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The Contemporary Relevance of Labour History

Ray Markey
University of Wollongong

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Abstract

History can provide a sharp tool in the hands of the labour movement. Political commentators have frequently referred to the advantages for the ALP in having a reasonably well-defined sense of history to refer to. Former Prime Minister Keating was commonly recognised for his ability to appeal to this in the electorate. History defines the labour movement and its future. To crudely paraphrase Toynbee: 'if you have no history, you have no future, and if you have no future, you're history'. Or to put this another way, 'you cannot know the direction you're going in unless you know where you've been'.

THE CONTEMPORARY RELEVANCE OF LABOUR HISTORY

Ray Markey

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The labour movement's well-defined sense of history offers its members a sense of belonging, an identifiable culture, as well as important lessons from the past. Through a well-developed literature of the history of labour, the movement's victories and defeats are recorded, to provide a sense of identity through continuity. Labour history also challenges the conservative historical tradition, which focuses upon great men, wars and diplomacy, and political and business leaders; the victors in social conflict. Instead, labour history claims history for the people, by stating plainly that the lives of ordinary men and women, and their industrial and political organisations, are worthy of attention, in the past as well as now. Labour history rescues ordinary men and women, including the losers — those who were not flexible, or who feared the consequences of technological change, or did not appreciate fully the economic rationality of wage cuts and other sacrifices — from the enormous condescension of traditional history; the same traditional history which has so successfully killed any interest in historical enquiry for the vast majority of people enduring it in our school system.

For all of these reasons, the labour movement has shouldered a major part of the responsibility itself for the production of labour

Illawarra Unity

history. In this way, the labour movement has created its own history in the twofold role of actor and recorder. The importance of this is that labour consequently defines its own future.

Initially, this was done through Labour¹ intellectuals who were also activists — men and women such as Bob Ross and his sons, Vere Gordon Childe, and John Burton. As both labour movement activism and intellectual endeavour have become increasingly professionalised in modern society, they have also tended to become compartmentalised. It has become rarer for activists to produce labour history. This has become more the preserve of specialists employed in the greatly expanded universities. However, there has been a growing tendency for unions and working class political parties to commission histories themselves, as witnessed by the union histories completed at the University of Wollongong — of the Miscellaneous Workers, Clothing Trades, Transport Workers, Teachers, and NSW Labor Council. Although these are confined largely to the institutional sphere, there is also a broader literature of labour history concerned with working class culture, the history of workplace relations, and class and gender. The academics who contribute to this literature are generally committed to, or at least sympathetic to the labour movement in some form, even if few are activists in any way now, and even if there is a great ideological variety in the nature of their sympathy. The journal *Labour History* is testimony to the health and variety of this field. So too, is *Southland*, with its wider mix of contemporary industrial and political comment, and labour culture with labour history.

The immediate relevance of labour history to contemporary issues for the labour movement has never been more apparent. The similarities between Premier Kennett's recent legislative efforts to encourage individual employment contracts in place of the Victorian award system, with the employers' anti-union campaign of the 1890s under the banner of 'freedom of contract', are striking. In both cases the shearers fought major battles in defence of unionism. This parallel appears to confirm Marx's historical observations:

Hegel remarks somewhere that all facts and personages of great importance in world history occur, as it were, twice. He forgot to add: the first time as tragedy, the second as farce.²

Whilst the decimation of unions in the 1890s depression was certainly tragic, Kennett's efforts 100 years later to avoid federal awards merely hastened the predominance of federal industrial law over state law — thus smoothing the path for the spread of

the Howard Government's industrial relations initiatives for labour market deregulation across the nation.

Historical perspective forestalls assumptions that outcomes of current policy debate or industrial and political organisation and struggle are inevitable, or the result of rational debate rather than the balance of power of social, economic and political forces. History also reveals the temporary nature of outcomes from this shifting balance of power. There are a number of examples of this relevance of labour history to the other sections of this book.

Union reform

Many of the arguments concerning union reform, for example, revisit much older debates or practices concerning organisational strategy. The magnitude of recent union restructuring as a result of amalgamations should not blind us to the fact that the ACTU's primary method since its inception in 1927 has been:

. . . the closer organisation of the workers by the transformation of the trade union movement from the craft to an industrial basis, by the establishment of one union in each industry (ACTU Constitution).

In fact, the ACTU was formed largely on the crest of a wave of industrial unionism in the form of the One Big Union Movement (OBU). This was a militant, class conscious movement led by the Labor Council of NSW from the end of the First World War to the mid-1920s. The OBU advocated the abolition of craft boundaries and substitution of arbitration with direct industrial action, and was influenced by the revolutionary syndicalism of the Industrial Workers of the World (IWW). The contrast between the OBU and the current momentum towards union amalgamation could not be greater. In the 1920s industrial unionism was to be a vehicle for class warfare on the industrial front. By the 1990s the rationale for the new super unions was couched in the managerialist terms of resource concentration for greater organisational efficiency in a more deregulated labour market environment and more effective delivery of services to members. It is also notable that the current trend to union amalgamation is considerably more successful than that of the OBU. If we ask why this is so, and why the ACTU's long-term objective should take so long to reach fruition under the circumstances of today?, we pose the questions which enable us to analyse the forces at work in the contemporary situation.

Current debates over the role of union services as a form of membership incentive would also benefit from greater recognition

Illawarra Unity

of the historical record. Whilst some commentators have seen potential for improving union density through greater attention to service delivery, in the area of financial advice, health funds, travel agencies, consumer discounts and the like, others have criticised the strategy for diverting attention from 'real unionism'. In fact, the original craft unions of Britain and Australia placed great emphasis upon service delivery in the form of extensive 'benefit' policies.

Contemporary critics of the service delivery strategy echo the criticisms of an earlier school of radical labour historians, in Britain and Australia, who argued that the benefit policies of the nineteenth century craft unions typified their reluctance to use industrial action to achieve their ends. They argued that the high wages of skilled tradesmen, which allowed them to afford contributions to union benefit schemes, also produced industrial conservatism, which was demonstrated in low strike levels for craft unions in comparison with the mass 'new unions' of less skilled workers. However, if skilled unions did engage in industrial action less frequently than others, this was equally likely to be because of their strategic bargaining power for achieving their ends more easily than mass unions of the unskilled, which had to fight for employer recognition. Benefit policies also played an important organisational role as a form of membership sanction, since failure to abide by union rules, including a strike call-out, could result in loss of entitlements. For this reason, amongst others, the 'new unions' also attempted to introduce benefit schemes.

In the twentieth century the extension of the welfare state undercut early union benefits policy. But in many European countries, unions still play an important role, almost as an agent of the state, in welfare provision and collection of social insurance payments. There is no hard evidence of an historical or comparative nature that this service function for unions has detracted from 'real unionism'. On the contrary, it has assisted unions in maintaining a presence and relevance for workers, and hence, contributed to maintaining membership.

Workplace Change

Another historical parallel is evident with the issues raised in association with workplace change. The ideas behind the current emphasis on flexibility and efficiency, and the influence of human relations styles of management are not new by any means. After the expansion of manufacturing during the First World War, employers sought a number of reforms to improve efficiency, as

a result of declining productivity and greater international competition. As with current employers and government, their predecessors in the 1920s sought to relate wages outcomes more directly to productivity, as a centralised wage system had only just been established. Employers of the 1920s did not use terms such as 'multiskilling' and 'broadbanding', but they did attempt to simplify job classifications by breaking down some demarcations and 'diluting' some trades. They did not specifically refer to enterprise bargaining as such, but they did seek to reduce the centralised component of wages, and increase the incidence of payment by results and various incentive schemes. This bears a remarkable similarity to modern enterprise bargaining with a general award safety net. The Labor Council of NSW in the 1920s, under a militant leadership, pursued its own form of enterprise bargaining: 'direct action' at the shopfloor level for over-award gains. Largely because of employer pressure, the Nationalist federal government tried to extensively rationalise the industrial relations system, by having either State or federal levels of government take sole responsibility for arbitration. The Whitley Councils proposed by employers and government in the early 1920s, based on British models, even anticipated modern concerns with establishing consultation and employee participation in the workplace.

The notable point which arises from this comparison of the 1920s with the 1980s and 1990s is the contrasting degrees of success for the reform process. It seems that the modern reform momentum has succeeded in transforming the industrial relations landscape to a considerable degree. However, in the 1920s the unions successfully resisted most of the employers' demands, even though it was a period of economic uncertainty and weakness for the unions, and was immediately followed by the crippling depression of the 1930s. The Bruce Nationalist government actually lost the 1929 federal elections, and the Prime Minister his own seat, when it campaigned primarily over vacating the industrial arena to give the States sole jurisdiction over arbitration and other industrial matters. It would be instructive in the modern context to explore more fully the reasons why such different outcomes were produced from such similar circumstances in the two eras.

Gender Equity

Workplace reform has significant implications for gender equity. There have been marked improvements in workplace gender equity since the time of Louisa Lawson and the first female unions,

Illawarra Unity

the Tailoresses' Unions, in the 1890s. To take just one manifestation, the Australian male/female wage differential is now one of the lowest in the world, if not the lowest. In comparing award pay rates, full-time non-managerial women earn 94% of men's wages in the same category. However, this statement is replete with qualifications. The differential in actual earnings is far greater because women occupy the vast majority of part-time and casual jobs, often outside the award system, and are poorly represented in managerial positions. The partial de-regulation of the industrial relations system through enterprise bargaining and the growth of part-time employment indicate that the concerns of Louisa Lawson and female unionists at the turn of the century are still pertinent today. Two recent examples illustrate this with particular force. The Victorian government's abolition of State awards in 1993 has resulted in an increase in the male/female wage differential, of 13% in the public sector for the first year alone. A March 1995 report by the Textile Clothing and Footwear Union of Australia has estimated that there are 300,000 outworkers in clothing manufacture in Australia, mainly migrant women, working for very low wages, and under often appalling conditions for 90 to 100 hours per week. The Tailoresses' Union of the 1890s was only too familiar with this situation, although on a much smaller scale.

Attitudes Towards the Asia-Pacific

There are more significant differences between the past and now in Labour's attitude towards the Asia-Pacific. The strong support for the White Australia policy at the turn of the century is well-known. The labour movement was perhaps the strongest basis of support for this policy, on the grounds that, because of its cheapness, Asian and Pacific Islands labour would undercut the achievements of Australian unions. These views appeared to be confirmed by the indentured Melanesian 'Kanakas', who serviced Queensland's sugar plantations in the style of feudal serfdom during the second half of the nineteenth century, and by the various attempts of entrepreneurs to introduce cheap Indian or Chinese 'coolie' labour during the nineteenth century. However, there was always an underlying racism to these fears, such that John C. Watson, the federal ALP's first parliamentary leader, could declare during the debate over the Immigration Restriction Act of 1901, which established White Australia, that:

the objection that I have to the mixing of these coloured people with the white people of Australia — although I admit

it is to a large extent tinged by considerations of an industrial nature — lies in the main in the probability of racial contamination. The question is whether we would desire that our sisters or our brothers should be married into any of these races to which we object.³

By this time workers had a substantial history of hostility towards, even mistreatment of, Chinese and other non-white immigrants. Their attitudes were little better towards Aborigines, or even non-Anglo Saxon Europeans, such as Italians and Jews.

Nevertheless, it was the labour movement itself which led the way towards today's multi-cultural social policy. There were always significant exceptions to labour's racial and ethnic intolerance. As early as the 1890s, the AWU specifically excluded Aborigines, Maoris and Afro-Americans ('American Negroes') from its colour bar for membership. From 1927 to 1930 the ACTU was also affiliated to the Pan-Pacific Trade Union Secretariat (PPTUS), a radical organisation which grew out of the Pan-Pacific Trade Union Conference organised by the NSW Labor Council in Sydney in 1926, and which developed strong links with the Moscow-based Red International of Labour Unions (RILU). The PPTUS was very critical of the White Australia policy, which eventually proved an unsustainable position for the ACTU. The ALP government's adoption of a policy for mass immigration from Southern Europe after the Second World War was far more decisive in the shift towards a multi-cultural society. In the early 1970s it was also the Whitlam ALP government which finally abandoned the White Australia policy. Then, under the Hawke and Keating ALP governments we emphasised our place in Asia and the Pacific Rim. In contrast, the signals from the Howard government have been somewhat ambiguous, particularly in response to the menace represented by the ignorant bigotry of Pauline Hanson.

However, there are important unifying elements in Labour's attitudes towards Asia and the Pacific from the White Australia era to now. First, Labour has always had an acute awareness of our geographical location in the region. Secondly, it has always realised the importance of the standard of living and working conditions in the region as a whole for Australian workers. Until the passing of the White Australia era, Labour approached these issues negatively. It feared isolation from Europe and being swamped by 'Asian hordes', so it supported erection of immigration and tariff barriers. Links with powerful friends, Britain and the USA, were an important corollary of isolation in Asia, although this policy was always more controversial within

Illawarra Unity

the labour movement, because of strong republican elements, and because the USA represented reactionary imperialism for the left. Labour feared being undercut by low wages in Asia, because it assumed that Asians would always be willing or able to be exploited by employers, even when they came to Australia. Now Labour realises the political and economic advantages of being a full participant in the region. It also realises that a more positive approach to being undercut by lower labour costs in the region is to assist workers in organising for improvements to wages and conditions in other countries, to their own benefit as well as ours. Labor's non-isolationist, participant approach to Asia also means a greater self-reliance in international affairs, symbolised by the current revival of republicanism.

Internationalism

Similarly, as we focus so much of our contemporary political and industrial attention upon the globalisation of the economies of the world, it is worth remembering that the labour movement had its own global perspectives from a much earlier era. Of course, the communist wing of the labour movement always emphasised its internationalism. It was partly in response to the perceived subservience of Australian communism to overseas interests, especially those of the Soviet Union, that much of the opposition to communism within the labour movement, and outside it, was isolationist in the 1920s and 1930s. In the era of the Cold War, this opposition led to internationalist subservience to the USA instead. However, there was a much older tradition of internationalism reaching back to the nineteenth century. It was particularly evident in the 1880s and 1890s when the unions expanded dramatically and the Labor Party was formed, but it persisted well into the twentieth century. Eric Hobsbawm notes that in 1917 'in the distant interior of Australia, tough sheep shearers [no doubt AWU members], with no discernible interest in political theory, cheered the Soviets as a workers' state'.⁴ In the radical and labour newspapers of all kinds which flourished at this time, great attention was given to radical overseas thinkers and socialist and labour movements, with particular emphasis on America, Britain, Germany and South Africa. The theme throughout this reporting and writing was that Australian Labour was part of a broader international movement.

This thriving labour press of the late nineteenth century indicated three other characteristics of the Australian labour movement which would have long-term significance. The first is the recognised importance of ideas for Labour. The early labour

press drew inspiration from an incredibly eclectic range of theorists, as diverse as Lasalle, Marx, Bakunin, Carlyle and John Stuart Mill, to name only a few. This diversity was part of the strength of the early labour movement. As political institutions became more established, official policies may have reduced this diversity. However, in the politics of the nation, the labour movement usually placed greater store on ideas than its opponents, perhaps because it sought to change the world as it was. Even within the labour movement, factional politics has been based on diverging ideas or visions of society, most starkly, but not exclusively, in the battle between communism and catholicism in the 1950s.

Native Radicalism

The second relevant characteristic of late nineteenth century working class politics was the early existence of a genuinely native Australian radicalism and socialism. Part of the myth-making of the communist parties throughout the world has been the notion that before they existed there was no real socialism, only a utopian variety or a social democratic form which was socialist in name only. According to this view, communist movements drew from native radical traditions, especially when they sought national legitimacy, but they also surpassed them in political praxis. With the contemporary decline and fall of 'real socialism' in its communist form throughout most of the world, and the disintegration of most national communist parties, it is timely to re-examine some of these earlier variants of socialism. E.P. Thompson was engaged in this project in Britain for some years, prior to his recent death. There is ample material for similar work in Australia, which has only begun to be undertaken by historians such as Verity Burgmann⁵.

Pre-communist Australian socialism included a strong participatory element, even when it took the state as the main focus for achieving socialism. Many of the socialists in unions and Labor or socialist parties at the turn of the century whom have been commonly identified as 'state socialists', and who would usually have readily identified themselves in this way, envisaged 'the state' quite differently to the way to which we have become accustomed. When late nineteenth century socialists referred to the state taking over industry, they often meant the municipal or regional arm of the state. In this way, control by the people would be maximised, rather than being assumed by a centralised state apparatus.⁶ Participatory socialism of this kind, largely untried, bears little relation to the socialism which we have come

Illawarra Unity

to know, and which has tended to tarnish the name of socialism itself. As we search for new ideas with which to control capitalism rampant, we might do worse than glancing at the early participatory socialists.

Working Class Mobilisation and Community

The third, related aspect of late nineteenth century labour organisation which warrants our attention is the degree to which it was based upon community. In order to appreciate this we need to look at the rise of mass unionism and the ALP in a little more detail. The formation of the Labor Party in NSW in the early 1890s was accompanied by a sense of excitement and significant social movement. It was evident in the mushroom-like appearance of local Labour Leagues (forerunners of the branches), and in the preceding rapid expansion of unionism, notably amongst the unskilled, such that NSW already had the highest union density in the world by 1890 (about 21 per cent). This represented the emergence of a conscious working class movement, indicated by the early expectations for the Labor Party as a class Party, in the Labor Council's self-conscious assumption of class, rather than merely institutional leadership, and in the very language of the time when 'capital versus labour' described industrial relations.

A major feature of this spread and excitement of organisation was the local basis of organisation, in working class communities principally in the inner city and around the mines. The unions at this stage remained predominantly local organisations. Large numbers of local radical, socialist and labour newspapers flourished. The early Labour Leagues themselves enjoyed a large degree of independence, and often rushed to organise politically at the municipal level. All of these trends allowed a high degree of participatory democracy in the unions and the Leagues.⁷ Subsequently, for the much of this century the main traditional element of ALP support was the working class community, which largely retained its regional base. Electoral support was concentrated upon the inner-city suburbs of the metropolitan cities, the western suburbs of Sydney and Melbourne and their equivalents in other state capitals, mining regions, and some provincial cities with significant industrial employment, notably in Queensland, and in Newcastle and Wollongong in NSW.

Challenge of a Changing Society

However, long term sociological trends leading to the decline in working class communities have eaten away at the traditional support base for the ALP, and unionism. Suburbanisation of our major cities since the Second World War has to a large extent led to the separation of work and home, the proximity of which had been an important organisational base for union and ALP branch. Living in suburbs, from which they invariably travel by public transport or automobile to work and even leisure, it is no longer common for workers to share work or leisure experiences with their neighbours.

In this context, the role of the media has become particularly important in shaping long term social and political attitudes and values, especially with the importance of television as a form of entertainment. The media has become the major source of social information, largely displacing the community in this regard. Whereas once local newspapers flourished, however, the media has become increasingly centralised. Corporate control of the media rarely sponsors attitudes critical of the existing social structure, and offers limited choice in entertainment.

The modern labour movement will need to come to grips with these trends, and all of the others referred to in this book if it is to survive in the long term. Labour history offers us some clues as to how this might be done. The contrast between the modern labour movement and that at the turn of the century, is that the former lacks the dynamic sense of a movement which characterised the earlier unions and Party. New strategies will be required to recapture this spirit. However, it is clear that old sources of strength could be revisited to the benefit of the movement, notably the community basis of organisation of earlier days. The development of the super-unions in the last decade, whatever advantages they may have in an organisational sense, may detract from the identification of workers with their unions, which may become more like the distant bureaucracies with which modern citizens are faced in most walks of life. It is too early to predict the outcomes of enterprise bargaining, but it may offer opportunities for unions to establish a greater workplace presence. If unions do not embrace them, they may otherwise falter under enterprise bargaining. It is also too early to predict if the super-unions, many of which are inherently unstable, will survive in the long-term. Recent amendments to the federal Industrial Relations Act now allow small unions of 20 members to register. Smaller organisations may offer the opportunity of closer identification between worker and union which existed at

Illawarra Unity

the turn of the century.

The diversity of organisation of the early labour movement may also offer some clues for future strategies. At the formation of the Labor party there was a great variety of ideological input, from socialists, single-taxers (followers of Henry George), trade unionists 'pure and simple', republicans, and others. In this era of the growth of minority parties and single issue political organisations, it may be useful for the ALP to consider strategic alliances of a formal kind with some groups, such as the Greens, and others on a more local basis. It may even be time for peak union councils, the labour councils and ACTU, to consider associate membership of non-industrial organisations willing to accept their broad objectives.

Finally, whilst many of these issues are speculative, labour history offers us some grounds for confidence that the labour movement will reform itself. It has managed to recover from decline, and apparent disaster on a number of previous occasions, notably the 1890s, 1930s, 1950s and 1970s. It has a tremendous capacity for self-renewal. One thing is certain: it is essential that it does revive, for labour history shows us that the labour movement has been the predominant source of reform of society as a whole for the good of the ordinary people. Contemporary social change makes this role more important than ever before.

Notes

- 1 Used in its broadest sense here, to mean Labor Party members and members of other working class or socialist political parties and unions.
- 2 K. Marx, 'The 18th Brumaire of Louis Napoleon', in K. Marx & F. Engels, *Selected Works*, Progress Publishers, Moscow, 1977 reprint (1969), vol. 1, p. 398.
- 3 *Commonwealth Parliamentary Debates*, 1901-2, vol. 4, pp. 4633-6.
- 4 E. Hobsbawm, *Age of Extremes. The Short Twentieth Century, 1914-91*, Michael Joseph, London, 1994, p. 66.
- 5 V. Burgmann, *In Our Time. Socialism and the Rise of Labor, 1885-1905*, Allen & Unwin, Sydney, 1985.
- 6 See some of the evidence in the *Report of the Royal Commission on Strikes*, Sydney, 1891; R. Markey, 'The Emergence of the Labor Party at the Municipal Level in NSW, 1891-1900', *Australian Journal of Politics and History*, vol. 31, no. 3, 1985, pp. 408-17
- 7 R. Markey, 'Trade Union Democracy and the ALP', *Historical Studies*, vol. 22, no. 86, April 1986, pp. 71-92; Burgmann,

In Our Time, ch. 4.

- 8 For NSW, J. Hagan and K. Turner, *A History of the Labor Party in NSW, 1891-1991*, Longmans Cheshire, 1992; for Queensland, C.A. Hughes, 'Labour in the Electorates', in D.J. Murphy, R.B. Joyce and C.A. Hughes, *Prelude to Power. The Rise of the Labour Party in Queensland, 1885-1915*, Jacaranda, Milton, 1970, pp. 74-88; and in D.J. Murphy, R.B. Joyce & C.A. Hughes (eds.), *Labor in Power. The Labor Party and Governments in Queensland, 1915-57*, University of Queensland Press, St. Lucia, 1980, pp. 61-72.