink, 2005, p. 33). Authorising Centrelink to monitor the actions of welfare recipients assisted in shifting public expectations away from government and towards another welfare provider. Welfare recipients had to report their job-searching activities to Centrelink, as well as attending obligatory meetings and interviews with Centrelink staff and training courses (Australian Government, 2000a). In addition, the unemployed needed Centrelink’s approval to move to another suburb (Australian Government, 2000b). Centrelink would assess the employment prospects of the new area, and if the new suburb had a lower employment rate the person could be identified as breaching their “activity test agreement”⁴¹, which in turn would have resulted in loss of cash payment (Australian Government, 2000b). All these interventions were aimed at forcing welfare recipients to surrender to Centrelink and obey the prescribed norms of a reformed welfare state.

Moreover, such authorisation was essential in Howard’s agenda of exposing “dole cheats” (Finn et al., 1997; Peck, 2001), and ultimately justifying the Howard government’s welfare reform. This could be seen in an increasing number of welfare recipients being recognised as breaching their activity test agreement since the establishment of Centrelink (ACOSS, 2001).

⁴¹ Since 1991, unemployed welfare recipients have been subjected to an activity test to demonstrate their eligibility for unemployment payments (Social Security (Job Search and Newstart) Amendment Act, 1991). In practice, the activity test required job-seekers to provide evidence of their job-search efforts to the Department of Social Security (Social Security (Job Search and Newstart) Amendment Act, 1991).
The Australian Council of Social Services (ACOSS) reported a dramatic increase of 189% in penalties imposed for breaching activity test agreements from June 1998 to June 2001 (ACOSS, 2001). This shows the apparent “success” of Centrelink in that it eased the welfare burden of the government by reducing welfare payments. In this regard, it is evident that the Howard government's welfare agenda depended on restructuring the administrative system.

In addition, as part of the plan to normalise the idea that the state should not be the first contact in times of insecurity (Marston & McDonald, 2007), in 1998, the Howard government replaced the Commonwealth Employment Services (CES) with the privately managed Job Network (Thomas & Social Policy Section, 2007). The Job Network was a national network of 306 private, not-for-profit and governmental organisations contracted by the Australian Government, through the Department of Employment and Workplace Relations (DEWR), to deliver employment services to unemployed welfare recipients (Thomas & Social Policy Section, 2007). In practice, the private, public, and not-for-profit organisations would bid against each other to win the contract of providing employment services to unemployed job-seekers on income-support payments (Thomas & Social Policy Section, 2007). The establishment of Centrelink and the Job Network facilitated the government’s indirect monitoring of the conduct of individuals without the government being directly responsible for service provision.

Despite the Howard government’s efforts to restructure the Australian welfare state, maximising disabled people’s participation in the workforce remained an issue. As Newman (1999) stated:

A major challenge is the large and growing number of people on Disability Support Pension. Ten years ago, the equivalent numbers were around 300,000. Today, there are close to 600,000 people or about 6 per cent of the working age population on the disability pension. Unless we do something, it is likely that by 2006, there will be over 750,000 people on the payment, possibly more than the number on unemployment payments. Many people with a significant capacity to work, needlessly stay on disability payments for a long time (Newman, 1999).
Accordingly, the Howard government sought fundamental changes to the DSP to bring it in line with the mutual-obligation approach (Department of Family and Community Services, 2000). The disability welfare reform was concerned with reducing the number of those currently identified as disabled and tightening the eligibility criteria to access the DSP for future applicants (Department of the Parliamentary Library & Information and Research Services, 2002). Not surprisingly, restricting disability welfare was not an easy task. Since disabled people were one of the most marginalised groups of citizens, the Howard ministry had to be meticulous with its disability-welfare agenda. The Howard government knew that for its reform to be successful, it needed to popularise its policies. Accordingly, in its main policy-reform document, the Howard ministry stated:

The Government does not view welfare reform as a cost cutting exercise; rather, as a structural change designed to reduce welfare dependency through greater economic and social participation. Full implementation of reform will require a substantial upfront investment of budget funds. Unless we make this investment, significant sections of the population may be excluded from the benefit of economic and social participation (Department of Family and Community Services, 2000, p. 4).

This statement illustrates the manner in which using accounting concepts of cost and benefit helped the Australian Government to present itself as a compassionate pastor who is willing to sacrifice extensive fiscal investment for the good of the nation. However, as indicated by Newman (1999), the good of the nation is outlined in the form of economic participation. Simultaneously, towards the agenda of transferring disabled people into the workforce, the Howard ministry initiated a move to reframe the conventional perception of people with disabilities. This reconceptualisation seemed significant in gaining public approval for disability welfare programs and subsequently transforming disabled people. In doing so, the Howard government classified the disabled population as system abusers who took advantage
of taxpayers’ contributions. Archival data reveals that this form of representation became part of Howard’s plan to gain public approval for reforming the disability welfare state. For example, Newman performed one unique representation of welfare recipients. In a television interview, she stated:

It means a two-way street.

One way of that street is the battlers, the people who are neighbours to the people who you just had on the screen tonight, the people who are paying for this.

This is not Government money, this is taxpayers’ money and many are not rich or doing better than the people on welfare, but they’re still paying tax.

Now that’s part of why it's a two-way street, one to give and the other to receive (Newman, 7.30 Report, 8 Nov 2000).

Newman divided the nation into two categories. One was ordinary citizens, the “battlers” who were experiencing financial difficulties but were mindful of their citizenship responsibilities of paying taxes (Newman, 7.30 Report, 8 Nov 2000). At the other end of the spectrum were the passive, irresponsible welfare recipients who ignored their responsibilities and took advantage of the hard work of others (Newman, 7.30 Report, 8 Nov 2000). It was through this classification that the government planted the seeds of doubt regarding the authenticity of disabled people in taxpayers’ minds. This classification rendered disabled welfare recipients as sources of public resentment, representing them as undeserving of disability support. Implied within Newman’s statement was the prioritising of the working class over the welfare recipients. The working class was the one that participated in the national economy through paying taxes. Hence, the state became accountable towards them, not the undeserving “dole cheats” (Finn et al., 1997, p. 1).

Further, the technique of classification reinforced Howard’s pastoral power, justifying his disability-welfare restructure. Senator Newman, when addressing the Howard government’s intention to restructure the welfare system, stated:
Of course, people with severe disabilities will always receive Disability Support Pension. That’s part of our safety net guarantee. But we also need to recognise that for some people at least, access to the disability pension is seen as a better alternative to unemployment benefits and the activity test that goes with it. At the same time, there are many people on disability pension who want to join the workforce or become more involved in community life, to their full capacity (Newman, 1999).

Such a representation of welfare reform reinforced the individualising and totalising aspect of the reform: it would provide salvation (Foucault, 2007) in the form of welfare for people who were severely disabled. This group was the truly deserving of disability benefits, as there was no hope for them to improve their working capacity.

Another class of disability welfare recipients was also identified: the underserving, the “corrupt ones” in Foucault’s (2007) terms, those whose behaviours could potentially harm the whole system. In relation to them, the government appears as a caring pastor and takes actions to prevent this undeserving group from infecting the rest of the flock (Foucault, 2007). At the same time, as part of the project of changing perception towards disabled people and rationalising the disability-welfare reform, the actions of “corrupted ones” (Foucault, 2007) are situated close to the willing disabled people. These willing disabled people present successful implementation of the disability welfare reform, achieving salvation by being actively involved in the workforce. This representation of disabled people as undeserving of assistance and as system abusers facilitated restructuring the welfare system into a program closer to neoliberalism ideologies, thus exercising the pastoral principle of individualising and totalising.

However, for the Howard government, rationalising the exercise of such an individualising and totalising form of control was not an easy task. Over a period of three years (2002-2005), the Howard government made numerous attempts to enact legislation that would facilitate transferring disabled people from welfare to workfare (see Department of the Parliamentary
Library, 2003a, 2003b). The archival data drawn from the Bills Digest of the proposed legislation demonstrates the salience of the “accounting regime” (Jones & Dugdale, 2001, p. 35) in justifying the proposed program. For example, the Disability Reform Bill 2002 suggested that those who were deemed unable to work more than 15 hours a week should be considered as “deserving disabled” (Department of the Parliamentary Library & Information and Research Services, 2002). The Howard government argued that this identification of disability would provide extensive fiscal savings for the Commonwealth. The savings of such plan has been highlighted in the Bills Digest as:

The proposed changes to the DSP qualification criteria involve savings and there is some associated proposed additional expenditure. The estimated savings are $7.176 m in 2002-03, $13.9 m in 2003-04, $120.0m in 2004-05 and $279.2m in 2005-06 (Department of the Parliamentary Library & Information and Research Services, 2002, p. 11).

The proposed additional savings could be achieved by transferring those who were classified as being able to work more than 15 hours a week to an alternative income-support payment: the Newstart Allowance (NSA). The NSA had stricter income and asset test criteria. The rate of payments associated with the NSA was $52 per fortnight less than the DSP (in May 2002 the single NSA rate was $369 per fortnight, as opposed to the DSP rate of $421.80 per fortnight). More importantly, disabled people who were transferred to the NSA had to satisfy mutual-obligation requirements (Department of the Parliamentary Library & Information and Research Services, 2002). Data drawn from the Bills Digest (2002) reveals that the main motive for the proposed changes was to reduce the number of disabled people and the cost of the disability welfare payments. Drawing on the statistical data the Bills Digest (2002) reported:

Since the seventies, the numbers of IP/DSP recipients have grown steadily. Invalid Pension Numbers stood at 229,219 in 1980. One of the aims of the change from IP to DSP in 1991 was to stem the tide of this increase. In 1991, when DSP replaced the previous IP there were 334,234 recipients. As at March 2002, there were 652,170 DSP recipients. Notwithstanding an ageing population and a changing labour market, it is this extraordinary growth in the DSP numbers and associated cost that is driving the Government’s proposed changes to the DSP program. In the 1991-92 year, program outlays for DSP was $2.8b. The 2002-2003
Considering regulatory avenues to reduce the cost of disabled people confirms that the previously mentioned Howard ministry’s statement on “…substantial upfront investment of budget funds to include disabled people into economic and social participation” (Department of Family and Community Services, 2000, p. 4) was merely a gesture to appear as compassionate and a ploy to encourage public approval for the disability welfare plan. Data drawn from the Bills Digest (2002) demonstrates that in practice, the disability-reform proposal (2002) was an individualising and totalising practice: it would decrease the cost of disabled people (the corrupted citizens) and turn them into an asset, and potentially, a productive one.

Nonetheless, the initial attempts of the Howard government to reconfigure the disabled population were not successful. Hence, in 2003, the Howard government proposed that the claims made up to and including 30 June 2003 remain subjected to the 30 Hour Rule, and that the 15 Hour Rule should be applied to individuals claiming after 1 July 2003 (Department of the Parliamentary Library, 2003a). This provision suggested creating two classes of disabled people. However, such classification was not based on disabled people’s level of disability, but on the time of lodging a claim. This classification of disabled people suggested that in a supposedly free society two individuals with the same disability and barrier to generating income would have been subjected to different programs of support. One would have received the higher DSP cash payment and associated benefits, such as the concession card and pharmaceutical allowance. The other one would have received the Newstart Allowance payment, with $60 less per fortnight and fewer supporting benefits (Department of the Parliamentary Library, 2003a). In addition, in order to sustain eligibility for the Newstart payment, the second group was expected to meet mutual obligation requirements (Department
of the Parliamentary Library, 2003) that included actively seeking employment and completing a job diary to demonstrate their job-searching activities (see Social Security (Job Search and Newstart) Amendment Act, 1991).

The Howard government was also unable to enact this proposal. The rejection of Howard’s official attempts to reform the disability welfare program in 2002 and 2003 was mostly due to the financial consequences of the proposed reform for disabled people. During the Parliamentary debates (dated 30 May 2002) it was discussed that cutting the payments of 200,000 people with disabilities by $52 a fortnight and reducing the associated financial benefits, such as pharmaceutical benefits, telephone allowance, and pensioner concession cards, were punishments for losing the capacity to work and being disabled (see Australia House of Representatives, Parliamentary Debates, 30 May 2002). A member of parliament argued:

The economic effects of such a move will result in these people suffering a loss of $60.20 in income each fortnight or, to put it another way, approximately a 12 per cent drop in income. They will be put into a soft labour market that discriminates against older workers and workers with disabilities (Mossfield in Australia House of Representatives, Parliamentary Debates, 26 Mar 2003, p. 13545).

Moreover, statistical data showed that in practice less than 9% of DSP recipients were engaged in open employment (Australian Government & Department of Social Services, 2002). This information influenced the decision on the effectiveness of the proposed legislation to provide an additional 73,000 places in disability employment assistance over three years. Those opposing the proposal referred to the annual reports of the Department of Social Services and asserted that despite the government’s claim that the provision would assist disabled people to engage in paid employment, in practice the program would not help people gain work (see Australia House of Representatives, Parliamentary Debates, 26 Mar 2003). In addition, the estimated financial hardship for disabled people had the suggested changes been approved.
made visible the less apparent outcomes of the plan. The opponents of the program argued that the program merely served to reduce Commonwealth expenses:

This bill seeks to give effect to the government's 2002-03 budget measures to alter the eligibility for people to receive disability support pensions. This is an important point: this really is a budget measure. It is all about money; it is not about looking after people with disabilities. If the government can push 200,000 people off the disability support pension and onto the dole with a cut of some $60 per fortnight, you can see that this would appear to be a substantial amount of money (Mossfield in Australia House of Representatives, Parliamentary Debates, 26 Mar 2003, p. 13545).

Disabled people also played a substantial role in rejecting the proposal. This was done via publicly debating the financial outcomes of the project for people with disabilities. For example, disabled representatives appeared on national television and discussed the potential results of the program by representing an actual case. The following exemplifies one of the attempts made by disabled people to resist the governmental plan:

Andrew Geoghegan: Tania and David have spina bifida, which limits their capacity to work.

Tania works 30 hours a week – the current pension threshold.

Under the proposed system, Tania will be eligible for the pension only if she works less than 15 hours a week.

Tania Smith, Spina Bifida Pension Recipient: It's about $149 a fortnight of my own pension and David would lose out as well.

And pharmaceutical benefits -- we'd no longer be entitled to that.

We wouldn't get subsidies for our telephone, electricity, gas.

Andrew Geoghegan: David will miss out on the pension because he works 42 hours a fortnight.

David Smith, Spina Bifida Pension Recipient: I'd lose the incentive to do it because I would be backwards, I wouldn't be anywhere near what I'm getting now.

I would actually go backwards (Geoghegan, Lateline, 16 May 2002).

It is apparent that, by relying on financial information, disabled people could have their voices heard and resist the identity projected upon them. Using financial information such as earnings and costs in debating the proposed “welfare to work” program, disabled people gave visibility to the outcomes of the program (see Australian Health Associates (AHA), 2002;
Disabled people used cost data to present the program as a disincentive for employment in the open market, and argued that in practice the program would diminish disabled people’s contribution to the national economy.

While disabled people attempted to resist the Howard government’s welfare reform, increasing numbers of disabled people rationalised its introduction for people with disabilities. The Howard ministry argued:

The ever increasing numbers of DSP recipients over the past 15 years is one of the main influences driving the Government in pressing for changes to the DSP qualification criteria. In June 1990 there were 316,713 DSP recipients and as at June 2005 there were 706,800 recipients (Department of the Parliamentary Library, 2005, p. 2).

Using accounting concepts such as costs and savings, the Howard government represented its welfare reform as a rational and profitable decision (see Commonwealth of Australia, 2005). For instance, the Bills Digest prepared for the proposed changes to the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Bill (2005) emphasised the savings attached to the disability welfare reform proposal. The Bills Digest emphasised that, “[t]he Government’s program savings in the DSP and Employment Entry payment program are more than the proposed extra spending on employment placement assistance” (Department of the Parliamentary Library, 2005, p. 2). Accounting scholars (e.g. Graham, 2010; Miller, 2001; Neu, 2000b; Walker, 2004; Walker & Carnegie, 2007) have demonstrated that numbers give a visible measurability to the issues of governments. It was in this essence that, as shown in Figure 10, the Bills Digest drew on numbers to present savings achieved as a result of the Welfare to Work. Consequently, the Howard government managed to introduce a dramatic reconfiguration of disability identity through the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act.
(2005). The following section discusses the influence of accounting in the implementation of Howard’s welfare reform.
Figure 10: Estimate payment cost as a result of Welfare to Work

### Estimated Payment Cost (Sm) - People with a Disability

<table>
<thead>
<tr>
<th>Payment Type</th>
<th>2006/07</th>
<th>2007/08</th>
<th>2008/09</th>
<th>3 Yr Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Support Pension</td>
<td>-443.978</td>
<td>-766.265</td>
<td>-1094.508</td>
<td>-2304.751</td>
</tr>
<tr>
<td>Mobility Allowance</td>
<td>27.963</td>
<td>34.23</td>
<td>40.602</td>
<td>102.795</td>
</tr>
<tr>
<td>Newstart</td>
<td>283.94</td>
<td>470.492</td>
<td>663.625</td>
<td>1418.067</td>
</tr>
<tr>
<td>Pensioner Education Supplement</td>
<td>-1.162</td>
<td>-1.985</td>
<td>-2.8</td>
<td>-5.947</td>
</tr>
<tr>
<td>Parenting Payment - Partnered</td>
<td>6.779</td>
<td>11.238</td>
<td>15.853</td>
<td>33.87</td>
</tr>
<tr>
<td>Parenting Payment - Single</td>
<td>14.066</td>
<td>23.603</td>
<td>33.703</td>
<td>71.372</td>
</tr>
<tr>
<td>Youth Allowance (Unemployed)</td>
<td>27.624</td>
<td>31.393</td>
<td>35.054</td>
<td>94.071</td>
</tr>
</tbody>
</table>

*Source: Department of the Parliamentary Library (2005, p. 3)*
7.4 Welfare to Work legislation

In implementing the disability-welfare reform, the Howard government relied upon the authority of Commonwealth legislation: specifically, the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act (2005) (hereafter Welfare to Work Act). The Welfare to Work Act implemented the principle of mutual obligation by imposing new rules for the conduct of disabled people. The act, which was in line with Howard’s neoliberalist perspective, was issued to “mould the behaviour” (Baños et al., 2005, p. 207) of disabled people and increase their effectiveness. As apparent in the title of the act, this transformation would occur by increasing disabled people’s employment prospects. In practice, this legislation expressed the individualising and totalising principle of pastoral power; the disabled person would have been rescued by becoming effective and productive. More importantly, the legislation would have provided extensive fiscal savings for the government (Department of the Parliamentary Library, 2005). In fact, as discussed in Section 7.3, in line with the neoliberal idea of enhancing productivity (Gamble, 2006; Harvey, 2011), the fiscal savings achieved by the legislation were one of the prime motives in the decision regarding disabled people’s transformation (see also Australia House of Representatives, Parliamentary Debates, 9 Nov 2005 and 1 Dec 2005; Department of the Parliamentary Library, 2005).

At present, the Welfare to Work Act remains the in-force legislation for Australian disability welfare provisions (Australian Government, 2016a). In transforming disabled people into active citizens, the Welfare to Work Act prescribes that disabled people seek part-time paid employment if assessed as semi-productive, which means being able to work between 15 and 30 hours a week. The Welfare to Work Act demands that disabled people undertake training activities; these can include education, pre-vocational training, vocational training, vocational rehabilitation, and work-related training (including on-the-job training) (Welfare to
Work Act 2005, Schedule 2, Part 1, Subsection 94 (5)). Thus, the Welfare to Work Act is a mechanism of government depicting the expected behaviour of an active person and providing them with the opportunity to live in accordance with the principles of a neoliberalist society.

Every disabled person must respect these rules and principles; otherwise, they face the penalty of losing access to financial payments associated with the title of disability for a particular time (Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act, 2005). Financial benefits are restored when the disabled person proves their compliance with the norms of an active individual. The transformation of people with disabilities into job-seekers is justified by the claim that “the best form of welfare is a job” (Andrews, Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service, Australia House of Representatives, Parliamentary Debates, 12 May 2005, p. 88). Drawing on this mentality, the government promotes the reclassification of disabled people such that it would allow them to participate in the “nation’s prosperity” (Australia House of Representatives, Parliamentary Debates, 9 Nov 2005, p. 2). This presents the reform as an opportunity for disabled people to become effective members, rather than a restriction on welfare eligibility. Thus, the Welfare to Work Act revises the “regime of truth”, the public welfare policies for disabled people, by directing disabled people how to behave effectively. Disabled people are obliged to undertake training and engage in paid employment. In turn, the construction of the active disabled person improves the agenda of a society in which every citizen is responsible for enhancing the economic prospects of the nation.

7.4.1 Accounting for constructing an active disabled person: the written confession

The transformation of people with disabilities into active citizens is a gradual process. The Welfare to Work Act has established the expected characteristics of people with disabilities as
being capable of working less than 15 hours per week. Such people will undergo training to improve their capacity to become active and effective citizens. To completely transform disabled people into effective workplace participants, an administrative system is essential. Central to the administrative procedures is an accounting practice that exhibits the principles of pastoral power. The teaching of the administration is consistent with regard to the principle of mutual obligations, according to which every welfare recipient should work for their payments. Hence, the first action of the administrative procedure is to know the level of productivity and financial means of each disabled person, so that appropriate procedures can be undertaken to transform them. In the process, disabled applicants are requested to disclose their circumstances, particularly their financial means. Such a disclosure, or confession in Foucault’s (2007) terms, is made through filling in different official forms, including the Claim Form, Income and Assets Form, and Treating Doctor’s Report42 (Centrelink, 2006b; Department of Human Services, 2016b).

Government guidelines for administering the Welfare to Work Act puts an emphasis on how to lodge and assess claims, stressing the role of confession (Foucault, 2007) in the constitution of disabled people (Australian Government, 2006b, 2006c). The guide for administration of the Welfare to Work Act specifies that claims for payment must be in writing, on an approved form, completed (preferably by ink), signed by the customer and (if relevant) their partner, and delivered to a place and/or person approved by the secretary. Claims must be lodged in Australia, and “[a]ll necessary questions on the claim form MUST be answered” (Australian Government, 2006c, emphasis in original). The guideline stresses that Centrelink’s staff should not add any notations or comments of any sort on any claim form signed and lodged

42 These forms are the mandatory documents for claiming Disability Support Pension. Applicants can be requested to confess more details of their personal affairs to prove their eligibility (Centrelink, 2006b; Department of Human Services, 2016b).
by with Centrelink, as the forms may be required later as evidence in proceedings (Australian Government, 2006c).

The pastor that Foucault (1988c) describes demands unconditional access to every aspect of the sinner. It is in this way that the pastor knows the truth and guides towards salvation. The in-depth knowledge required to transform disabled people is acquired through application forms and ongoing mandatory reports. The Claim Form provides insights into personal aspects of individuals. The applicants are requested to reveal personal information such as name, date of birth, country of birth, and marital status. Applicants are also required to disclose intimate details of their life, such as with whom they are sharing a bed and their living arrangements with that person (Centrelink, 2006a, B15, p. 6; Department of Human Services, 2016a, Question 39, p. 7).

The Claim Form and Income and Assets Form put particular attention on the financial means of disabled people and their partners, as the main attributes of being an active citizen. Accounting data obtained from this form assists in deciding the deservedness of the applicants. For instance, in completing the Claim Form, the applicants are requested to disclose the cost of their accommodation, the amount of bond if renting, and the frequency of payment. In addition, the applicants are asked to provide details of their previous employment, including their wages or salary earned (Centrelink, 2006a, Question K12-K14; Department of Human Services, 2016a, Question 123-137). The Claim Form requires the individuals to detail their training and work experience (Centrelink, 2006a, Question K6-K11; Department of Human Services, 2016a, Question 174-180). Further, numerous questions ask the individuals’ opinion about their ability to work, requiring them to specify the date that they believe they can become in some way productive (Centrelink, 2006a, Question K1-K5; Department of Human Services, 2016a, Question 181). With the agenda of promoting working as a sign of righteousness, written confession (Foucault, 2007), in the form of completing bureaucratic forms, normalises
expectation from the disabled person to become effective, as well as providing a basis for the pastor to teach the new regime of truth.

Remarkably, application for the identity of disability positions not only the applicant under the government’s observational gaze, but also their partner, as the Claim Form demands personal information about the applicant’s partner, including their residential arrangements, visa details, and tax file number (Centrelink, 2006a, Part C - H; Department of Human Services, 2016a, Question 54-64 and Question 81). In fact, authorising Centrelink to have unlimited access to the tax details of the individual and their partner has become a condition of attaining the identity of disability (Centrelink, 2006a, Part E; Department of Human Services, 2016a, Question 81).

For the Australian Government, accounting provides a mechanism to distinguish the truth. Accessing the tax details of the applicant and their partner provides the knowledge to confirm that the person’s statement is accurate, and thus that the applicant deserves the identity of disability. It becomes apparent that accessing the financial information of the individuals and their partners, through other governmental agencies such as the Taxation Office, has become a technique to force individuals to confess (Foucault, 2007) to truth. As Newman once mentioned:

One of the reasons we’re getting so many people caught up, is because we’re doing more data matching with the tax office.


Particularly important for the disability welfare program is the amount and nature of disabled people’s income and assets. Hence, in addition to declaring aspects of personal affairs, the applicants are asked about their income and assets by completing a separate form (Centrelink, 2006c; Department of Human Services, 2016d). The application of accounting in
this form is extensive. More than 30 questions ask details of the income and assets of the individuals and their partners. This includes, but is not limited to, income from current employment, income streams, financial investments, shares and securities on listed and not-listed stock exchanges, income from overseas, cash on hand, cash in bank, money on loan, lump-sum payments, household contents, superannuation, bonds, life insurance policies, vehicles, real estate, and compensations. Applicants are requested to record the current amount of their income and assets, as well as their share and their partner’s share. For instance, for the item “Money on loan” they are requested to disclose the name of the borrower, date of borrowings, the amount borrowed, percentage lent by the applicant, percentage lent by the partner, and the current balance of the loan. If the applicants declare any real estate, they are obliged to disclose the details of the property such as its type, dimension of the land, current market value, the amount of income derived from it if applicable, and the amount of mortgage. To assure the authenticity of the financial reports, applicants are requested to attach documents that provide details.

The investigation into individuals’ personal and financial affairs enables the authorities to classify them as disabled so that individualised programs can be tailored for them. Information extracted from the administrative forms is assessed in accordance with formulas to determine the eligibility of people with disabilities for cash payments. Centrelink applies a complex calculative program, the Income and Assets Test that was discussed briefly in Section 6.5, to determine the exact amounts of cash payments. In Section 5.6, it was discussed that techniques of classification and measurement were central to the Means Test, a program designed to assess the eligibility of disabled people for cash payments. The archival material extracted from the Centrelink website demonstrates that techniques of classification and measurement remain integral to determining the financial eligibility of people with disabilities. First, the test draws
on the individual’s declaration of their financial means and extracts relevant information in identifying the income and assets of disabled people. According to the Income Test:

Income means:

An amount you earn, derive or receive for your own use or benefit profits, the amount of earnings in excess of expenses, whether of a capital nature or not, and a periodic payment or benefit you receive as a gift or allowance.

It includes:

income from outside Australia, monies, legal tender or cash, valuable consideration, you receive goods, services or some other benefit in exchange for an item, action or promise (Australian Government & Department of Human Services, 2016g).

Whilst the above provides a general definition of income, the Income Test program specifies the assessable income that affects the cash payments to disabled people. Accordingly, in interpreting an individual’s statement, the Income and Assets Test is concerned with assessable income and assets. Examples of assessable income include:

- deemed income from financial investments, including money in superannuation funds if you have reached age pension age
- gross employment income, earnings for work performed including wages, salaries, bonuses, penalty rates, overtime, commission or honoraria, and stipends including fringe benefits and amounts salary sacrificed into superannuation
- income from sole trader or partnership businesses, including from farms
- distributions or dividends from private trusts and private companies
- real estate income, including net income or losses from rental property, and income from boarders and lodgers
- reportable superannuation contributions
- income from outside Australia, including non-Australian pensions and other income from sources outside Australia
- some lump sums
- some types of income specific to Indigenous Australians
- Paid Parental Leave Scheme payments including Parental Leave Pay and Dad and Partner Pay, either paid by us or your employer (Australian Government & Department of Human Services, 2016a).

Assessing the amount of each account varies with its nature. For instance, in assessing the amount of the lump sum in calculating the cash payment, “…the lump sums that are unlikely
to be repeated, can’t be reasonably predicted, and is not money paid for a service or profit,” are exempted from the Income Test (Australian Government & Department of Human Services, 2016i). However, the way disabled people spend an exempt lump sum will affect their payments. For instance, if the individual uses the lump sum to increase their financial assets such as saving it in a bank, loaning it or investing it, it becomes a deemed income and thus affects the rate of the cash payment. However, if the lump sum is spent on medical equipment or to pay the mortgage, it does not influence the amount of cash payments. Thus, the Income Test is a mechanism that interferes with the lives of disabled people in an attempt to indirectly control their behaviour. It is noteworthy to mention that Centrelink has instigated a calculative mechanism, deeming, as part of the Income Test to assess the amount of income from financial investment. Deeming assumes that financial investments are earning a certain rate of income, regardless of the amount they are actually earning. If the investments earn more than the rates set by deeming, the extra income is not assessed. According to the deeming rule, for a single individual, the first $49,200 of their financial investments are deemed to earn income at the annual rate of 1.75%, and any amount over that is deemed to earn income at 3.25% per annum (Australian Government & Department of Human Services, 2016c).

A similar procedure is undertaken to assess the assets of disabled people. Centrelink draws on disabled people’s statements to identify the assessable assets of disabled people, which are defined by the Social Security rule. The net value of the assets is calculated by deducting any debts against the assets’ market value. Centrelink applies each test individually, and the test with the lower rate is applied in calculating the rate of the payments (Australian Government & Department of Human Services, 2016d). The rate of the payment varies with the disabled person’s age, family status, number of children, and living arrangements. Information extracted from disabled people’s statements emphasises the significance of confession (Foucault, 2007) for the new regime of truth.
The rate of payments also varies with the time of the application. For instance, when the annual income of a single individual is assessed to be more than $4,264, their cash benefit will be reduced. The amount of deduction depends on the time of application rather than the level of disability, stressing that disability is more a financial problem than a medical issue. For instance, if the person had applied prior to September 2009, they will lose 40 cents in the dollar, whilst those who applied after September 2009 will lose 50 cents in the dollar.

The information obtained from the forms also becomes a basis to monitor any successive variations in the applicant’s circumstances (Centrelink, 2006b; Department of Human Services, 2016b). Confession (Foucault, 2007) not only reveals the financial means of disabled people but also prevents fraud and misuse of the system. This occurs by means of the Account Statement, which contains all personal and financial information extracted from the individual’s statement (Australian Government & Centrelink, 2008). It comprises an individual’s rate of payment, any Centrelink debt, current income and assets including savings account details, real-estate details, and other payments and entitlements. Drawing on continuous reviews and reports, Centrelink updates the Account Statement and monitors the conduct of disabled people (Australian Government & Centrelink, 2008). Enforcing pastoral power through the pursuit of every individual’s welfare and reaffirmation of the law (neoliberal ideology) requires the pastor to normalise the new truth for disabled people. The information provided by the administrative forms and stored in the Account Statements provides an in-depth knowledge of every disabled person and enables an individualised summary that reinforces the intentions of a neoliberalist society. Hence, if the salvation of people with disabilities, in the form of turning them into effective entities, requires an in-depth knowledge of each individual, accounting is an influential mechanism in achieving this end, and is critical for the success of the reform.
7.4.2 Accounting for constructing an active disabled person: verbal confession

The productivity of the individual is a key factor in constructing the active citizen. In line with the Howard government’s tendency towards privatising public services (Mendes, 2008), measuring the productivity of the claimants has been taken away from CMOs and contracted to private assessment organisations (Australian Government, 2006a). The private organisations assist in applying the 15-hour work rule with a modern assessment procedure, the Job Capacity Assessment (JCA).

As part of the JCA process, the applicants are interviewed by Job Capacity Assessors to have their productivity measured (Australian Government & Job Capacity Assessment, 2007; Department of Human Services, 2016c). Assessors interview the individuals and report on their ability to work and any suitable payments, supports, or services43 (Australian Government, 2006a, 2012). Assessors are considered to know the truth about the individuals. This knowledge is mostly obtained from the assessor’s experience and the individuals’ declarations of their prior employment history and their current and past medical records, which have been endorsed by treating doctors (Australian Government, 2006a, 2012). The interview allows the assessors to recognise every disabled individual, along with their abilities and shortfalls. As the assessors have access to the truth about the person, they can identify the capabilities of the disabled individual and the barriers that prohibit them from finding and securing employment. More importantly, assessors assess applicants’ current and future productivity (Australian Government, 2006a, 2012). This deep knowledge permits an individualised intervention for disabled people in order to turn the person into an efficient individual, as well as setting a basis

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43 Services include the Job Network, Disability Open Employment, Personal Support Program (PSP), or Job Placement, Employment and Training (JPET) (Australian Government & Job Capacity Assessment, 2007).
to verify further improvement and/or disobeying the orders for improvement given by the assessor.

A government document designed to guide the assessors in conducting the JCA indicates the significance of verbal confession (Foucault, 2007), embedded in the assessment process, to the construction of an effective citizen (Department of Human Services, 2013b). The individual “confesses” (Foucault, 2007) to the assessor by attending the interview in an attempt to achieve salvation (Foucault, 2007) in the form of attaining security and welfare. However, salvation in a neo-liberal welfare state is perceived as being efficient and effective. The assessors are specifically guided to avoid engaging with life crises experienced by the individuals, as these are not considered relevant to the assessment (Department of Human Services, 2013b, pp. 7-8). The primary objective of the interview is to measure the individual’s ability to work and to articulate methods and procedures to improve the recipient’s productivity (Department of Human Services, 2013a). It is through confession, in Foucault’s (2007) terms, that the assessor measures the productivity of the individual. When individuals disclose their circumstances, the barriers that prohibit them from becoming an efficient person become apparent. The assessor, due to their assumed knowledge, measures the impacts of each barrier on the individual’s productivity (Department of Human Services, 2013b, p. 8). Further, the assessor guides the individual towards becoming active and effective (Department of Human Services, 2013b, p. 9). This occurs by connecting individuals to a suitable employment or service that can assist them in overcoming those barriers and ultimately enhance their productivity. The governmental document indicates that the assessor can directly refer individuals to an employment provider (Department of Human Services, 2013b). However, in case the result of the measurement and observation indicates the need for income support, it becomes the authority of Centrelink to reject or accept the assessor’s report (Australian Government & DEWR, 2011). In fact, assessors are instructed not to advise the disabled applicants regarding the outcomes of the
assessment. This emphasises that the prime objective of the process of capacity assessing is constructing active individuals, rather than securing welfare eligibility.

Centrelink has directed assessors to report on the person’s productivity in hourly bandwidths. The person can be measured as capable of working 0-7 hours per week, 8-14 hours per week, 15-22 hours per week or 23-29 hour per week (Department of Human Services, 2012a). Centrelink applies the assessor’s report in articulating plans that would enhance the individual’s productivity. Upon completing the investigation, the individual might be identified as eligible for some form of welfare payment. Rights and obligations accompany this eligibility. A common obligation is fulfilling participation requirements. Participation requirements, previously known as activity tests, are mandatory activities for disabled people to demonstrate their compliance with the expectations of being an active citizen and thus securing ongoing eligibility for welfare benefits (Australian Government, 2011, 2014b). Breaching participation requirements can result in suspension or cancellation of the welfare benefit (Australian Government & Department of Human Services, 2013).

Upon acceptance of the claim, the individual is invited to an interview to negotiate a participation plan (Australian Government & Department of Human Services, 2013), a formal document that records the activities that the individual has negotiated to undertake, such as to engage in a paid job, volunteer, or improve their employment prospects (Australian Government & Department of Human Services, 2013). For disabled people, the declarations to the JCA are critical in negotiating their participation plan, as the plan can vary with their level of productivity. For instance, those whose productivity is assessed as more than 15 hours per week are required to actively participate in a Program of Support (POS) (Australian Government, 2011), which includes at least one of the following:

- job search
- job preparation
Disabled people who are under 35 years old and measured as being able to work 0-7 or 8-14 hours per week are obliged to attend quarterly interviews to satisfy their participation requirements as part of qualification for the DSP (Department of Human Services, 2012b). Individuals who are under 35 years old and are assessed as being able to work more than 8 hours a week are forced to undertake at least one compulsory work activity in their participation plan (Australian Government, 2014b). In practice, the participation plan sets out milestone activities that transform the disabled person into an effective citizen. In signing the participation plan, the individual enters into a contract with Centrelink. Centrelink provides welfare payments and the individual agrees to become efficient (Australian Government, 2014b). In this form of contract, individuals who breach the contract lose entitlements to welfare payments.

7.4.3 Accounting for constructing an active disabled person: relation of total obedience

The confession (Foucault, 2007) processes, which include completing different application forms and interviews with JCAs and Centrelink officers, are followed by a detailed inspection of the conduct of the disabled person. Centrelink has a monitoring mechanism that ensures the individual's compliance with the negotiated contract, central to which is mandatory reporting.

For instance, if the individual is required to undertake employment as part of their plan, they are obliged to lodge a Reporting Statement every fortnight by 5:00 pm on their reporting day (Australian Government & Department of Human Services, 2014b). This statement, also known as the Income Report, details the total number of hours worked by the individual and
their partner during the reporting period, as well as their gross income. To ensure the accuracy of the statement, the individuals are issued an *earning worksheet*. This worksheet records the hours worked and hourly pay rate, including variations such as overtime (Australian Government & Department of Human Services, 2014a). The individuals are requested to lodge the statement even if they have received no income during that period. The income report is the basis for Centrelink to calculate payments to the individuals and is a method to monitor their participation with the negotiated plan.

Individuals may be required to participate in approved activities to enhance their job prospects or seek employment. In this case, individuals are obliged to record the details of their efforts to Centrelink via the *Participation Activity Record Form*44 (Australian Government & Centrelink, 2012). The mandatory aspects to report include: the name of the activity, duration of the activity, and hours spent in completing the activity. This form is also used to record job-seekers’ efforts to find employment. Individuals use the Participation Activity Record Form to report their job contacts for a specific period. Each time individuals approach an employer, they must record the employer’s business name, contact number, type of job, and method and date of contact.

As noted, Foucault (2007) argues that the relationship between the pastor and the individual is one of complete submission and obedience. This means that individuals commit themselves to the pastor for both spiritual matters and everyday life. The data obtained from the Department of Human Services indicates that Centrelink demands that individuals report on not only their participation activities, but also other aspects of their lives. Welfare recipients are mandated to report changes in their circumstances, both personal and financial, including changes to residential addresses, contact numbers, relationship status, study arrangements,

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44 Appendix VII provides a copy of this form.
bank details, work status, in income for both the recipient and their partner, accommodation details, and the acceptance of a lump-sum payment. Centrelink also compels individuals to report when they go on an overseas holiday or have a dependent child (Australian Government & Department of Human Services, 2016b). Monitoring the personal affairs of the individual’s life encourages them to obey the requirements of becoming active. It is through such intense observation and investigation of an individuals’ everyday life that obedience is practiced and the relationship of complete obedience is assured.

The surveillance procedure expands beyond monitoring the individual to include other members of the society, such as service providers and employers. The providers of a program of support will be contacted to report on the disabled person’s efforts while attending the POS (Australian Government & Department of Human Services, 2016h). The provider reports the details of the program, such as name, start date, purpose, and scope. Through these reports Centrelink can assess improvements in the disabled person’s conduct and examine whether they have been genuinely willing to change their circumstances. For instance, the reports indicate how often the person attended the program. The provider classifies the frequency of the attendance as: as agreed, more than agreed or less than agreed. The provider also reports on the behaviour of the disabled person: whether they completed the program or left without completion, or whether there were any periods of inactivity or suspension while attending the program. Further, the report specifies activities undertaken by the individual to improve their disability or to find, gain, or remain in, employment. The outcome of such activities is also reported, particularly if the program has resulted in the individual’s finding employment (Australian Government & Department of Human Services, 2016h).

In addition, Centrelink might approach employers and oblige them to report the employment status of the individual (Australian Government & Department of Human Services, 2016e). The employer verifies the individual’s declarations by completing the
Employment Verification Report. This report details the employee’s leave, including dates they have been paid, the amount paid, and the period covered by the pay. Employers also report any compensations claimed by the individuals, if applicable (Australian Government & Department of Human Services, 2016f). If the individual’s plan requires them to actively seek a job and be willing to accept any job, they might be issued with an Employer Contact Certificate. This report demands that the employer verify that the individual has made a genuine effort to find work (Australian Government & Department of Human Services, 2016e). Centrelink’s relationship with third parties facilitates positioning the individual into a never-ending network of observation and obedience. Such examinations assist in constituting a subject whose merits are analytically identified. The reports on disabled people’s attempts to fulfill their obligations, improve their circumstances, and transform themselves into active entities are crucial for understanding disabled people’s account and decisions on issuing orders for modifying their status.

Further, disabled people are obliged to regularly attend participation interviews to report their progress in fulfilling their negotiated plan. Attending the interview is a condition of eligibility for disabled people assessed capable of less than 8 hours productive work per week. Topics discussed during the interview are one means to transform this group of disabled people into active individuals. In particular, the aim of the interview is:

To keep people who are unable to work due to illness, injury or disability, connected to the labour market and to inform them about the benefits of work and services available to help them find work (Australian Government, 2014a).

During the interview, disabled people are reminded of the benefits of working and the incentives available to encourage workforce participation, such as working credit and income thresholds. They are also reminded of the benefits of having a plan for the future. The interviewers are directed to discuss the options and benefits of voluntary work and encourage
searching for voluntary jobs (Department of Human Services, 2012a). To motivate the individuals to become active, the interviewer highlights the negative effects of long-term dependence on income support. This is accompanied by discussing options to increase the level of productivity, such as undertaking education or vocational training. The interviewer even introduces available social-participation opportunities and employment services, and can make referrals (Australian Government, 2014a). It is through attending mandatory periodic interviews, in which disabled persons are obliged to report their participation in workfare activities, that Centrelink attempts to normalise the expectation of being an active citizen even for people with minor levels of productivity.

The significance of accounting to the reconfiguration of the disability welfare program becomes clear because the administrative procedure is concerned with the amount and nature of the income and assets of the disabled person. Disabled people are required to report changes in their finances, and the administrative procedure is designed to predominantly monitor their financial conduct. It becomes apparent that analysing the finances and productivity of disabled people is fundamental for an examination of disabled people, the purpose of which is extracting truth and transforming them into a new identity. Accounting positively serves the purpose of reinforcing pastoral power in the modern world through enabling the three mechanisms of pastoral power: truth, salvation, and law.

The teaching of the new truth imposed by welfare reform is fundamental in implementing the neoliberal agenda of constructing active and responsible citizens. Consistent with the teaching of truth by the Christian pastorate (Foucault, 2007), central to the new regime of truth is extracting the disabled person’s truth. Confessing (Foucault, 2007) to financial circumstances through completing numerous bureaucratic forms discloses disabled people’s conduct to the authorities, allowing assessors to obtain in-depth knowledge of the disabled person. Confessing (Foucault, 2007) to the level of productivity and financial means enables
tailoring an individualised form of teaching whose purpose is to overcome the barriers that prohibit disabled people from being independent, and to turn them into effective individuals. While disabled people may attempt to hide some aspects of their financial circumstances from the authorities to remain eligible for welfare benefits, accounting permits the officers to verify their declarations. Through information recorded by employers and providers of programs of support, as well as information recorded in the supplementary documents presented to officers as evidence, the bureaucratic system can extract truthful accounts of the disabled individual. Income and assets forms and interviews with JCAs and officers are integral in assessing individuals’ conduct and identifying methods to improve their circumstances, inducing them to become self-dependent and effective. The regular interviews and reviews in which the main concern is tracing modifications in the productivity of the disabled person and improving their finances encourage the disabled person to follow the teaching of the new regime of truth. In this way, accounting directs disabled people to become effective entities. Hence the achievement of the promised welfare for disabled people is obtained by intervention in their lives with the intention of constructing active disabled people who comply with the objectives of a neoliberalist society.

With the achievement of salvation being conditioned to know both the population and individuals (Foucault, 2007), accounting effectively contributes to achieve the objective of welfare reform, central to which is the concept of workfare. Through providing detailed information on the disabled person’s conduct, accounting enables the exercise of the individualising and totalising principle of pastoral power. Analysing financial status, interviewing, reviewing, and assessing disabled people provides information regarding their general circumstances, including their sources of income and assets, as well as their capacities and weaknesses. This form of information is significant in articulating programs that reinforce the agenda of workfare. Simultaneously, accounting functions as a forceful mechanism in
identifying any improvement in the financial status of each disabled person, which consequently permits an assessment of their potential transformation into active citizens. An individualised participation plan that is negotiated according to the records of disabled people’s statements and their assessed productivity shows how accounting provides information that facilitates targeting disabled people with an individualised intervention in an attempt to transfer them from welfare to workforce.

Further, accounting enables implementation of the law as a principle of pastoral power. Accounting mechanisms of reporting, formulated in the form of mandatory reporting by disabled people and from external parties, facilitate total subjection of disabled people to Centrelink. Disabled people are obliged to comply with the expectations of a financialised world through fulfilling its participation requirements. Mandating that disabled people report their actions and recording the reports in files displays the authority of Centrelink to which the disabled people surrender themselves. In addition, monitoring most aspects of disabled people’s lives reinforces Centrelink’s authority. The mandatory reports not only provide information regarding the actions of disabled people, but also enable Centrelink to compare their behaviour and recognise any improvement or deviance. Disabled people who are identified as deviating from the prescribed actions could be punished by losing their access to welfare payments. As a result of these investigations, disabled people feel the supervision of Centrelink at all times, and become self-regulated in compliance with the norms of an active citizen. Thus accounting empowers the subjectification of disabled people to the prescribed law, as well as reinforcing the status of Centrelink.

7.5 Conclusion
This chapter has analysed the constitution of disability in the third epoch of investigation (1980s-2016). It has illustrated the crucial role of accounting in achieving the neoliberalist intentions of reconceptualising disability welfare in Australia. The intentions of the financial world empower welfare reform, in which every citizen is responsible for contributing to the wealth of the nation. The discussion reveals how economic rationalities have justified a shift in perspective towards disabled people: from focusing on their incapacity to refocusing on their abilities. Whilst this shift was presented as a gesture of compassion towards disabled people, the discussion reveals that the unspoken objective was to reduce the cost of the disability welfare program and include disabled people’s potential to work in the national economic progress. The discussion thus demonstrates the salience of economic discourse in rationalising an individualising and totalising form of power over the lives of disabled people and enabling policies that would benefit their social standings and turn them into profitable entities for the nation.

This chapter identified that central to the Hawke government’s disability welfare reform was disabled people’s acknowledgment of their abilities; their self-affirmation facilitated their transformation. The analysis recognises the role of accounting in compelling disability movements to comply with the proposed reform. Relying on the notion of social justice, the authorities present equality in the form of ability to contribute to the national economy. Including disabled people’s representatives in policy-making procedures made the reform desirable for disabled people; the Hawke government appeared as compassionate and caring, reinforcing relations of obedience to its welfare program. The chapter demonstrates that enabling policies represented the individualising and totalising principle of pastoral power. It provided an opportunity to save “corrupted” individuals by aligning them with the national agenda. At the same time, the transformation of disabled people through reducing welfare
expenditure saved the rest of the society from the harmful effects of some of its members becoming idle and dependent.

While the Hawke government lobbied disability advocates to make its welfare reform more appealing, the discussion demonstrates the salience of the accounting discourse in rationalising the Howard government’s disability welfare reform. Statistical data on the increasing number of disabled people and the cost of people with disabilities justified the introduction of legislation that would transfer the cost of disabled people into revenues, or at least reduce the cost of disabled people. The discussion demonstrated that the Howard government’s workfare plan relied upon the reconfiguration of the “regime of truth”, which articulates disabled people’s entitlements and responsibilities through a range of legalisation and administrative practices. The discussion also demonstrated that individuals applied accounting discourse to resist the new regime of truth. The analysis illustrates that using financial information and statistical data regarding disabled people gave measurable visibility to effects of their transformation into job-seekers rather than disabled. It was through such visibility that people with disabilities could attract public sympathy and sustain their desired identity for a short time. Eventually, however, accounting discourse gave legitimacy to shifting the identity of people with disabilities into active citizens. Aspects of the accounting discourse, such as the wealth of the nation and efficiency, normalised salvation in the form of becoming effective and efficient. Further, the technique of classification rendered disabled people a target of public resentment, and numbers gave visibility to the outcomes of disabled people’s efficiency, thereby legitimising the decision to transform disabled people into active entities.

This chapter has revealed that the implementation of the new regime of truth relies on disabled people confessing to their financial accounts and their productivity. Compliance to the new truth is assessed by monitoring and supervisory practices, in which accounting techniques such as assessing the income and assets of disabled people and measuring their effectiveness
are integral. The centrality of accounting in the interplay of salvation, law, and truth within welfare reform demonstrates how accounting is crucial in implementing principles of pastoral power in the modern world. Accounting enables reducing the welfare expectancy objectives of the neoliberalist society whilst aligning disabled people with the intentions of such society through transforming them into effective citizens. The transformation of disabled people has occurred by formulating an individualised intervention in their lives empowered by the mechanisms of accounting. As such, the disability welfare reform exhibits an individualising and totalising form of power with the intention of reinforcing a particular form of political ideology.

The extraction of the truth from disabled people is a vital procedure in transforming their identity and directing them towards the desired end. As shown in the analysis, accounting is a powerful mechanism for examining disabled people, providing information on every aspect of their lives. Highly detailed bureaucratic forms and mandatory reports are an influential mechanism to force disabled people to confess to truth, permitting Centrelink to govern them in a way consistent with the objectives of a financialised society. The regular written confession (Foucault, 2007) of financial status, by means of application forms and numerous reports, stresses the economic aspect of disability identity, emphasising that one can overcome disability by engaging in paid employment. Evidence provided via accounting procedures – recording and reporting – enables Centrelink to assess the actions of disabled people. The accounting information extracted from the statements and reports, as the mechanism of confession in Foucault’s (2007) terms, not only enables tailoring the most appropriate level of financial assistance, but also enables monitoring the conduct of disabled people and identifying any variation to their circumstances. Regular monitoring of the financial conduct of disabled people makes them feel the “gaze” (Foucault, 1977, p. 195) at all times and thus commit themselves to the prescribed norms of the welfare reform. Simultaneously, accounting
procedures within the welfare reform reinforce the status of Centrelink as the care provider, normalising expectations to comply with Centrelink’s rules and procedures. Hence, accounting facilitates control over the conduct of individuals without appearing to do so (Miller & O'Leary, 1987; Miller & Rose, 1990).

This chapter has concluded the analysis of the constitution of disabled people under the Commonwealth welfare program from 1908 to 2016. The following chapter overviews the research and presents the conclusion and contributions of this research.
Chapter Eight: Conclusion

8.0 Introduction

This study drew on the work of the French philosopher Michel Foucault to examine the influence of accounting in constructing the economic comportments of the identity of disabled people in Australia from 1908 to 2016. The aim of this chapter is to present the conclusions and contributions of this study. In this chapter, an overview of the study will be presented. Following this, conclusions from the research will be addressed. The contributions of this thesis to theory, methodology, and knowledge will also be presented. Finally, the limitations of this study will be discussed, and opportunities for further research will be presented.

8.1 Overview of study

This study drew on Foucault’s (Foucault, 1988a, 1988c, 2007) thesis on modes of constitution of the self. Foucault’s (1988a, 1988c) investigation of the process of subjectification explores techniques and practices by which individuals act upon themselves to transform themselves in an attempt to attain a state of perfection. In particular, this research drew on Foucault’s (2007) elaboration of pastoral power to investigate the influence of accounting in fabricating the identity of disabled people. According to Foucault (2007), pastoral power, through its mechanisms of confession, law, and salvation, exercises a form of control that is both individualising and totalising. The outcome of exercising pastoral power is the construction of individuals who are known in every way and completely obey the orders of their pastor, and whose merits are analytically identified (Foucault, 2007). Consistent with the Foucauldian approach, a critical genealogical investigation was undertaken to render an effective history that maps the influence of accounting on the formation of disabled people through governmental welfare programs. Although historical in orientation, the study did not present a linear investigation of the Australian governmental welfare benefit; rather, the thesis
sought to map the discontinuities in governmental welfare programs. To this end, the period under investigation was divided into three eras. The first period analysed the formation of governmental disability welfare benefits in Australia from 1908 to the 1930s. The second period analysed the programs instigated to govern disabled people from the 1940s to the 1980s. The third era examined the formation of disability under the influence of a neo-liberal regime (1980s to 2016). The analysis traced the discontinuities and shifts in the forms of the process of subjectification and mechanisms employed to constitute and regulate disability within these periods. By adopting a Foucauldian perspective, this study examined archival documents to answer the broad research question:

How has accounting been forceful in the constitution of economic comportments of the identity of disabled people?

Elaborating on this key research question, the study investigated:

- the rationales that facilitate intervention in the lives of disabled people,

- the applied mechanism used by disabled people in identifying themselves, and

- the mechanisms used by Australian Government that have enabled the transformation of disabled people into a certain form of identity.

The following section presents the conclusions of this research in relation to the research questions.
8.2 Conclusions in relation to research questions

The theoretical framework of this study stressed that, to comprehend the role of accounting in the construction of disability identity, it is important to recognise the influence of accounting at the level of participants and mechanisms of pastoral power, as described by Foucault (2007). At the level of participants, the theoretical framework for this study (Section 3.3) identified the government as the pastor in Foucault’s (2007) terms, disabled people as sheep in Foucault’s (2007) terms, and the population as the flock in Foucault’s (2007) terms. In addition, inspired by Foucault’s (2007) theoretical framework, this study accounted for confession (truth), total obedience (law), and analytical identification (salvation) as the mechanisms applied to construct a new self. As shown in Table 6 and elaborated below, the findings of this thesis demonstrate that accounting influenced both levels of participants, and its mechanisms enabled constructing the economic comportments of disability identity consistent with the political and economic agenda of the government.
Table 6: Findings of this research in relation to the research question

<table>
<thead>
<tr>
<th>No</th>
<th>Research question</th>
<th>Component of theoretical framework</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of participants (government)</td>
<td>Since the original welfare program in 1908, the “evidence” provided by accounting motivated the government to engage in the disability welfare program.</td>
</tr>
<tr>
<td>2</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of participants (disabled people)</td>
<td>Accounting discourse on the significance of individual’s financial effectiveness and independence rendered disability as a financial deficiency and motivated disabled people to engage in the disability welfare program.</td>
</tr>
<tr>
<td>3</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of participants (population)</td>
<td>Accounting information based on the cost of disabled people for taxpayers rendered the decision on allocating taxpayers’ contribution to the disability welfare program, which could reduce the cost of disabled people and transform them into earners rather than takers, as rational and profitable decisions.</td>
</tr>
<tr>
<td>4</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of mechanism (confession)</td>
<td>Accounting techniques of reporting and recording applied the mechanism of confession within the disability welfare program.</td>
</tr>
<tr>
<td>5</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of mechanisms (total obedience)</td>
<td>Accounting techniques of reporting used in narrating financial actions of disabled people, such as acquiring assets, earning income, or engaging in paid work reinforced total obedience to the government.</td>
</tr>
<tr>
<td>6</td>
<td>The role of accounting in constructing the economic comportments of the identity of disabled people</td>
<td>Level of mechanisms (analytical identification)</td>
<td>Accounting techniques of measurement and classification embedded within the Means Test, Income Test, and Asset Test enabled an analytical identification of disabled people.</td>
</tr>
<tr>
<td>7</td>
<td>The rationales that facilitate intervention in the lives of disabled people</td>
<td>Level of participants</td>
<td>Accounting techniques of measurement gave quantifiable visibility to the issue of disability, and techniques of classification enabled the governmental program to be tailored to a targeted group, ensuring that financial resources were allocated effectively.</td>
</tr>
<tr>
<td>8</td>
<td>The applied mechanism used by disabled people in identifying themselves</td>
<td>Level of mechanism</td>
<td>Accounting discourse based on the significance of individual productivity and efficiency, as well as techniques of reporting, measurement, and classification, normalised disabled people’s perception of themselves as being a financially inferior citizen, therefore motivating them to demand welfare policies to improve their social and financial standings.</td>
</tr>
<tr>
<td>9</td>
<td>The mechanisms used by Australian Government that have enabled the transformation of disabled people into a certain form of identity</td>
<td>Level of mechanism</td>
<td>Techniques of measurement, classification, and reporting embedded with the Means Test, Income Test, and Asset Test facilitated transformation of disabled people into a new identity.</td>
</tr>
</tbody>
</table>
8.2.1 The role of accounting in constructing the economic comportments of the identity of disabled people

This study demonstrated that, although the administration of the program has experienced alteration, accounting discourse remains central to the application of the program that governs the payment of welfare benefits to disabled individuals. The study has validated the premise that since the initial disability welfare program began, financial discourse, such as the cost of disabled people, their capacities to generate income and contribute to the national economy, and the level of disabled people’s productivity, has directed discussion regarding the disability welfare program. The thesis has revealed that accounting has given a measurable visibility to the issue of disability and rendered disability, for the purpose of the welfare program, a financial deficiency rather than a medical circumstance. This thesis has found that by presenting disability as a financial issue, participants have been encouraged to engage with the program.

Accounting discourse regarding the cost of disabled people and their capacity to contribute to the national economy motivated the government to interfere with the disability issue to assist its totalising objective of expanding the economy. At the same time, accounting techniques that measured the cost of disabled people to taxpayers depicted disabled people as a financial burden on society and presented them as a target of resentment. This perceptualisation of disabled people rendered welfare programs for disabled people appealing to the Australian public, as it reduced the perceived cost of people with disabilities to the nation.

On the other hand, discourse on paid employment normalised financial effectiveness as the primary attribute of a desired citizen, and normalised working expectations toward disabled people. Thus disabled people willingly participated in the welfare program, as it promoted normalising them through its enabling policies. This study concludes that the Australian welfare program is not merely a technique designed to provide financial relief for disabled
people; it is also a mechanism to exercise an individualising and totalising form of power. This thesis found that the capacity of accounting to direct individuals without appearing to do so, enabled the directing of disabled people towards the political and economic agendas of the government. This research revealed that the disability welfare program followed the prescribed “regime of truth” and sought to make disabled people consistent with the government’s economic and political principles.

By gaining control of “omnes et singulatim” ("all and each", Foucault, 2007, p. 103), with the aim of providing salvation for the population and individuals within it, the Australian Government required disabled people’s total obedience to the government, with the latter knowing the former in every particular. The extraction of truth and complete subjection of disabled people to the government would reinforce managing the conduct of disabled people and direct them towards salvation. This thesis found that the extraction of truth and knowing the financial details of disabled people were the cornerstone of the disability welfare program, the aim of which was to reinforce the political and economic objective of government. Disability, for the purpose of welfare programs, was defined as an incapacity to work and generate income, and accounting enabled the Australian Government to know the financial position of a disabled person. Accounting facilitated extracting the truth from people with disabilities by applying mechanisms of confession. Disabled people’s written and verbal confession of their financial means, ability to work, and productivity, facilitated the government’s knowledge of their financial conduct. The administrative forms that demanded detailed information on disabled people’s income and assets in narrative format, in conjunction with an interview that meticulously reviewed the written confession and demanded verbal disclosure on their financial conduct, were influential mechanisms to compel disabled people to confess the truth.
In addition, the application of a reporting procedure reinforced the subjugation of disabled people to the government. The processes of investigation and questioning mandated that disabled people report their financial behaviour to the government continuously. The process of investigating the conduct of disabled people was reinforced through recording the reports of external parties on the behaviour of disabled people. This process of “investigations and request for explanation” (Loft, 1986, p. 140) empowered compliance to the government. As a result of these processes, disabled people felt the supervisory “gaze” (Foucault, 1977, p. 195) at all times and were persuaded to comply with the truth imposed by the Australian Government.

Therefore, this thesis has demonstrated that accounting is influential in constructing disability identity under government welfare programs, as it provides a tool to accurately extract the truth from disabled people. Accounting has compelled disabled people to self-regulate and enabled the government to analytically identify disabled people and manage the merits and faults of disabled people towards its political and economic objectives. This research has demonstrated that the upshot of the application of accounting in disability welfare programs has been disabled people’s renunciation of their identity and placement of their lives in the hands of the Australian Government. In this way they could be directed toward the new regime of truth imposed by the government. This thesis concludes that the accounting component of the disability welfare program functioned as a technology of the self and enabled the welfare program to induce an individualising and totalising form of control over the lives of disabled people.

The application of accounting in disability reform programs was a function of the presumed objectivity of accounting numbers. Numbers, unlike words, appear applicable across all groups of the population uniformly (Ezzamel, 2012; Hooks & Stewart, 2015; Miller, 2001; Napier, 2006; Walker, 2016). However, far from being a neutral technique in the pursuit of economic rationality (Carnegie & Napier, 1996), accounting techniques embedded within the disability
welfare program in Australia now adopt a more ambiguous form, particularly in relation to neoliberal concerns with efficiency and finance. Everything becomes governable and administered through efficiency, costs, and quantified benefits (Arrington & Upton, 2013). As shown by this study, numbers enable achievement of neoliberal objectives simply because efficiency and finance are abstract and quantified, and thus depoliticise discourse: political choices and values appear as rational numbers. At the level of macro-power, accounting enables a rhetoric of “accountingisations” (Arrington & Upton, 2013, p. 327) for all, and, at the level of micro-power, it enables the construction of citizenship as the valorisation of productivity and efficiency, even for the disabled. However, the significance of accounting takes another form: it exercises control over disabled people without appearing to do so. The modern world does not ignore individuals. Rather, it takes advantage of them under the realm of welfare (Foucault, 2007). This thesis demonstrates that accounting achieves this result by assisting neoliberalism to exercise an individualising and totalising form of power over the lives of disabled people.

8.2.2 The rationales that facilitate intervention in the lives of disabled people

The genealogical investigation undertaken in this study revealed that the currently normalised idea that disabled people can be transformed if directed and controlled by the government is not revolutionary; rather, it reflects the original mentalities and practices implemented by Australians at the time of Federation. This thesis has demonstrated that, beginning with Federation in 1901, the disability welfare program has been assembled to control the disabled population and align them with the objectives imposed by the government. Through the lens of the theoretical framework used in this study, which identified the role of participants in constructing a new self, this study found accounting as the main technique that
enabled rationalising interventions in the lives of disabled people. The thesis has revealed that, from the earliest disability welfare program in 1908, the ability of accounting techniques to give measurable visibility (Greer, 2005; Miller, 2001) to the issue of disability and detach emotions (Graham, 2010; Neu, 2000a) from the concept of disability rendered disabled people amenable to control and intervention. The accounting discourse on the cost of people with disabilities and the possible savings through managing disabled people rendered the decision to interfere in the lives of disabled people as a rational judgement. In addition, reporting the financial outcomes of the disability welfare program, rather than its social influences on disabled people, justified introducing further programs to manage the disabled population, thereby expanding intervention into the lives of disabled people.

Further, this thesis has found that discourse on effectiveness and individual efficiency rationalised intervention into the lives of disabled people. In a society that encouraged individualisation (Lister, 2001; Peck, 2001), disabled people's financial dependency would influence the economic progression of the nation. Therefore, a welfare reform that transformed disabled people into active citizens was justified because it promised to reduce the dispiriting affect of disabled people’s conduct on the country.

8.2.3 The applied mechanism used by disabled people in identifying themselves

The theoretical framework used, which identified the role of individuals in the constitution of the self, enabled this study to conclude that disabled people are not passive; rather, they are capable of resisting a particular identity and articulating their own desired identity. Importantly, the thesis found that accounting provided the tool for such resistance: when disabled people were aware of the influence of financial means on their identity, they structured their wealth in a way that secured their eligibility for the cash payments associated with the identity of disability. In addition, with the modern world being increasingly financialised (Arrington &
Upton, 2013; Zhang & Andrew, 2014), disability is also perceived from a financial perspective in a way that, when disabled people resist a certain form of intervention, they present the financial aspects of their lives rather than the medical issues they are experiencing.

Consistent with Foucault's (1982, 1988c) observations of modes of the constitution of the self, in which the subject willingly enters relationships of power, this study found that from the initial welfare legislation, disabled people requested intervention in their lives. Disabled people’s confession to their incapacity to generate income confirms that they affirmed disability as a financial deficiency, and drew on accounting techniques to present themselves as deviants in need of direction. Accounting facilitated the affirmation to such an identity; the discourse of productivity and financial independency normalised disability as being a financial deficiency. In addition, techniques of measurement and classification of accounts gave visibility to abstract notions of income and assets that affirmed the deviance of disabled people. Disabled people, considering themselves inferior to the able-bodied, themselves demanded welfare policies, thereby giving legitimacy to the regulatory intervention in their lives.

8.2.4 Mechanisms used by the Australian Government that have enabled the transformation of disabled people into a certain form of identity

Through the lens of the Foucauldian theoretical framework introduced in Section 3.3, this thesis revealed the salience of accounting in the mechanisms applied when transforming disabled people. This study has revealed that an accounting program was designed to analyse the merits and faults of people with disabilities. The accounting program known variously as the Means Test, Income Test and Asset Test, depending on its function, drew on the records of disabled people’s statements and declarations and identified the correct identity of disabled people. In particular, techniques of classification and measurement embedded within the test enabled knowing the true identity of people with disabilities. The test classified some types of
income and assets as permissible income and exempt assets. This classification of accounts facilitated managing disabled people’s merits and faults: permissible income and assets constituted their merits, and those assets and income that were not exempted represented their faults. Aiming to expose the “real” identity of people with disabilities, the accounting test drew on the records of disabled people’s statements and extracted information on the nature and amount of disabled people’s income and assets. When the financial conduct of disabled people revealed a fault, this would negatively influence achieving salvation in the form of financial relief by reducing the amount of the cash payment.

While the accounting test appeared to be a neutral program to assess the financial means of disabled people, this research has revealed that, in practice, accounting components of the test permitted the direction of disabled people towards objectives of the government, without appearing to do so. Re-identification of permissible income and exempt assets as the attributes of merits of disabled people enabled the transformation of disabled people into savers and investors: desired identities that were aligned with national economic objectives. In addition, this thesis found that modification of the accounting test to one that merely accounts for the income of disabled people or separately measures income and assets of disabled people enabled the achievement of the government’s economic objectives, whether controlling the economy or restricting welfare expenditure to a particular group of citizens.

Furthermore, this thesis has demonstrated that the application of techniques of classification was twofold. First, it enabled the Australian Government to classify disabled people as welfare recipients, and thus subject them to the similar rights and responsibilities of other welfare recipients such as old-age pensioners or unemployed people. Second, it enabled a separation of disabled people from other welfare recipients and the tailoring of specific programs to improve their conditions. Their classification and reclassification created a mixed identity for disabled people. They were welfare recipients and subjected to governmental strategies.
applicable to the entire welfare recipient population. They also were disabled and therefore obliged to comply with the regime of truth imposed by political ideologies that demanded they transform themselves.

The study found that the disability welfare program is a form of individualisation by subjection. The disabled person is not positioned in a hierarchy. Rather, drawing on accounting discourse, the disabled person is individualised by a network of subordination and an endless monitoring procedure. It is evident from the analysis that discourses of reporting and recording are central to the monitoring practice assembled to assure complete obedience. The thesis revealed that the disability welfare program relies on compulsory reporting from both disabled people and external parties on the disabled people’s financial conduct. These financial reports provide evidence for the administrative agencies that decide the disabled person’s identity.

Having established the conclusions of this research, the next sections discuss the contributions of this thesis to theory, methodology, and practical knowledge.

8.3 Contribution to theory

The theoretical framework developed in this study, which adapted Foucault’s (1982, 1988a, 1988c, 2007) concept of pastoral power, presents a significant contribution to studies of construction of the self in an accounting context. Many accounting scholars (e.g. Álvarez-Dardet et al., 2002; Baker, 2013; Baños et al., 2005; Carmona et al., 2002; Carmona & Gutiérrez, 2005; Fuinez, 2005; Gomes et al., 2014; Jeacle, 2012; Jeacle & Walsh, 2002; Lai et al., 2012; Madonna et al., 2014; Maran et al., 2016; Maran et al., 2014; Neu, 2000b; Roberts et al., 2006; Sargiacomo, 2009; Spence & Rinaldi, 2014; Vicencio, 2014; Walker, 2010) have used Foucault's thesis on governmentality and disciplinary power to demonstrate accounting as a technology of domination. However, Foucault's (1982, 1988c, 2007) thesis on pastoral power remains relatively unused in genealogical studies of the role of accounting in the
construction of identities. Foucault’s (1982, 1988c, 2007) concept of pastoral power pays particular attention to the processes of formation of a subject and explains how subjects “…effect, by their own means or with the help of others, a certain number of operations on their own bodies and souls, thoughts, conduct, and way of being, so as to transform themselves in order to attain a certain state of happiness, purity, wisdom, perfection, or immortality” (Foucault, 1988c, p. 18). As noted in Section 2.3.1.2, an exception to this is Graham’s (2010) study, which used Foucault's (1988c) notion of pastoral power to examine the role of accounting in the construction of retirees in Canada and found that for the Canadian retirees accounting fell short as a technology of the self. Therefore, this thesis fills a theoretical void by considering the role of accounting as a technique used by participants of the Australian disability welfare program in transforming disabled people’s identities into those that comply with the government’s individualising and totalising objectives. The significance of the theoretical framework applied by this study for the process of construction of the self is due to its ability to consider the subject capable of either resisting the relationship with or willingly complying with power.

Further, by using Foucault’s (1982, 1988c, 2007) concept of pastoral power, this study demonstrated that accounting strongly influenced the conduct of disabled people. The administrative procedures of the disability welfare program ensured the centrality of accounting techniques such as valuation and measurement of disabled people’s income and assets. The government demanded that disabled people disclose changes to their finances, and the administrative procedure was designed predominantly to monitor the financial conduct of disabled people. Analysing the financial position of disabled people, along with their productivity (also expressed in financial terms), was fundamental for the examination and assessment of people with disabilities, the purpose of which was extracting truth and transforming them into a new identity, one that positively contributes to the objectives of the
government. By viewing the disability welfare program through Foucault's pastoral-power perspective, accounting can be shown to be a technology of the self: accounting intervened to influence the conduct of disabled people and induce them to behave in a manner consistent with the political and economic aims of the government. Accounting thereby reinforced the government programs through Foucault’s three mechanisms of pastoral power: truth, salvation, and law.

Moreover, the theoretical framework developed by this study (Section 3.3) was consistent with the methodological approach of the study, and enabled the exploration of an extensive period – more than one hundred years – to compare the construction of identity under the influence of three distinct political ideologies: nationalism, Keynesianism, and neoliberalism. This theoretical framework could be applied to future genealogical studies that seek to investigate and comprehend the influence of accounting in the construction of identity.

8.4 Contribution to methodology

The methodological approach of this research was described in Chapter 4 as a critical genealogical approach. By using a genealogical method, this research mapped the construction of disability identity through the Australian disability welfare program. The analysis showed that the financial implication of disability is the primary motivator for individuals’ transformation. The thesis showed how the current disability benefits program requires disabled people to work on their financial situation, as they are observed through a financial lens. More importantly, as discussed in Sections 7.3 and 7.4, the ultimate goal, the telos, of the program is to create a financially calculable and governable disabled person who is efficient and can contribute to the wealth of the nation. The techniques of reporting and recording are the means by which disabled people come to be known; these techniques also ensure their compliance with the prescribed norms of disability. Reports on financial and job-seeking activities in writing or by attending regular interviews continue throughout the course of
disabled persons’ lifetimes, and are compulsory for them to sustain their identity and thereby secure welfare benefits. This form of reporting, viewed through Foucault’s lens, can be seen as a tool to demonstrate that disabled people have successfully renounced their previous identity.

This study rendered a more complex picture of the influence of accounting for conceptualising disability and managing disabled people than has been rendered by other studies. This was possible because of its genealogical design, which enabled a longitudinal investigation to trace discontinuities in the events (Macintosh, 2009) in the welfare program from its instigation in 1908 until 2016. As such, this study provided further evidence that genealogical investigation is relevant to studies of accounting for subjugation.

8.5 Contribution to practice

An important substantive contribution of this study has been to incorporate an expansive range of archival material, sourced back to the 1820s, in the analysis of disability welfare programs. In particular, the study included archival administrative forms and manuals that have not previously been analysed in identifying the role of accounting in disability welfare programs. In doing so, this research has traced the discontinuities of the Australian disability welfare program from its conception in 1908 to 2016 and exposed the influence of accounting in the conceptualisation of disability in Australia. The formation of disability under three different political orthodoxies in Australia was examined: the nationalist system of the initial welfare program, the Keynesian approach of the second period, and the neoliberalist approach of the present. This research renders a practical contribution to the understanding of the interrelation of accounting and political ideologies as expressed in the Australian disability welfare program. Accounting components of disability transfer the individualising and totalising objectives of the government to disabled people; accounting encourages disabled people to self-discipline consistently with the regime of truth imposed by a particular form of political ideology.
This thesis provides further evidence that accounting is not merely a neutral technique providing economic facts (Carnegie & Napier, 1996); rather, it is a technology of the self and is capable of forming identities. By tracing the major changes within the disability welfare program, this study exposed the centrality of accounting in creating three different forms for one identity. In the first period (1908-1930s), accounting discourse of productivity rendered disabled people as incapacitated entities. In the second period (1940s-1980s), economic discourse gave visibility to the capacities of disabled people to become workers, savers, and investors. In the third period (1980s-2016), the discourse on efficiency and effectiveness identified disabled people’s capacity to become active entities.

Further, this study has demonstrated that accounting not only rationalises a new form of identity, but also facilitates the transformation of an identity. Accounting achieves this objective by facilitating the exercise of the mechanisms of pastoral power (salvation, truth, and law). This study situates itself amongst the accounting literature that studies accounting in its broader social context and explores the influence of accounting in execution of political objectives (e.g. Andrew & Cortese, 2013; Baker, 2013; Carmona & Ezzamel, 2009; Cooper et al., 2016; Maran et al., 2016; Zhang & Andrew, 2014). This study extends the social accounting research by highlighting a new perspective towards the influence of accounting for the modern state: accounting empowers the modern state to take advantage of individuals to achieve its desires under the rationale of an individual’s welfare.

Further, by revealing the accounting components of disability identity, this thesis provides additional evidence for disability scholars to argue that disability is socially constructed. Hence, this research makes an interdisciplinary contribution in that it presents an awareness within the disability discipline that accounting is integral to the construction of disabled identity.
8.6 Research limitations

Two main limitations of this thesis relate to the scope of the analysis undertaken and the accessibility of archival data. Australian governments have investigated different regulations and programs of support targeting different classes of disabled people. Among those are the Handicapped Persons Assistance Act (1974), Australian Soldiers’ Repatriation Act (1920), Handicapped Children (Assistance) Act (1970), and Disability Discrimination Act (1992). The scope of this study is limited to legislation that regulates financial relief for disabled people. As such, the thesis analysed the initial governmental welfare program for disabled people, the Invalid and Old-age Pensions Act (1908) and other relevant legislation, such as Social Services Consolidation Act (1947), Social Security (Disability and Sickness Support) Amendment Act (1991), and Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Act (2005).

Greer (2005) explains that the archival material is the product of the archivist’s activities. It has been shown by Duff et al. (2004, p.20) that historians often “deal with incomplete records or obvious gaps”. Similarly, the partial nature of the archival materials imposed a limitation on this study. In particular, the records of the case files were incomplete and did not present the complete documents related to individuals; this posed a challenge for the undertaking of this study. In addition, at the time of writing, the individual case files that contained personal information and security sensitivity were not available to the author. These case files were only available once explicit authorisation had been granted to the author. To complicate matters, access to some case files was only granted after a formal application was submitted, vetted, and then approved.
8.7 Further research

Within the confines of a doctoral dissertation, this study has investigated the changes within a single disability program in one county during one century. An important avenue for further research includes expanding the scope of the legislative programs examined to include, for example, the Handicapped Persons Assistance Act (1974), Australian Soldiers’ Repatriation Act (1920), Handicapped Children (Assistance) Act (1970), and Disability Discrimination Act (1992).

Incorporating an interview or oral-history component to complement findings already generated would allow for a broader interpretation of disabled people’s experience. This would serve to enhance this study’s conceptualisation of accounting. In addition, the conceptual model developed in this thesis has the ability to be adapted to alternate areas of accounting beyond disability welfare to include other fields of government.

The purpose of this study has been to examine the role of accounting in constructing the economic comportments of disability. Inspired by Foucault’s (1988a, 2007) ideas on the constitution of the self, a theoretical framework was developed and a genealogical method of investigation was undertaken to enable identification of the role of accounting in the transformation of disability identity through governmental welfare programs from 1908 to 2016. While the politicisation of disability welfare program is acknowledged, the implicit “accountingisations” (Arrington & Upton, 2013, p. 327) in the construction of disability identity are significant, particularly with respect to the Australian Government’s promises of freedom of decision and choices for disabled people (Department of Human Services, 2016e).
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Appendices

Appendix I

The National Archives of Australia and National Library of Australia were visited in 2013. Prior to this visit, relevant data had been identified through the search engine available on the websites of the NAA and NLA. During the visit, photos were taken of data, and in some cases relevant data was photocopied. In addition, data was requested from the NLA through the document-delivery services offered by the University of Wollongong.

Appendix II: Government Grant to Benevolent Society

![Image of a document showing accounts]

Source: Benevolent Society of New South Wales (1831)
### Appendix III: Maximum Rates of Pension and Minimum Weekly Wage Rates 1909-1960

<table>
<thead>
<tr>
<th>Date of effect</th>
<th>Rate per week</th>
<th>Minimum weekly wage rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£.</td>
<td>S.D</td>
</tr>
<tr>
<td>01.07.1909</td>
<td>10.0</td>
<td>1.00</td>
</tr>
<tr>
<td>12.10.1916</td>
<td>12.0</td>
<td>1.25</td>
</tr>
<tr>
<td>01.01.1920</td>
<td>15.0</td>
<td>1.50</td>
</tr>
<tr>
<td>13.09.1923</td>
<td>17.6</td>
<td>1.75</td>
</tr>
<tr>
<td>08.10.1925</td>
<td>1.00</td>
<td>2.00</td>
</tr>
<tr>
<td>23.07.1931</td>
<td>17.6</td>
<td>1.75</td>
</tr>
<tr>
<td>13.10.1932</td>
<td>15.0</td>
<td>1.50</td>
</tr>
<tr>
<td>26.10.1933</td>
<td>17.6</td>
<td>1.75</td>
</tr>
<tr>
<td>04.07.1935</td>
<td>18.0</td>
<td>1.80</td>
</tr>
<tr>
<td>24.09.1936</td>
<td>19.0</td>
<td>1.90</td>
</tr>
<tr>
<td>09.09.1937</td>
<td>1.00</td>
<td>2.00</td>
</tr>
<tr>
<td>26.12.1940</td>
<td>1.10</td>
<td>2.10</td>
</tr>
<tr>
<td>03.04.1941</td>
<td>1.16</td>
<td>2.15</td>
</tr>
<tr>
<td>11.12.1941</td>
<td>1.36</td>
<td>2.35</td>
</tr>
<tr>
<td>02.04.1942</td>
<td>1.50</td>
<td>2.50</td>
</tr>
<tr>
<td>01.10.1942</td>
<td>1.56</td>
<td>2.55</td>
</tr>
<tr>
<td>07.01.1943</td>
<td>1.60</td>
<td>2.60</td>
</tr>
<tr>
<td>01.04.1943</td>
<td>1.66</td>
<td>2.65</td>
</tr>
<tr>
<td>05.08.1943</td>
<td>1.70</td>
<td>2.70</td>
</tr>
<tr>
<td>05.07.1945</td>
<td>1.12</td>
<td>2.25</td>
</tr>
<tr>
<td>03.07.1947</td>
<td>1.17</td>
<td>3.75</td>
</tr>
<tr>
<td>21.10.1948</td>
<td>2.26</td>
<td>4.25</td>
</tr>
<tr>
<td>02.11.1950</td>
<td>2.10</td>
<td>5.00</td>
</tr>
<tr>
<td>01.11.1951</td>
<td>3.00</td>
<td>6.00</td>
</tr>
<tr>
<td>02.10.1952</td>
<td>3.76</td>
<td>6.75</td>
</tr>
<tr>
<td>29.10.1953</td>
<td>3.10</td>
<td>7.00</td>
</tr>
<tr>
<td>27.10.1955</td>
<td>4.00</td>
<td>8.00</td>
</tr>
<tr>
<td>24.10.1957</td>
<td>4.76</td>
<td>8.75</td>
</tr>
<tr>
<td>23.10.1958</td>
<td>4.76</td>
<td>8.75</td>
</tr>
<tr>
<td>08.10.1959</td>
<td>4.15</td>
<td>9.50</td>
</tr>
<tr>
<td>06.10.1960</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td>05.10.1961</td>
<td>5.50</td>
<td>10.50</td>
</tr>
</tbody>
</table>

*Adapted from (Australian Government & Department of Families Community Services and Indigenous Affairs (1983, p.115) and Withers et al. (1985, pp. 140-141)*
Appendix IV: Means Test: classification and measurement of account

<table>
<thead>
<tr>
<th>Account</th>
<th>Classification</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustenance or food relief</td>
<td>Income, if it is work provided for the relief of unemployment</td>
<td>Wage paid in respect of this work constitute income.</td>
</tr>
<tr>
<td>payments from children</td>
<td>Income, when such money payment or other benefits are earned by the recipients by means of service rendered</td>
<td>The money payment is considered as wages and constitute income.</td>
</tr>
<tr>
<td>Boarders</td>
<td>Income</td>
<td>One fourth of the actual gross amount received by a claimant from boarders is to be regarded as the net income. In case where it is established that the boarding house is being jointly conducted by the claimant and a daughter only half the net income should be maintained against the claimant.</td>
</tr>
<tr>
<td>Lodgers</td>
<td>Income</td>
<td>A claimant’s net income from lodgers may be regarded as 70% of the gross amount obtainable from the available rooms when fully occupied, less the amount by which the rent exceeds the value of lodging for the claimant (and her husband if living with her). The value of such lodging cannot be assessed at more than 5/- per week (10/- per week for husband and wife). Where the claimant owns the home, or has a life estate therein, the value of lodging will not be included and there will of course be no deduction in respect of rent; but where the property is mortgaged the amounts by which interest paid on the mortgage exceeds the value of lodging for the claimant (and her husband) may be allowed as a deduction.</td>
</tr>
<tr>
<td>Expenditure incurred in the production of income such as rent and mortgage</td>
<td>Expense</td>
<td>The amount by which the rent or interest on mortgage exceeds the value of lodging (5/- per week or 10/- per week for husband and wife) is deductible from gross income.</td>
</tr>
<tr>
<td>Interests, dividends, bonuses</td>
<td>Income</td>
<td>The whole amount constitutes income.</td>
</tr>
<tr>
<td>Rebates</td>
<td>Income, unless it is made by cooperative societies to their members in specific areas acknowledged by the Taxation Department.</td>
<td>Where identified as income, the whole amount constitutes income.</td>
</tr>
<tr>
<td>Income from house property</td>
<td>Income</td>
<td>One-third of the gross rent received is deductible to cover rates, taxes, insurance, repairs and period of occupancy. Interest on mortgage is also deductible.</td>
</tr>
<tr>
<td>Child welfare payment</td>
<td>Not Income</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td>Income, however, when the compensation is received in a lump sum it is treated as property.</td>
<td>The amount constitutes income.</td>
</tr>
<tr>
<td>Legacy</td>
<td>Property</td>
<td></td>
</tr>
<tr>
<td>Money received as gift</td>
<td>Property</td>
<td></td>
</tr>
<tr>
<td>Annuity and Life estate</td>
<td>An annuity is income and its capital value is property.</td>
<td>The net annual return from a life estate (or life interest) is income and the capital value of the life estate is property.</td>
</tr>
<tr>
<td>Payments provided by Repatriation Department for medical benefits</td>
<td>Not an income</td>
<td></td>
</tr>
<tr>
<td>Living allowance paid by Repatriation Department</td>
<td>Income</td>
<td>The amount constitutes income.</td>
</tr>
<tr>
<td>Payments provided by Repatriation Department for medical benefits</td>
<td>Not an income</td>
<td></td>
</tr>
<tr>
<td>Living allowance paid by Repatriation Department</td>
<td>Income</td>
<td>The amount constitutes income.</td>
</tr>
</tbody>
</table>

45 A larger amount of one-third was allowed if considered justified, for the older properties requiring frequent repairs and houses, which were untenanted for long period.
### Appendix IV: Means Test: classification and measurement of account

<table>
<thead>
<tr>
<th>Account</th>
<th>Classification</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>War Gratuity</td>
<td>Not a Property</td>
<td>The whole amount should be excluded from the computation of pension</td>
</tr>
<tr>
<td>Debts due to claimant or pension</td>
<td>Property</td>
<td>The amount of debt owing to a claimant by reason of a loan, sales of property, wages, or any other reason should be included in the net capital value of the property owned by the claimant or pensioner. Exception applies where it has been proven the debt is irrecoverable.</td>
</tr>
<tr>
<td>Accumulated interest on mortgage or overdraft, unpaid rates, amounts owing in respect of road-making charges</td>
<td>Charges or encumbrance on property</td>
<td>Deductible from the capital value of the property</td>
</tr>
<tr>
<td>A home and other property are mortgaged jointly</td>
<td>Charges on property</td>
<td>The amount of mortgage should be apportioned pro rata according to the respective values of the properties. Where, however, the title of one of the properties is held as collateral security only, the amount of the mortgage should not be apportioned, but the property held as collateral will be considered as encumbered only to the extent by which the value of the first property, which forms the principal security, falls short of the total amount owing under the mortgage.</td>
</tr>
<tr>
<td>Home or other property is encumbered to secure advances for others</td>
<td>Loan</td>
<td>When a home or other property has been encumbered to secure advances to a son or other person, the amount so advanced and remaining unpaid is considered as a loan. In cases where encumbrance is by way of bank guarantee up to a fixed amount, only the actual amount owing should be maintained, subject to annual reassessment.</td>
</tr>
<tr>
<td>Property seized by mortgage, when the property has not been realized upon and no portion of the rent of the property is being paid to the claimant or pension</td>
<td>Not a property</td>
<td>The amount to be maintained as property will be the sum that bears the same proportion to the total value of the property as the rent so paid or applied bears to the total rent received by the mortgage.</td>
</tr>
<tr>
<td>Property seized by mortgage, when some portion of the rent of the property is being paid to the claimant or pension</td>
<td>Property</td>
<td></td>
</tr>
</tbody>
</table>

*Adapted from Australia Treasury (1935)*
Appendix V: Means Test (July 1909 to October 1958)

<table>
<thead>
<tr>
<th>Date of Commencement</th>
<th>Permissible Income (A) £. S.D</th>
<th>Limit of Property (B) £. S.D</th>
<th>Property Exemption (A) £. S.D</th>
<th>Income Deduction for Children (C) £. S.D</th>
<th>Deduction for</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/07/1909</td>
<td>26.0.0.</td>
<td>310.0.0.</td>
<td>50.0.0 (D)</td>
<td>Nil</td>
<td></td>
<td>(A)</td>
</tr>
<tr>
<td>24/12/1912</td>
<td>26.0.0.</td>
<td>310.0.0.</td>
<td>50.0.0 (E)</td>
<td>Nil</td>
<td></td>
<td>(B)</td>
</tr>
<tr>
<td>13/09/1923</td>
<td>32.10.0.</td>
<td>400.0.0.</td>
<td>50.0.0 (E)</td>
<td>Nil</td>
<td></td>
<td>(C)</td>
</tr>
<tr>
<td>13/12/1941</td>
<td>32.10.0.</td>
<td>400.0.0.</td>
<td>50.0.0 (F)</td>
<td>Nil</td>
<td></td>
<td>(D)</td>
</tr>
<tr>
<td>15/08/1946</td>
<td>52.0.0.</td>
<td>650.0.0.</td>
<td>50.0.0</td>
<td>Nil</td>
<td></td>
<td>(E)</td>
</tr>
<tr>
<td>03/07/1947</td>
<td>52.0.0.</td>
<td>650.0.0.</td>
<td>50.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(F)</td>
</tr>
<tr>
<td>21/10/1948</td>
<td>78.0.0.</td>
<td>750.0.0.</td>
<td>100.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(G)</td>
</tr>
<tr>
<td>01/11/1951</td>
<td>78.0.0.</td>
<td>1000.0.0.</td>
<td>100.0.0</td>
<td>13.0.0 (G)</td>
<td></td>
<td>(H)</td>
</tr>
<tr>
<td>02/10/1952</td>
<td>78.0.0.</td>
<td>1000.0.0.</td>
<td>100.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(I)</td>
</tr>
<tr>
<td>29/10/1953</td>
<td>104.0.0 (H)</td>
<td>1250.0.0.</td>
<td>150.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(J)</td>
</tr>
<tr>
<td>14/10/1954</td>
<td>182.0.0 (I)</td>
<td>1750.0.0.</td>
<td>200.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(K)</td>
</tr>
<tr>
<td>23/10/1958</td>
<td>182.0.0</td>
<td>2250.0.0.</td>
<td>200.0.0</td>
<td>26.0.0</td>
<td></td>
<td>(L)</td>
</tr>
</tbody>
</table>

(A) Represents the level of income or property allowable before pension was reduced.

(B) Represents the value of property beyond which pension ceased to be payable.

(C) Represents the maximum amount of income disregarded in respect of each dependent child. The maximum deduction was reduced by any payment (e.g. family allowance, child’s allowance, State assistance), received in respect of the child.

(D) £100 for each single individual if property included the home lived in by the disabled person; if not, £50. £50 for each married pensioner if property included the home lived in by the pensioner; if not, £25.

(E) Pensioner’s home fully exempted in 1912. The value of exempt property became £50 for each single pensioner and £25 for each married pensioner.

(F) Property exemption for married pensioner became the same as for single pensioners.

(G) Deduction in respect of dependent children was reduced to $26 a year for each child in custody, care and control. The maximum deduction was reduced by any payment (other than family allowance), received for, or in respect of, any child in custody, care and control. Payment was also extended to cover student children to age 21 years.

(H) Permissible income increased to £130 if married with a partner who was not an income support recipient or service pensioner.

(I) Income from property was excluded from assessment.

Adapted from Australian Government and Department of Families Community Services and Indigenous Affairs (1983, p. 117)
Appendix V (Cont’d): Merged means test (March 1961 to May 1975)

<table>
<thead>
<tr>
<th>Date of Commencement</th>
<th>Means as assessed (AUD)</th>
<th>Property exemption for children (each) (AUD)</th>
<th>Income deduction (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Married</td>
<td></td>
</tr>
<tr>
<td>09/03/1961</td>
<td>364</td>
<td>364</td>
<td>400</td>
</tr>
<tr>
<td>13/10/1966</td>
<td>364</td>
<td>364</td>
<td>400</td>
</tr>
<tr>
<td>24/04/1967</td>
<td>520</td>
<td>442</td>
<td>400</td>
</tr>
<tr>
<td>09/10/1969</td>
<td>520</td>
<td>442</td>
<td>400</td>
</tr>
<tr>
<td>05/10/1972</td>
<td>1,040</td>
<td>897</td>
<td>400</td>
</tr>
<tr>
<td>04/10/1973</td>
<td>1,040</td>
<td>897</td>
<td>400</td>
</tr>
<tr>
<td>01/05/1975</td>
<td>1,040</td>
<td>897</td>
<td>400</td>
</tr>
</tbody>
</table>

(J) Merged means test was introduced. Maximum pension was reduced by the amount by which ‘means as assessed’ (income plus property component) exceeded $364.00. Fixed disqualifying limit of property abolished except to the extent that where there was more than one child, no pension was payable if the property component was equal to or exceeded the maximum rate of pension (excluding additional pension for children), plus $364.00

(K) Tapered means test introduced. Maximum rate of pension reduced by half of the amount by which means as assessed exceeded permissible means as assessed.

(L) Removal of the means test on age pensions for residentially qualified persons aged 75 years or more.

(M) Removal of the means test on age pensions for residentially qualified persons aged 70 years or more.

Source: Australian Government (2016c)
### Appendix V (Cont’d): Income test (November 1976 to November 1983)

<table>
<thead>
<tr>
<th>Date of Commencement</th>
<th>Permissible income (AUD)</th>
<th>Income deduction (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Married (each)</td>
</tr>
<tr>
<td>25/11/1976</td>
<td>1,040</td>
<td>897</td>
</tr>
<tr>
<td>09/11/1978</td>
<td>1,040</td>
<td>897</td>
</tr>
<tr>
<td>08/11/1979</td>
<td>1,040</td>
<td>897</td>
</tr>
<tr>
<td>04/11/1982</td>
<td>1,560</td>
<td>1,300</td>
</tr>
<tr>
<td>03/11/1983</td>
<td>1,560</td>
<td>1,300</td>
</tr>
</tbody>
</table>

- **(N)** Property test was abolished. The means test became an income test only with property excluded. However, income from property was included as income.
- **(O)** Increase beyond the May 1978 rate of pensions to persons aged 70 years or more subject to the income test.
- **(P)** Payment of the 'frozen' May 1978 rate of pension to age pension recipients aged 70 years or more was subject to a special income test.

*Source: Australian Government (2016c)*
Appendix V (Cont’d): Income & assets test (March 1985 to July 1996)

<table>
<thead>
<tr>
<th>Date of Commencement</th>
<th>Permissible income</th>
<th>Allowable assets</th>
<th>Income Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Married (each)</td>
<td>Single (homeowners)</td>
</tr>
<tr>
<td>21/03/1985</td>
<td>1,560</td>
<td>1,300</td>
<td>70,000</td>
</tr>
<tr>
<td>01/05/1986</td>
<td>1,560</td>
<td>1,300</td>
<td>75,750</td>
</tr>
<tr>
<td>25/06/1987</td>
<td>1,560</td>
<td>1,300</td>
<td>83,250</td>
</tr>
<tr>
<td>09/07/1987</td>
<td>2,080</td>
<td>1,820</td>
<td>83,250</td>
</tr>
<tr>
<td>23/06/1988</td>
<td>2,080</td>
<td>1,820</td>
<td>89,250</td>
</tr>
<tr>
<td>22/06/1989</td>
<td>2,080</td>
<td>1,820</td>
<td>96,000</td>
</tr>
<tr>
<td>23/11/1989</td>
<td>2,080</td>
<td>1,820</td>
<td>96,000</td>
</tr>
<tr>
<td>26/04/1990</td>
<td>2,080</td>
<td>1,820</td>
<td>96,000</td>
</tr>
<tr>
<td>13/06/1990</td>
<td>2,080</td>
<td>1,820</td>
<td>103,500</td>
</tr>
<tr>
<td>01/07/1991</td>
<td>2,184</td>
<td>1,924</td>
<td>110,750</td>
</tr>
<tr>
<td>01/07/1992</td>
<td>2,236</td>
<td>1,976</td>
<td>112,500</td>
</tr>
<tr>
<td>01/07/1993</td>
<td>2,288</td>
<td>1,976</td>
<td>112,750</td>
</tr>
<tr>
<td>01/07/1994</td>
<td>2,340</td>
<td>2,028</td>
<td>115,000</td>
</tr>
<tr>
<td>01/07/1995</td>
<td>2,444</td>
<td>2,132</td>
<td>118,000</td>
</tr>
<tr>
<td>01/07/1996</td>
<td>2,548</td>
<td>2,236</td>
<td>124,000</td>
</tr>
</tbody>
</table>

(Q) Assets test was introduced on 21 March 1985. The assets test only applies if it produces a lesser rate than the income test. Non-homeowners were allowed extra assets of $50,000. The allowable assets amounts did not increase if there were children in the recipient's care.

(R) As of 1 May 1986 indexation had the effect of varying the allowable assets limit between non-homeowners, i.e. $54,000 for single and $54,500 for married.

(S) From 25 June 1987 the allowable assets limits for non-homeowners became $60,000 more than the assets limit for homeowners.

(T) From 9 July 1987 the permissible income limits and the income deduction for dependent children were increased. From 20 September 2009, the higher income test threshold for pensioners with dependent children was abolished to align the pension income test with the allowance and family payments income tests. PPS recipients remain receiving their payment based on the 40 cent withdrawal rate and the additional free area for dependent children. In November 1987 the Earnings Credit Scheme was introduced and abolished from 20 March 1997.

(U) From 23 June 1988 the allowable assets limits for non-homeowners became $64,000 more than the assets limit for homeowners.

(V) From 22 June 1989 the allowable assets limits for non-homeowners became $68,500 more than the assets limit for homeowners.

(W) From 23 November 1989 the special income test applying to age pension recipients aged 70 years or more was fully absorbed.

(X) From 21 June 1990 the allowable assets limits for non-homeowners became $74,000 more than the assets limit for homeowners.

(Y) From 1 July 1991 the allowable assets limits for non-homeowners became $79,500 more than the assets limit for homeowners.

(Z) From 1 July 1992 the allowable assets limits for non-homeowners became $80,500 more than the assets limit for homeowners.

(AA) From 1 July 1995 the allowable assets limits for non-homeowners became $84,000 more than the assets limit for homeowners.

(BB) From 1 July 1996 the allowable assets limits for non-homeowners became $88,500 more than the assets limit for homeowners.

Source: Australian Government (2016c)
Appendix V (Cont’d): Assets test (July 1997 to July 2016)

<table>
<thead>
<tr>
<th>Date of Commencement</th>
<th>Homeowners</th>
<th></th>
<th></th>
<th>Non-homeowners</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Couple</td>
<td>Illness Separated Couple</td>
<td>Single</td>
<td>Couple</td>
<td>Illness Separated Couple</td>
</tr>
<tr>
<td>01/07/1997</td>
<td>125,750</td>
<td>178,500</td>
<td>178,500</td>
<td>215,750</td>
<td>268,500</td>
<td>268,500</td>
</tr>
<tr>
<td>01/07/1998</td>
<td>125,750</td>
<td>178,500</td>
<td>178,500</td>
<td>215,750</td>
<td>268,500</td>
<td>268,500</td>
</tr>
<tr>
<td>01/07/1999</td>
<td>127,750</td>
<td>181,500</td>
<td>181,500</td>
<td>219,250</td>
<td>273,000</td>
<td>273,000</td>
</tr>
<tr>
<td>01/07/2000</td>
<td>133,250</td>
<td>189,500</td>
<td>189,500</td>
<td>228,750</td>
<td>285,000</td>
<td>285,000</td>
</tr>
<tr>
<td>01/07/2001</td>
<td>141,000</td>
<td>200,500</td>
<td>200,500</td>
<td>242,000</td>
<td>301,500</td>
<td>301,500</td>
</tr>
<tr>
<td>01/07/2002</td>
<td>145,250</td>
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<td>206,500</td>
<td>249,750</td>
<td>311,000</td>
<td>311,000</td>
</tr>
<tr>
<td>01/07/2003</td>
<td>149,500</td>
<td>212,500</td>
<td>212,500</td>
<td>257,500</td>
<td>320,500</td>
<td>320,500</td>
</tr>
<tr>
<td>01/07/2004</td>
<td>153,000</td>
<td>217,500</td>
<td>217,500</td>
<td>263,500</td>
<td>328,000</td>
<td>328,000</td>
</tr>
<tr>
<td>01/07/2005</td>
<td>157,000</td>
<td>223,000</td>
<td>223,000</td>
<td>270,500</td>
<td>336,500</td>
<td>336,500</td>
</tr>
<tr>
<td>01/07/2006</td>
<td>161,500</td>
<td>229,000</td>
<td>229,000</td>
<td>278,500</td>
<td>346,000</td>
<td>346,000</td>
</tr>
<tr>
<td>01/07/2007</td>
<td>166,750</td>
<td>236,500</td>
<td>236,500</td>
<td>287,750</td>
<td>357,500</td>
<td>357,500</td>
</tr>
<tr>
<td>01/07/2008</td>
<td>171,750</td>
<td>243,500</td>
<td>243,500</td>
<td>296,250</td>
<td>368,000</td>
<td>368,000</td>
</tr>
<tr>
<td>01/07/2009</td>
<td>178,000</td>
<td>252,500</td>
<td>252,500</td>
<td>307,000</td>
<td>381,500</td>
<td>381,500</td>
</tr>
<tr>
<td>01/07/2010</td>
<td>181,750</td>
<td>258,000</td>
<td>258,000</td>
<td>313,250</td>
<td>389,500</td>
<td>389,500</td>
</tr>
<tr>
<td>01/07/2011</td>
<td>186,750</td>
<td>265,000</td>
<td>265,000</td>
<td>321,750</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>01/07/2012</td>
<td>192,500</td>
<td>273,000</td>
<td>273,000</td>
<td>332,000</td>
<td>412,500</td>
<td>412,500</td>
</tr>
<tr>
<td>01/07/2013</td>
<td>196,750</td>
<td>279,000</td>
<td>279,000</td>
<td>339,250</td>
<td>421,500</td>
<td>421,500</td>
</tr>
<tr>
<td>01/07/2014</td>
<td>202,000</td>
<td>286,500</td>
<td>286,500</td>
<td>348,500</td>
<td>433,000</td>
<td>433,000</td>
</tr>
<tr>
<td>01/07/2015</td>
<td>205,500</td>
<td>291,500</td>
<td>291,500</td>
<td>354,500</td>
<td>440,500</td>
<td>440,500</td>
</tr>
<tr>
<td>01/07/2016</td>
<td>209,000</td>
<td>296,500</td>
<td>296,500</td>
<td>360,500</td>
<td>448,000</td>
<td>448,000</td>
</tr>
</tbody>
</table>

Source: Australian Government (2016c)
### Appendix V (Cont’d): Income test (July 1997 July 2016)

**Date of Commencement** | **Permissible income**
--- | ---
| | Single | Couple (each member) |
01/07/1997 | 2,600 | 2,288 |
01/07/1998 | 2,600 | 2,288 |
01/07/1999 | 2,652 | 2,340 |
01/07/2000 | 2,756 | 2,444 |
01/07/2001 | 2,912 | 2,600 |
01/07/2002 | 3,016 | 2,652 |
01/07/2003 | 3,120 | 2,756 |
01/07/2004 | 3,172 | 2,808 |
01/07/2005 | 3,224 | 2,860 |
01/07/2006 | 3,328 | 2,964 |
01/07/2007 | 3,432 | 3,016 |
01/07/2008 | 3,588 | 3,120 |
01/07/2009 | 3,692 | 3,224 |
01/07/2010 | 3,796 | 3,328 |
01/07/2011 | 3,900 | 3,432 |
01/07/2012 | 3,952 | 3,484 |
01/07/2013 | 4,056 | 3,588 |
01/07/2014 | 4,160 | 3,692 |
01/07/2015 | 4,212 | 3,744 |
01/07/2016 | 4,264 | 3,796 |
01/07/2013 | 4,056 | 3,588 |

**Note:**
Income over the income free area limits reduces the payment by:

<table>
<thead>
<tr>
<th>Date</th>
<th>Single</th>
<th>Each partner in a couple</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre 01/07/2000</td>
<td>50 cents in the dollar</td>
<td>25 cents in the dollar</td>
</tr>
<tr>
<td>On or after 01/07/2000 to 19/09/2009</td>
<td>40 cents in the dollar</td>
<td>20 cents in the dollar</td>
</tr>
<tr>
<td>On or after 20/09/2009 (excluding PPS)</td>
<td>50 cents in the dollar</td>
<td>25 cents in the dollar</td>
</tr>
</tbody>
</table>

*Source: Australian Government (2016c)*
Appendix VI: Letter to disabled people who were not manifestly permanently incapacitated

PENSIONS MANUAL - INVALID PENSION - CHAPTER 4

ATTACHMENT B

Letter to Invalid Pensioner who is not Manifestly Permanently Incapacitated

Dear ...........

I am writing to tell you how your invalid pension will be affected if you start work.

INCOME AFFECTS PENSION

If you commence work, your earnings will be taken into account when assessing your pension and payment may therefore be reduced or stopped. The enclosed invalid pension leaflet shows the effect of income on your rate of pension.

WHERE INCOME FROM WORK STOPS PENSION

If your income is enough to stop payment of pension, and you are forced through ill health to give up work within three months of starting work, you need not lodge a claim but you should contact the department as soon as you stop work so that your pension payments can begin again. A medical examination will not be required.

If you give up work after three months but within 12 months of starting work, a new claim and a medical examination will be required. The medical examination will be arranged as a matter of priority and your claim will also be determined as a matter of priority.

A claim form is enclosed.

FREE HEALTH COVERAGE

If you commence work and your pension is stopped due to your earnings, a Health Care card will be issued to you regardless of how much you earn. The card will cover a period of 12 months from the day after your last pension pay day. The enclosed invalid pension leaflet explains the benefits provided to a Health Care card holder and his dependants.
WHERE INCOME FROM WORK DOES NOT STOP PENSION

If your earnings are more than $50 a week but not enough to stop payment of invalid pension it will be necessary to arrange a medical examination to decide whether you are still medically eligible for invalid pension. If you are found to be no longer medically eligible, invalid pension will be stopped (but you may be able to receive other forms of assistance). If payment is stopped on medical grounds, and you are forced through ill health to give up work later, you may re-apply for invalid pension. Another medical examination would be required before invalid pension could be re-granted. However, if you were forced to give up work within 12 months of starting work, the required medical examination would be arranged as a matter of priority. Your claim would also be determined as a matter of priority.

Source: Australia. Department of Social Security (1983)
Appendix VII: Participation activity record form

![Instructor](https://via.placeholder.com/150)

### Participation Activity Record

You should use this form to keep a record of your jobsearch efforts and/or activities as outlined in your Employment Pathway Plan for the period shown below as Centrelink may ask you to provide this information at any time. You should complete this form when you look for work or participate in an approved activity. If you participated in more than 2 approved activities, provide the details in question 5 or on a separate sheet. Once this form is filled in, if you still need to record more jobsearch efforts or activities, you can start a new Participation Activity Record or record the details on a separate sheet. You do not have to complete the following information for any time during this period that you had an exemption.

1. Your full name
2. For the period: From / / To / /
3. During this period did you participate in an approved activity?
   - No
   - Yes: Approved activity name
4. If you had a requirement to look for work you should record your job contacts below. Centrelink may contact employers to verify details.

<table>
<thead>
<tr>
<th>Employer's business name</th>
<th>Contact number</th>
<th>Type of job</th>
<th>Method of contact</th>
<th>Date of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>( )</td>
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</tbody>
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1 of 2
Appendix VII: Participation activity record form

<table>
<thead>
<tr>
<th>Employer's business name</th>
<th>Contact number</th>
<th>Type of job</th>
<th>Method of contact</th>
<th>Date of contact</th>
</tr>
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<tbody>
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</tr>
</tbody>
</table>

5 Notes/Referrals/Activities (include appointments, other activities or things you may wish to record including any issues you may have had)

Source: Australian Government & Centrelink (2012)
Prior to the adoption of the ‘total wage’ in 1967, the award wage included the separate basic wage, margin, and loading elements. A comprehensive series, which combines these elements and provides direct continuity with the ‘total wage’, is available in the Australian Historical Statistics: Labour Statistics (See Withers et al., 1985, p. 140). The authors have drawn data from various sources such as Labour Report to 1973; Labour Statistics (Cat 6101.0); ABS Minimum Wage Rates March 1939 to June 1965 (Cat 6313.0). They present the Minimum Weekly Wage Rates in decimal currency. To compare the minimum weekly wages rates and maximum rate of the benefit, column three presents the maximum rate of the benefits in decimal currency (Nikidehaghani & Hui, 2016, pp. 10-11).