Conspiracy aspects of the 1917 strike

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CONSPIRACY ASPECTS OF THE 1917 STRIKE

W. Jurkiewicz

Thesis submitted for the degree of Bachelor of Arts (Honours) at the University of Wollongong, 1977.
This is to certify that the following work has not been previously submitted to any other university. Except for references acknowledged in footnotes, the work is wholly my own.

W. Jurkiewicz)
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Finally, my many thanks go to those who helped in other ways: Mrs. Helen Mutch for completing the typescript; Mr. Jim Seamer, Dr. J. Hagan, Nicholas Canosa, Gary Hayes, Bill Leslie and Laurie Dillon for their assistance, suggestions, encouragement and reminiscences.
The General Strike of 1917 began on the 2nd of August in the workshops of the New South Wales Railways and Tramways Department on the introduction of the Card System into the Service. Although the dispute was confined to the Department initially, it quickly spread by way of "sympathy" strikes to include unionists in all major industries in the State, and the major ports of the Commonwealth. Through the use of volunteer and "loyalist" labour and the assistance of the Federal Government and the employers, the Nationalist Government of New South Wales was able to defeat the strikers and impose harsh settlements. The railway section of the strike ended on the 10th September, but coalminers, seamen and watersiders did not return to work until mid-October.

The Nationalist Government of New South Wales was quick to brand the strike a political "conspiracy", which set out to challenge the authority of the recently elected "win-the-war" Nationalist Government. It was alleged by the Nationalists that the conspiracy had been initiated by the revolutionary I.W.W. and supported by all dissident and disloyal elements of the labour movement, who had opposed conscription and were intent on thwarting the war effort. These sentiments were echoed by the patriotic press and endorsed by W.M. Hughes and the Nationalists in power in the Federal Parliament. The Nationalists, to crush the Conspiracy, and to assert the authority of their Government, set out to defeat the unions totally and unconditionally.

Allegations that the strike was the result of a political conspiracy within the labour movement were without foundation. Amongst trade unionists there was much discontent, as real wages fell and prices soared and other grievances remained unheard. The Card System was merely a catalyst for direct action, since it created fears of impending deterioration in
working conditions and further exploitation of labour. Provocative actions on the part of the Nationalist Government provided further fuel for a potentially volatile industrial situation.

Counter-allegations were made by members of the labour movement to the effect that the Nationalists, together with employers, had deliberately engineered the strike to launch an attack on unionism. Certainly, in the violation of written agreements, first the Government and then the employers engaged in wholesale victimisation, refusing to re-employ workers in their old jobs and depriving them of their seniority and superannuation rights. Old unions were de-registered and new Government or employer-sponsored unions created in their place. In a later Royal Commission, several of the actions of the Government of New South Wales were found to be legally questionable. However, the notion of "conspiracy" remains tenuous.

The evidence shows that the Nationalists and the employers effected a savage attack on unionism, and the success of this probably influenced the decision to hold another Conscription Referendum. Whether or not this was a pre-meditated attack or, in fact, a conspiracy, is difficult to prove conclusively.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>A.R.T.S.A.</td>
<td>Amalgamated Railway and Tramway Services Association</td>
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<td>A.S.E.</td>
<td>Amalgamated Society of Engineers</td>
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<tr>
<td>A.C.S.E.F.</td>
<td>Australasian Coal and Shale Employees' Federation</td>
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<tr>
<td>A.B.L.F.</td>
<td>Australian Builders' Labourers' Federation</td>
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<td>A.W.U.</td>
<td>Australian Workers' Union</td>
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<td>F.B.F.</td>
<td>Federated Bricklayers' Federation</td>
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<td>F.E.D.F.A.</td>
<td>Federated Engine Drivers' and Firemen's Association</td>
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<tr>
<td>F.I.A.</td>
<td>Federation Iron Workers' Association</td>
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<tr>
<td>I.W.W.</td>
<td>Industrial Workers of the World</td>
</tr>
<tr>
<td>L.E.D.F.C.A.</td>
<td>Locomotive Engine Drivers, Firemen and Cleaners Association</td>
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<tr>
<td>M.L.A.</td>
<td>Member of the Legislative Assembly</td>
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<td>M.L.C.</td>
<td>Member of the Legislative Council</td>
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<td>N.S.W.L.C.</td>
<td>New South Wales Labour Council</td>
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<td>N.S.W.P.D.</td>
<td>New South Wales Parliamentary Debates</td>
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<td>New South Wales Parliamentary Papers</td>
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<td>P.L.L.</td>
<td>Political Labour League</td>
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<td>S.M.H.</td>
<td>Sydney Morning Herald</td>
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<td>W.W.F.</td>
<td>Waterside Workers' Federation of Australia</td>
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On the 2nd August 1917, several thousand employees of the New South Wales Railways and Tramways Department laid down their tools and walked off the job at the Randwick Depot in Sydney. Thus began one of the most disastrous strikes in the State's history, one which came close to paralyzing the whole of New South Wales and also many services throughout the Commonwealth. E. J. Kavanagh, secretary of the New South Wales Labour Council, described the strike as "The biggest upheaval ever experienced in Australia". The reason for the initial stoppage was the introduction, without due notice, of the so-called "Card System", a system which the Railway Commissioners claimed was simply an improved costing system, needed to provide information about the cost of running the service. The men believed that the system was the Taylor Card System, a system which caused "speeding-up" and was repudiated by trade unionists in the United States. The introduction of the time cards affected, at least initially, only a few thousand members of the A.S.E. The strike spread to include members of other railway unions, and then to unionists in other industries throughout the Commonwealth. Most workers stopped in sympathy with the railway men, whilst others were drawn into the dispute by refusing to handle "black" goods and coal. The strike was settled in two stages. The railway men negotiated their settlement on the 8th September, and the remaining of the strikers returned some weeks later.

2. ibid. p.1
3. ibid. p.1
4. Commonwealth Bureau of Census and Statistics, Labour and Industrial Branch Report No. 8, July 1918, p. 121. For further details of the spread of the strike, see Chapter 4.
In all, the strike involved about 97,500 workers in Australia, but the bulk of these - some 77,350 - were in New South Wales, which was the centre of the strike. Similarly, the total loss of wages was £2,233,000; the New South Wales figure being £1,780,000 and the total loss of working days was 3,982,250, the loss in New South Wales being about 3,071,000. Clearly then, while the strike did spread throughout Australia, New South Wales was very much the centre, and it is on events in New South Wales that this paper will concentrate.

The response of the New South Wales Nationalist Government was to brand the strike as a conspiracy. This sentiment was echoed by others in the country. Hughes, the Prime Minister, called the strike "the fruits of a deliberate conspiracy". Various employer organisations and the press supported the Nationalist Government of New South Wales in its denunciations of the strike. The Sydney Morning Herald, for example, argued that the strike was

"a conspiracy against the State, in the first instance; and coming in time of war, when co-operation and hearty goodwill are essential to our taking a fair share of the fighting, it becomes a conspiracy against the Empire".

The Employers' Federation deplored

"the action of the Unions in precipitating an unjustifiable strike upon such an issue when the Empire is engaged in a life and death struggle for the preservation of our liberties".

The Nationalists saw the strike as a conspiracy on two distinct levels. As a party committed to a "win-the-war" policy the Nationalists regarded the strike as an attempt to thwart the war effort, thereby aiding the

5. ibid. All these figures are from the same source
7. S.M.H. 3rd August, 1917
8. S.M.H. 8th August, 1917
enemies of the Empire. The question of patriotism was used frequently
during the course of the strike. Strikers were, in most cases, unjustly
accused of being disloyal and unpatriotic, and the recipients of German
gold. This was significant since many people identified Australian
nationalism with a sense of duty to the Empire, and looked unfavourably
on any act which could be considered to be betraying this obligation or
duty. The Nationalists also stressed that the strike was a challenge
to representative Government in the State. Fuller, the Acting Premier
of New South Wales, claimed that the strike was "in effect a rebellion
against the orderly government of the community" and that the Government
would not be dictated to by unionists. On the 6th August, the Sydney
Morning Herald carried an editorial titled "Who is to Rule?", which
emphasised the need for the Government to govern, and as servants of
the public, to refuse to surrender to union demands.

On the other hand, prominent figures in the labour movement were
equally insistent that the strike had been deliberately engineered by
the Nationalists and the employers, for the purpose of crushing the trade
union movement. Together, they allegedly conspired to provoke the strike
in the hope of eroding existing working conditions and forcing conscription
on the workers.

The purpose of this paper is to examine these "conspiracy" aspects
of the strike. The term "conspiracy" is itself contentious, and with
its sinister connotations, is highly emotive. It is important to note
that apart from the instances when leading trade union officials were
arrested and charged with conspiracy, the word was not used in a formal
or legal sense. Instead, it was used for propaganda purposes, and care

11. S.M.H. 6th August, 1917
must be exercised in evaluating its use and implications. The whole concept of conspiracy in the case of the strike was an extension of bitterness over the Conscription campaign the previous year. Conscription had polarised Australian society and had split the Australian Labor Party, and these divisions would not be healed for the duration of the War. The defeat of Conscription was a shattering blow to the pro-Conscriptionists who felt that only with compulsory military service could Australia provide enough recruits to aid Britain in the War. People like Hughes and Holman, who were expelled from the Labor Party (since the Labor Party opposed Conscription) blamed the defeat of Conscription on the "I.W.W., Sinn Feiners and every disloyal section in Australia".

Throughout the Conscription campaign, the pro-Conscriptionists had constantly attacked the I.W.W. and had made every effort to identify the I.W.W. as the centre of the "No" campaign and to identify labour anti-Conscriptionists with the I.W.W. The I.W.W. was not only opposed to the War. The organisation preached sabotage and "go-slowism" as methods of fighting the capitalist system and naturally enough were despised by the establishment. At the height of the Conscription campaign, twelve leading figures of the I.W.W. were arrested, tried and gaolied for crimes ranging from arson and forgery, but the original charges, "levying war against His Majesty", that is, treason, were not proven. The attacks on the I.W.W. continued after the defeat of the Conscription Bill, and Hughes particularly tried to link the organisation with the labour movement and to discredit it.

12. I. Turner, Industrial Labour and Politics (Canberra 1965)p. 112
15. ibid. p. 56
5.

The newly formed Nationalist Party (an alliance of former Liberals and expelled members of the Australian Labor Party) contested elections in New South Wales in March 1917 and federally in May of 1917, and was returned with a comfortable majority in each case. The respective leaders, Messrs. Holman and Hughes, both used "win-the-war" platforms during the elections and skillfully exploited the I.W.W. bogey while at the same time attacking former colleagues. For example, a Nationalist election poster tried to link A.W. Buckley, the Labor candidate for Surrey Hills, who was to play an important role in the strike, with the I.W.W.:

"To show his belief in, and adherence to, the I.W.W. gospel of 'go slow', burning down buildings and other methods of destruction, Mr. Buckley moved at a meeting of the executive of the Railway and Tramway Employees' Association last year for a resolution to have I.W.W. speakers to attend general meetings and preach sabotage. This establishes conclusively that the Political Labour League and the I.W.W. are allied in this election contest. Unionists! Are you going to stand behind an organisation that burns down buildings and throws thousands of workers out of employment? Citizens! Are you going to vote for an agent of anarchy and incendiarism? Most of the I.W.W. members bear suspiciously foreign names. They have plenty of money. Where does it come from? Who pays these men to give their lives and liberty in burning down factories? Is it the Kaiser's American Agents?"

The election victory for the Nationalists was later used as an explanation for the alleged conspiracy behind the strike. Hughes stressed that the real cause of the strike was political rather than industrial:

"It is an attempt on the part of those responsible for the debacle of the 5th of May, when the great Labour Movement of Australia was split on the rocks, to get even with their opponents, to prevent those to whom the electors entrusted the reins of Government from carrying out their duty". 17

In fact, throughout the strike, the Nationalists in the Federal Parliament and in New South Wales, constantly stressed that the strike was politically motivated, rather than industrially. Attempts to link the I.W.W. and the P.L.L. continued right up to the strike. Mr. Weaver, speaking in the Legislative Assembly on the 26th July, commented that there existed between the I.W.W. and the P.L.L. "an alliance of thought and an extraordinarily sympathetic outlook".18

In this scenario of conflict that had been simmering since the Conscription campaign, the 1917 Strike erupted. The New South Wales Government's claims that the strike was a conspiracy masterminded by the I.W.W., that the strike was a threat to the war effort and that the strikers were disloyal was heard by sympathetic ears. The Nationalists of New South Wales were very much a pro-Hughes party, supporting Conscription and his other war policies. It is probable that they were convinced that Hughes would assist in any strong action taken against the trade union movement at this time for the purpose of weeding out the I.W.W. saboteurs and shirkers. The term "shirkers", used by the Nationalists throughout the strike, is an interesting one. It was applied to those men who did not give full effort in their work, (that is, slow workers), but also referred to those who did not support their country at war (that is, who did not enlist). From the outset, the Nationalist Government of New South Wales demonstrated its determination to defeat the strike totally.

There is little evidence to support the charge that the strike was a conspiracy on the part of the labour movement. With the passage of the Unlawful Associations Act, and later the Amendment, and the I.W.W. trials of 1916, most prominent I.W.W. men were in prison where they were certainly in no position to plan any such extensive action. Perhaps earlier I.W.W. agitation for general strikes and even the dream of amalgamating all unions into the One Big Union, gave a justification to the Government's claims. However, the evidence points to the strike being a spontaneous upheaval, supported by many workers discontented with existing economic and social conditions. E. J. Kavanagh, M.L.C. and spokesman for the Unions' Defence Committee, tried to keep the strike within the bounds of an industrial dispute while Mr. Hughes and Mr. Fuller decried it as being politically motivated. He stressed that it was "purely an industrial matter, and had nothing to do with politics". He even chided members of the Labor Party for trying to make political capital from the strike.

Allegations by members of the labour movement that the Nationalist Government of New South Wales, with the support of Hughes and the employers, used the strike to attempt to crush trade unionism and to discredit the whole labour movement, also need examining. It was suggested that the Nationalists themselves had engaged in a conspiracy with the employers to achieve this. Evidence exists which seems to point to a conspiracy, but a number of weaknesses exist in this argument, and these will be discussed later. But certainly, the Government of New South Wales, by abetting the wholesale victimisation that took place after the strike, by flagrantly violating written agreements, seemed to be determined to destroy and discredit the labour movement. Hughes too showed his vindictiveness with his decisive role in the strike, and earned himself

Motives for the actions of the Nationalists are discussed in a later chapter, but it is necessary to point out a basic feature of Nationalist Party thinking. The Party was created out of a common desire to win the war and consisted of many men who, because of their adherence to the view that Conscription was necessary, were forced to leave the Labor Party. Gollan makes the point that these Conscriptionists "were left licking their wounds, and (were) determined not to permit another major trade union victory". Thus, when the strike began,

"The Government of New South Wales was spoiling for a fight which might avenge the Conscription defeat and restore the authority of the Government". With the determination to win the war still evident, and the memories of the lost Conscription campaign still present, the Nationalists approached the strike with a total victory in mind.


22. ibid. p. 148.
CHAPTER TWO

The Genesis of the Card System and Its Effects

The primary cause of the Strike was the introduction into the work­shops of the New South Wales Railway and Tramways Department of the so-called "Card System". The refusal of the railway men to accept the Card System, and the insistence of the Commissioners in retaining it promoted the complaint that led to the Strike. The conflict surrounding the Card System assumed proportions that were excessive, for the issue was not, on the surface, contentious and the problems not insoluble. Yet both sides, the Unions and the Railway Commissioners and the Government, chose to magnify this dispute, to make a fighting stand, and this intransigence sparked off the disastrous Strike. The problem is to establish why the Card System was introduced at this time, indeed, why at all, and then what effect it had on the ensuing events.

The Card System was introduced ostensibly as a costing system, that is, for determining the cost of running the service as compared with the return. The Commissioners felt that some costing system was needed in view of the fact that the Department's pre-war profits to the value of £211,047 had by 1917 fallen to a deficit of some £412,253 with the Rail­ways Division suffering the greatest losses.¹ There were a number of reasons for this. In his 1915 Report, the Chief Commissioner pointed out that earnings had fallen due to the outbreak of war, a bad drought in late 1914 which reduced the need for transportation of wheat and cattle, and a general decrease in business activity.² Mounting costs and interest

¹. New South Wales Government Railways and Tramways - Reports of the Chief Commissioner, N.S.W. P.P. 1914-1917. See Appendix A for additional figures.
10.

rates, free transport of war materials and troops and work in the manufacture of munitions at the Eveleigh and Randwick workshops also greatly added to the costs. The Commissioner, it seems, felt that the problem lay with increases in wages which, he felt, the Department could not absorb, and consequently made an application to the Court of Industrial Arbitration for the suspension of such clauses of the awards of Wages Boards that provided for periodical pay rises to salaried officers and wages staff.

Although the application was dismissed, it showed that the Commissioners were concerned with mounting costs, and that they were prepared to limit these where possible.

It was in 1915 that I.W.W. posters and slogans first began appearing in the Department workshops, and caused much apprehension to the Commissioners. The I.W.W. called for "slow work" since this would mean employment for fellow workers. A number of connections were established between individuals in the Railway workshops and the I.W.W. Buckley, as previously shown, was involved; William Teen, one of the I.W.W. twelve, was on the council of A.R.T.S.A. but was dismissed. The Commissioners,

5. In all reports during the war years, wage rises were cited as primary causes of increased expenditure.
6. Mr. Cargill (solicitor for the Department), Minutes of Evidence, Royal Commission of Inquiry in the Job and Time Cards System in the Railway and Tramway Workshops, H.R. Curlewis presiding. N.S.W.P.P. Vol. 6, 1918, p.2.
7. Minutes A.R.T.S.A. April/May 1916. According to Tom Barker, another of the I.W.W. Twelve, Tom Glynn had worked on the trams in Sydney, but this appears to have been at an earlier time. See E.C. Fry Tom Barker and the I.W.W. (Canberra, 1965) p. 16.
fearing that the I.W.W. propaganda and principles would take firm root in the workshops, dismissed or suspended any workers thought to be holding I.W.W. ideas. Later, upon signing declarations disclaiming any sympathy with the I.W.W. or their ideas, they were reinstated. There is no doubt that I.W.W. propaganda was influential to a degree, but the extent was often exaggerated by the opponents of the I.W.W. Sympathy with the I.W.W. appeared to be more in line with working class solidarity, than with the ideology of the I.W.W. For example, the council of A.R.T.S.A. in December 1916 after the I.W.W. trials, passed a resolution stating that.

"Whilst in total disagreement with the tactics and methods of the I.W.W. this council records an emphatic protest against the cruel and relentless persecution to which its members are subjected".9

Yet Mr. Fraser, who became Chief Commissioner in 1917, was still concerned that I.W.W. ideas had taken root in the workshops. He complained that he had himself seen men who were going through the motions of working but producing nothing.10 In January 1917, while discussing slow work in the workshops, Fraser noted that

"There has been evidence of late that there is in every industry a section of the workers who favour, for their own ends, industrial ferment and disorder, and whose every effort is constantly bent to produce these conditions ... 'Work slowly', 'stop work', 'do what damage you can' are mottoes they endeavour to instill". 11

Commenting, Tom Barker replied:

"At the present rate ... the boss will be in dungarees about 1955 ... Slowing down is a more effective way of dealing with the working class nightmare of unemployment than soup kitchens and unemployment parades". 12

8. Direct Action 5th January, 1917
9. Minutes, the Amalgamated Railway and Tramway Services Association, 12th December, 1916.
10. Fraser, in Curlewis Royal Commission, Minutes of Evidence, p.9
11. New South Wales Railway and Tramway Budget (Official organ of the New South Wales Government Railways and Tramways Institute) March 1, 1917, p.231 (See Appendix B for Fraser's figures)
12. Direct Action, 22nd January, 1917
The connection between the I.W.W. and the Railway workshops is of fundamental importance in understanding subsequent events. The Commissioners were obviously concerned at I.W.W. influence in their workshops and associated the losses sustained in the service with this influence. The introduction of the Card System was partly the result of this concern, for the Commissioners were determined to weed out unproductive workers, and a costing system such as the one proposed in 1917 would serve this purpose.

Systems of costing and time-keeping were not uncommon in private industries throughout the country and existed in some Government enterprises, the Railways and Tramways Department being one. Up until the outbreak of the war, and some months later, the workmen in the Railways service had made their own record of the time occupied and other details of the job they were engaged in. The details were set out in sheets and then passed on to time clerks who recorded the information on record sheets. The system proved to be unsatisfactory, since the men gave only grudging support and costing could not be accurately determined. As a consequence, in June 1916, a system of Cards was introduced which did not differ greatly from the system that had previously existed. Again it was opposed by the workmen because each man had the duty of entering on his own card the time occupied in doing each job given to him by the foreman, and the men generally opposed the clerical work involved.

After a good deal of protest from the Labor Minister for Railways, the

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the system was withdrawn.\textsuperscript{15} The Chief Commissioner, however, stressed that the system was being withdrawn only temporarily until a better system was developed. In addition, an agreement was reached between the men and the Commissioners that there would be no changes made to working conditions during the course of the war, the men in return promising to avoid industrial action.\textsuperscript{16}

On July 20th, 1917, a new Card System was introduced into the workshops. It differed only slightly from the one introduced a year earlier. Instead of the workmen recording their own times, sub-foremen would be engaged whose duties included checking the work and recording the time taken by men over each particular job. The system was introduced without notice and immediately aroused a great deal of opposition. The timing of this move by the Commissioners was significant. The Cards were introduced shortly after a State election had swept the Nationalist Party to power, the Commissioners no doubt anticipating less interference over this matter from a more conservative ministry. Nevertheless, in the light of past opposition from the men regarding the introduction of any card system, the Commissioners must have expected trouble, and trouble they got.

The Card System introduced in July 1917 was essentially an information system. The time taken by each workman over a particular job would be recorded on cards and this information would enable the Commissioners to determine costs, output, and to work out where improvements could be carried out. It would also, of course, isolate slow workers, and Fraser,

\textsuperscript{15} Minutes, A.R.T.S.A. 21st June, 1916.

\textsuperscript{16} Mr. Fuller later denied that this agreement was reached, stating that "no such undertaking was ever given, but there was an implied Understanding that wages, hours of employment, overtime rates, and privileges should not be interfered with during the war..." (Daily Telegraph, 27th August, 1917). Mr. Fraser too denied that any such agreement reached, but without qualification, SMH 3rd August, 1917.
conscious of I.W.W. sympathies in the workshops, no doubt intended to use this information to rid the service of any surviving I.W.W. elements. It is difficult to establish positively whether or not the introduction of the Card System was a deliberately provocative action on the part of the Commissioners. Senator O'Keefe doubted that it was even necessary to introduce the Card System at all. Certainly, the workmen in the service took it as such, as subsequent actions confirm.

On the 27th July, a deputation consisting of Mr. Padgen, the president of the Amalgamated Society of Engineers, and Mr. Dengate, an organiser with that union, met with the Railway Commissioners to air the grievances of the men regarding the Card System. They told the Commissioners that the men feared the Card System was a "speeding up" system, similar to the Taylor System being used in the Ford workshop in America. The Taylor System relied on sub-foremen taking charge of a group of workmen and timing them during the performance of a job. The time would be judged against the fastest workmen and this would be more or less taken as the mean. It was generally, throughout the world, a most unpopular system amongst workers. The men feared they would be forced to speed-up too. The appointment of forty-five new sub-foremen at Randwick, and eighty at Eveleigh seemed to confirm in the men's eyes that it was the Taylor System that the Commissioners were in fact introducing. The Chief Commissioner's reply was that it was not a system of "speeding-up" and that it would not affect the average worker only the wilfully slow one. This point was

17. This was as a response to claims made by Mr. Lucy, the Chief Mechanical Engineer at the Eveleigh Workshops before the Card System was introduced, that he was satisfied that he was getting an efficient return for the expenditure outlaid. See Appendix C for details.
18. Minutes of the Meeting with the Deputation, Curlewis Commission, p.75.
20. From Deputation, Curlewis Commission, p. 75
21. ibid. p.78
an important one in both the Government's and Commissioner's justification of the Card System. They both continually stressed that the "honest workmen", or the workman who did a fair day's work, should have nothing to fear from the Card System. The slow worker would be found out and dismissed.

The Chief Commissioner informed the second deputation:

"There are workers still in the Department who should be, in the public interest, eliminated from State employment, and those shirkers will be eliminated if the present administration remains as the Railway Administration of the State". 22

The matter of so-called "speeding up" raised a number of issues. If, for example, a workman did work faster, to what degree would safety be considered? Or, how well could he perform his task? The men felt that fast work would mean greater danger to themselves and unsatisfactory completion of jobs. In both cases, they could find themselves out of work. Or else, a worker could be cited for slow work when it was not his fault. For example, in all the workshops, there was, according to the men, a severe shortage of tools and equipment which was responsible for an enormous loss of time. 23 Men had to wait for tools or materials and sometimes even their jobs, and an unsympathetic foreman would regard this as idleness. In an orderly workshop, such waste would not occur and there would be no need for a Card System. The men had as many complaints regarding efficiency in the service as did the Commissioners. The Manifesto of 11th August noted:

"There has always been a dearth of small hand tools, yet there are machines at Eveleigh which cost hundreds of pounds that have never earned as many pence. New machines have never done a day's work - scrap. Who ordered these machines, and who paid for them?" 24

22. J. Fraser during the Second Deputation headed by E. J. Kavanagh, Curlewis Commission, p. 81.


24. ibid. p. 95a
Contradicting the Chief Commissioner's statements about the quantity of work being performed by the men, the Manifesto continued:

"Much is heard about slow work, but does the public know that it takes a fortnight under favourable circumstances for a paper from an employee to reach the Chief Mechanical Engineer - a distance of about three hundred yards? It often takes a fortnight for some clerk to put a pencil mark on it without ever reaching its destination." 25

This seems to indicate that there was genuine dissatisfaction amongst the men with the way the service was being run. It was not simply a case of the men being unproductive.

Mr. Padgen, at the Deputation, claimed that men could be accused under the Card System of slow work at times when it was not their fault, for example, when waiting for tools, materials, and so on.26 This could particularly be the case if the sub-foreman recording the times was unsympathetic or unscrupulous. Since the cards were to be secret, the men would not know exactly how they were being treated.

On the 31st, a second deputation met with the Railway Commissioners and was headed this time by Mr. E. J. Kavanagh, Secretary of the New South Wales Labour Council. A meeting the night before of fourteen unions involved had endorsed the Deputation, in the hope that its members could induce the Commissioners to withdraw the Card System.27 The Railway Commissions re-affirmed their commitment, claiming that it was not a system of "speeding up", but simply an improvement on earlier costing systems, and that the honest worker would have nothing to fear. They made a concession in agreeing to allow the men to inspect and initial their own cards. They emphasised that the system would not be withdrawn under any circumstances.

25. ibid. p. 95a
26. Padgen, Curlewis Commission, p. 75
27. These are the unions that were immediately affected by the introduction of the Card System. See Appendix D.
E. J. Kavanagh summed up the feelings of the men at the time of the Curlewis Commission. He said the men regarded the Card System as the "thin edge of the wedge - the first installment of the Taylor Card System in America". He complained that "the Commissioners were attempting to introduce the most up-to-date costing system in the world to the most out-of-date workshops in the world". Generally, he reported that it was not so much the Card System itself but how it could be used. Mr. Justice Curlewis in his Royal Commission on the Cards in 1918 did not agree that time cards necessarily were evil but he did say that "there can be no doubt that the system is one which in the hands of an unscrupulous employer, is capable of afflicting grave hardships". He stressed that abuses could take place and great vigilance was needed to see that these abuses did not take place. Nevertheless, at the time of the Deputation, the Commissioners argued that the men had presented no case as to why the Cards should be withdrawn, that their suspicions were without basis, and the Cards would not be withdrawn.

A meeting of the fourteen unions involved in the dispute was held on the night of the 31st and it re-affirmed a resolution that had been made the night before that "... an ultimatum be issued to the Government that unless the Card System is withdrawn by next Thursday, the whole of the unions concerned will stop work". This ultimatum was delivered to both

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28. Curlewis Commission, p. 23. This, the men alleged, was also the beginning of "piece work". Fraser initially denied this but at the Curlewis Commission he conceded that "the bonus system is undoubtedly the proper system to introduce in any workshop". ibid. p.81-82.

29. ibid. p.23

30. ibid. p. 156

the Railway Commissioners and the Government on the following day. Predictably, neither the Commissioners nor the Government would bow to the ultimatum. Late attempts were made, particularly by the leader of the Opposition, Mr. John Storey, to bring about a settlement, but a late night conference between the disputing parties failed to resolve the issue.32

Mr. Fuller appealed to the unionists to avoid a strike and stated

"If the precipitate action of the unionists concerned results in a strike, I can only say in conclusion, that the Government will stand by every loyal workman. The matter is not a legitimate subject for industrial dispute, and the workmen who respond to call to national service will receive ample protection and reward for their action, whatever the consequences may be". 33

This prophetic pronouncement suggests that the Government had already decided before the Strike that they were going to fight the unions to the finish, and how it was going to be done. Only the final action was now needed.

On the following morning, the 2nd August, members of the Amalgamated Society of Engineers, upon finding that the Cards had not been withdrawn, stopped work at the Randwick and Eveleigh workshops. Their example was followed by fellow members in other workshops in Sydney and the State.34 Some five thousand members stopped that day, starting a long and bitter struggle between the Unions and the Nationalist Government of New South Wales. The Card System was the catalyst. The intransigence of both sides made some sort of industrial collision likely. Moderation was really lacking at a time when it was most needed and this meant that any attempt to remedy the situation was doomed to fail.

32. S.M.H. 2nd August, 1917
33. S.M.H. 2nd August, 1917
34. J.B. Holme, The N.S.W. Strike Crisis 1917, pp.7a, 8a.
CHAPTER THREE

Conspiracy and the Causes of the Strike

After the strike broke out, the Government made it very clear what their attitude was regarding its causes. On Friday, 3rd August, the Acting Premier, Mr. Fuller, issued a statement which alleged that the Government suspected some type of political conspiracy led by undesirable elements in the labour movement, and which also indicated that the Government was prepared to make its stand on this issue of the Card System.

Fuller claimed that

"We are not dealing with a revolt of workmen against oppressive conditions. We are dealing with Trades Unionism for the time being under the control of irresponsible and dangerous men who, for political reasons, have determined to plunge and keep the community in a state of industrial ferment ... There can be no compromise on the part of the Government, when an issue of this kind is raised. The time has come for the people of this State to take their stand against those extremists who have for a long time been conspiring against the public interest and who have been responsible for the industrial ferment which has disgraced this State since the beginning of the war ..."¹

Later, in a proclamation to the people of New South Wales, Fuller reiterated the identity of those whom his Government suspected were behind the strike.

"The enemies of Britain and her Allies have succeeded in plunging Australia into a General Strike. For the time being, they have crippled our country's efforts to assist in the Great War.
At the back of this strike lurk the I.W.W and the exponents of Direct Action.
Without realising it, many Trades Unions have become the tools of Disloyalists and Revolutionaries.
A great conspiracy has been fermenting for the past two years to prevent Australia rendering further assistance to Britain and her Allies.
Every striker is playing a game for Disloyalists.
Every striker is singing from day to day the hymns of the I.W.W. and marching to their music". ²

1. S.M.H. Friday, August 3rd, 1917.
2. This statement appeared as an advertisement in the Sunday Sun and the Sunday Times on the 12th August, 1917. Here, it is taken from J.B. Holme, The N.S.W. Strike Crisis 1917.
Finally, during a meeting with a deputation from the wives of the strikers on the 9th August, Mr. Fuller again stressed his position and that of his Government:

"This is not a revolt against the Card System, but against the Nationalist Government ... I say plainly that they are being led by men who are not only enemies of this Government, but who are friends of the enemies of the Empire who would take away all your privileges, devastate your homes, and make you the servile slaves of the Kaiser, instead of keeping you a free people under the flag of Old England".  

It was probably predictable that the Nationalist Government of New South Wales would react to the strike in these terms. The I.W.W. had become a bogey even before the Nationalist Party had been formed, and had later been employed skillfully and successfully by that Party in the 1917 State and Federal elections. The tactic of branding the strikers as "disloyalists", agents of the Kaiser, traitors, and generally assisting the German war effort, also was not novel, and was certainly consistent with the character of the Nationalist Party. Since the difficult days of the Conscription debates and referendum a year earlier, members of that Party had been obsessed with the apparent presence of enemy agents on Australian soil. Essentially a "win-the-war" Party, the Nationalists were ready to vent their outrage on anything or anyone that stood in the way of the war effort. They believed that the strike, by holding up transport and the manufacture of materials necessary for war, did hold back the war effort. This is largely why the Nationalists were by no means confined to the State Party. Hughes echoes these sentiments when he said, in retrospect, after the event:

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"The recent strike, the most serious in the history of Australia, was the fruits of a deliberate conspiracy for this purpose. It was engineered by the same men who had driven out of the Labour movement every man who dared to put his country, in the hour of its greatest peril, before his Party, and its mean and petty interests. It was supported by the I.W.W., by Sinn Fein, by every disloyal section in Australia". 4

This belief is what caused Hughes to side with the Nationalists in New South Wales so decisively in the strike.

It was an easy step for the Nationalists to combine the threat of the I.W.W. and the threat that the strike offered to the war effort and allege a conspiracy. But was it valid? The evidence suggests that it was not.

By August, 1917, the I.W.W. barely existed. The Unlawful Associations Act of 1916 5 had broken the back of the organisation, and the amendments to the Act in July of 1917 enabled the police to mop up remaining elements. The Government overestimated the direct influence that the I.W.W. had on the trade unions which clearly, at this time, could only have been limited. They also overestimated the influence of the officers of the various unions over their members and the cohesion of the trade union movement generally. Fuller repeatedly insisted that the men were influenced by their leaders, and challenged the unions to hold ballots to determine if they should stay out on strike or not. 6

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5. This Act had been passed because Hughes was not satisfied that the existing legislation, the War Precautions Act, could effectively deal with the I.W.W. The new Act gave him much wider powers. See G. Sawyer, Australian Politics and Law 1901-1929 (Melbourne, 1972) p.135. It is significant that although Hughes tried to link the I.W.W. with the labour movement, the new Act was not opposed by Labor members in the House, Tudor declared that he was opposed to "go-slow, sabotage, murder, arson, which seemed to be the policies of the I.W.W." See Childe, op. cit. p.149

In fact, union leaders had less control over the strikers than the Government thought. The initial opposition to the Card System, for example, came from the men rather than their leaders. At the second deputation to the Railway Commissioners on the 31st July, E.J. Kavanagh suggested that the Commissioners' terms be put to the men with a view to accepting them, but others, notably Padgen and Dengate, claimed that, in the light of their instructions, they knew the terms would not be accepted. During the early part of the strike, the Defence Committee, acting on behalf of the strikers, found themselves swamped with representatives of the various unions and found it difficult to determine a uniform policy on which to fight the strike. Kavanagh demonstrated the problem faced by the Defence Committee and the determination of the rank-and-file unionists when he reported that the difficulty was not in getting them to come out, but in keeping them in. The conservative daily paper, the Sydney Morning Herald was concerned that

"... the men have acted in opposition to the advice of their representatives. The union leadership have been dragged along instead of keeping their place in the van, and in this latest development of mischief, it looks as though the restraining influence of men feeling the responsibility of power and loath to hurry their unions into collision with the Government was of little value at the last moment".

H.E. Boote, editor of the Worker, who stressed the role of the rank-and-file unionists in the strike, wrote:

7. Curlewis Commission, Appendix J.1 "Minutes of Evidence
"I never hoped to see the workers so united. This revolt against Government tyranny is a spontaneous manifestation of feeling. The men took matters into their own hands. The officers had nothing to do but voice the demands of the rank-and-file".11

When these statements are considered with reference to the course of events during the strike, it is plain that any notion of union leadership dominating the course of events and fomenting some kind of "conspiracy" was at best, an exaggeration; at worst, it was false.

While it is necessary to examine the Government's contention that the strike was a result of a conspiracy of extremists, it would be erroneous to accept the position that the introduction of the Card System was the sole cause of the strike. It is true that it was the Card System that sparked off the strike, but there were other significant underlying currents of discontent throughout the country's workforce. This is a particularly important point, since neither side in the strike accepted that the Card System was the real cause of the strike. Mr. Dengate, during the deputation to the Railway Commissioners, claimed that if the Commissioners had introduced the Card System quietly there would have been no trouble at all.12 Mr. Claude Thompson, secretary of A.R.T.S.A., insisted that

"had the dispute been confined to the time card system, there would have been no general cessation of work on the part of the Amalgamated members, except such as are employed in Railway and Tramway workshops". 13

The Striker carried an article which said:

11. The Worker 16th August, 1917
"No sane man believes that it is the Card System they are troubling about: that is only the thin end of the wedge intended to split unionism, and bring about a general reduction in wages, longer hours, and more degrading conditions of labour". 14

It has already been demonstrated that the Government believed that a conspiracy was behind the strike, and not really the Card System. Certainly, there was discontent in the workforce which no doubt contributed to the men's willingness to strike and this discontent needs to be examined.

From the outset of the war, it was obvious that many workers would have to face greater hardships than they had before. War and drought immediately brought about an increase in the price of meat and flour. For example, between July 1914 and May 1915 in Melbourne, the price of food and groceries in the Commonwealth rose from 22/1ld. to 25/5d. (based on a weighted average in shillings and pence) and in Sydney from 23/ld. to 30/10d. 15 Rents rose as well in this period. Overall, the cost of living rose dramatically, particularly in Sydney; and during the whole period of the war, New South Wales was by the most expensive State to live in. 16 Wages rose too, but hardly in proportion to the rise in prices. The average weekly wage rose from 55/3d. in June 1914, to 74/1ld. in December 1919 for male workers; and from 27/2d. to 37/ld. for female workers. 17 In real terms, however, wages actually decreased. 18 In the early years of the war, unemployment figures showed that 5.5% of workers

14. The Striker, issued by the authority of the Unions' Defence Committee Sydney, 13th August, 1917.
15. From N.S.W. Industrial Gazette Vol. XIII, No. 3, 1918. See Appendix E for figures
16. Scott, op. cit. p. 634
17. ibid. p. 634
18. See Table, Appendix F.
who were union members were unemployed. This rose to 8.3% in 1914, and 9.3% in 1915. These figures remained relatively high for the remainder of the war period.

These figures can be attributed partially to a general fluctuation caused by the outbreak of the war, which affected trade, finance available for public expenditure, the cost of the war effort, and so on. Workers, however, attributed this to war-time profiteering by the capitalists. Probably, all these factors contributed to the worsening economic situation, but certainly it was the workers who suffered most. They continued to be denied by wage freezes, while prices remained high. Mr. Justice Powers in the judgement of the New South Wales Court of Industrial Arbitration in its inquiries into the cost of living and the minimum wage, told the workers what was expected of them:

"I realise that people cannot live in these days in reasonable comfort on the living wage prescribed if they attempt to maintain the same regimen as in the days before the war and drought. If clothing goes up in price, ordinary people are most careful of what they possess and of new purchases. If butter goes up to a high price, other things are used in its place. If meat goes up in price, less is used". 20

He went on to reflect what was the accepted view of governments and employers that "important reasons for the rising costs of prices were the high incidence of strikes, industrial sabotage and go-slow, and for these, workers were themselves responsible." 21 Workers could have had little joy from words like these.

21. ibid. pp.922-924
The severe economic position and unemployment and retrenchment in the early years of the war gave workers little opportunity to improve their conditions - legal restrictions prevented improvements through Wages Boards, and a pool of unemployment meant any direct action would be unlikely to succeed. Not until the successful Coalminers' Strike in 1916 did the position change, and by then unionists everywhere were ready to take action to alleviate their frustrations. Such was the position in 1917.

These generally poor conditions affected unionists as a whole but on the eve of the strike, many unions had specific grievances of their own, none more so than the various railway unions. On the 8th August, Mr. Ainsworth, secretary of the Locomotive Engine Drivers, Firemen and Cleaners' Association stated a number of grievances his Union had:

"Do you know - do the public know - that the eight-hour principle as applied to us is a misnomer?... A man may be called to sign on at 2 a.m. and when he arrives with his food supply, he is told that he is not wanted, but to come again at 4 a.m. ... For this time, he is not paid. He was been walking and waiting all through the night and then, when the official deigns to sign him on, he is worked for anything up to twelve, and sometimes thirteen, hours". 22

Ainsworth also mentioned other grievances, such as broken shifts, short time, the difficulty of putting cases to the Appeals Board and the way the Commissioners could dismiss employees without advancing reasons. These were all major causes for dissatisfaction and the Card System was merely "a spark that fell in a cauldron of seething discontent and industrial impatience." 23


23. ibid.
Representatives of the Amalgamated Society of Engineers, as was stated in the previous chapter, complained that slackness and waste in the workshops, for which the workers were being held responsible, was mainly the result of managerial incompetence, and lack of tools, equipment and materials. Mr. Claude Thompson, secretary of A.R.T.S.A. outlined similar complaints, but added others:

"For upwards of thirty years men have been groaning under an oppressive system, unbearable conditions, and a miserable pittance of wages. After long years of waiting they received an award which was not satisfactory." 25

He claimed that the service was "seething with discontent" that was the result of a "long policy of pinpricks and goadings on the part of the Railway Commissioners". He claimed too that the Card System only sparked off trouble that had already been brewing. Members of the New South Wales Amalgamated Sheet Metal Worker Society complained that engineers at the Randwick workshops were doing their work, such as soldering. This appears to be of little importance but, in fact, to the union members, it was quite significant.

Although the Card System initially was confined to a relatively small number of engineers working at Randwick, it was widely believed by the workers in the Service, that the system would spread to other branches and to other workshops. Other unionists were ready to support the engineers in their fight against the Card System but also wanted to air their own grievances. This made the task difficult for the Defence Committee.

24. Manifesto of Unions' Defence Committee, 11th August 1917. Quoted from J.B. Holme, N.S.W. Strike Crisis 1917, Appendix 20, pp. 94a-95a.


26. Ibid.
because other issues clouded the central dispute over the Card System.

E.J. Kavanagh pointed out the problems:

"It was originally intended to confine the strike to those directly affected by the Card System, but this was impossible owing to the general dissatisfaction which existed throughout the Railway Service, due to the failure to remedy long-standing grievances and to the limited scope of the Arbitration Act, which precluded the Court or Boards from dealing with matters of vital importance to the employees." 28

After the strike broke out in the Railway workshops, it soon spread to all industries, embracing unions that had no immediate connection at all with the Card System. Miners, builders, catering unions, wharf labourers, seamen, all came out in support of the railway men. Boote described this in the Worker:

"One after another the unions rushed to the assistance of their mates who were attacked. They needed no prompting. They did not wait to be appealed to. With a passion for class loyalty as grand as unparalleled, they took the field and swept to battle." 29

The degree of support amongst the "sympathy" strikers is significant. Many unions involved had little or nothing to gain from striking; some had a lot to lose. For example, the coalminers had won a good award in 1916, with the provision that they would take no part in strikes for a period of three years. They had a good deal to lose. So did the wharf labourers, who were working under a favourable Federal award. That they all felt the need to express their dissatisfaction in this way is a reflection of the discontent that existed in the unions. It was not conspiracy that brought them out. It was, as Boote described, "a spontaneous manifestation of feeling". 30
CHAPTER FOUR

The Extent of the Strike and Its Defeat

After the Engineers stopped work on the morning of 2nd August, there was still time to negotiate a settlement, and avoid a general strike. Since the Card System only affected a relatively small number of men, an early settlement would have been desirable, and possibly easier to achieve. Yet both sides made only tentative gestures, and already their intransigence was evident. It was still possible at this time for a settlement to be reached without either side losing face, and subsequent events showed that tactical blunders by both sides contributed to the fateful strike.

Negotiations for a settlement did take place between the Government and the Defence Committee for the Unions. The point on which the negotiations broke down was the timing of an inquiry on the Card System. The government, with the concurrence of the Commissioners, made the following offers to the unions:

1. That if in three months it could, before a public inquiry, be shown that the system was unjust, it would be revised.
2. That every man should, each day if so desired, inspect and initial his card relating to the previous day's work.\(^1\)

The latter proposal would theoretically allay any fears the workmen may have had regarding abuses in implementing the Card System. The men had been concerned that the cards would be kept secret and they would not know how accurate entries by the sub-foremen would be. The first proposal suggested that the Card System be given a trial, and if found to be unsatisfactory, it would be replaced, but such was the lack of faith

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amongst the men towards the Government and the Commissioners, that Mr.
Dengate had to point out that "it was no use giving this a trial for
some months or years and then find we cannot get rid of it". It is
significant that the Government's proposal offered only a revision of
the system if it was found unsatisfactory, and not a withdrawal, which
was what the men wanted.

E. J. Kavanagh made a set of counter-proposals to the Government.
These were that:

1. The Railway Commissioners revert to the position as it
   existed on the 1st June last
2. The Government appoint a Royal Commission consisting of
   representatives of the Railway Commissioner and the
   Unions concerned
3. Upon this being granted, the men will return to work.

These proposals could have been accepted. The Government could still
have saved face, and would have appeared reasonable, with the best
interests of the men at heart. Furthermore, it was likely that any inquiry
would have accepted the Card System in principle. Thus, not only could
the Card System have been introduced but a strike could also have been
avoided. Further proposals were submitted to the Government from a
deputation on the 8th August. These were a little more specific and
suggested that:

2. Dengate, Second Deputation to the Commissioners, Appendix J,
   Curlewis Commission p.83.
3. From a letter to E.J. Kavanagh to G. Fuller, 4th August, 1917 Quoted
   from J.B. Holme, The N.S.W. Strike Crisis 1917, p. 88a.
1. The State Government request Mr. Justice Edmunds to act as arbitrator and to inquire into the whole grievance
2. In the meantime, the Card System was suspended
3. On Mr. Justice Edmunds being appointed, all the employees return to work, or alternatively,
4. The inquiry be held while the men are out, the strike in the meantime to be no further extended."

It would be wrong to assume that the Government had a responsibility to accept the men's demands as such. But to have taken a position that ensured that a major and catastrophic strike would take place surely showed a lack of responsibility. This is particularly the case when it is considered that the Nationalists had been elected on a platform which stressed the importance of winning the war. This apparent contradiction prompted one Labor M.L.A. to ask

"... is it a fact that the Nationalist Party was elected, or obtained the confidence of the people, on account of its policy to assist in winning the war? If so, does he (Fuller) not think that the methods now being adopted by the Railway Commissioners, supported by the Cabinet, are one means of arresting the enemy rather than of assisting to win the war?"

When the Engineers came out on 2nd August, they were soon followed by fuelmen at Eveleigh on the 3rd and the Locomotive Engine Drivers, Firemen and Cleaners' Association and A.R.T.S.A. on the 5th August. These unions joined in sympathy with the Engineers, but also to redress some of their own grievances. In fact, the L.E.D.F.C.A. appointed a grievance

4. S.M.H. 9th August 1917. This deputation was headed by A.C. Willis, of the A.C.S.E.F.
committee to prepare a case that could be presented to the Commissioner in the event of a settlement. At any rate, by the end of the first week of the strike, employees from most sections of the Railway and Tramway Service were on strike. Yet already, a basic weakness in the unions' position was evident. Not all employees in the service did stop work. A sufficient number stayed at work, and with the assistance of staff members, the Railway Commissioners were able to keep at least a skeleton service operating. This greatly weakened the position of the strikers.

Such was the discontent among the workers in New South Wales that when the strike broke out in the railway workshops, the possibility of a general strike soon loomed as a reality. As previously stated, rank-and-file willingness to down tools, while amenable to the concept of working class solidarity, put the Defence Committee in a weak tactical position. It could not determine the extent of the strike, nor plan tactics as unions came out and went back to work in piecemeal fashion. The problems of the Defence Committee were made difficult too by the nature of the union movement itself. For example, within the railway service, "there was a wide range of specialised and dependent skills, each represented by a separate union". That is, there existed a basic interdependence of work roles. Different crafts were represented by different unions and indirectly, this led to an interdependence within unionism too. Thus, if one union went out on strike, workmen from another union would become idle. This principle spread to unions outside the service. Such was the case with the Miners' Federation. The miners were idle from the beginning of the strike. J.B. Holme reported that:

6. J.B. Holme, The N.S.W. Strike Crisis 1917, p. 10a
"Coledale, Scarborough, Coalcliff and Scarborough Junction collieries and the Metropolitan Mine at Helensburgh were all idle on the 6th August as a result of their dependence upon the railways for rolling stock and transit." 8

Other mines, with their own rolling stock and transit facilities remained at work. Mines in the northern district also were idle, because of the failure of the train services. With the shortage of materials, works in Lithgow closed down and more men were made idle. The strike spread almost involuntarily beyond the Railway Service.

The strike became official in the Southern mining district when the Defence Committee declared all coal being used by the Railway Commissioners as "black".9 At Bulli, the men refused to work because an employee had travelled by train after the railway strike had been declared,10 which was anathema to the principles of unionism. Mines in the northern district too were idle at this time and the miners formally joined the strike through solidarity with other unions. All coal mines in New South Wales were idle by the 8th of August.

From this point on, the strike became complex as it spread quickly, and the rapidity of the events occurring caused much confusion. But it was the strength of the "sympathy" principle that enabled the strike to gather momentum.

On the 9th August, wharf labourers in Sydney held a stop-work meeting and resolved that they would not resume work unless the Government immediately withdrew the cards objected to by the railway employees.11

8. J.B. Holme op. cit. p.11a
9. This was on the 6th August. J.B. Holme op. cit. p. 10a.
10. J.B. Holme op. cit. p. 11a
11. S.M.H. 10th August 1917
34.

Trolley dragmen and carters, in the meantime, refused to handle goods because it was the duty of wharf labourers. On the 11th, the Defence Committee declared all wheat and flour arriving by train to be "black".12 Because of the wharf labourers' strike, the seamen joined on the 12th August and ship painters the next day. By the 15th most employees of the fuel, food and transport industries were on strike, severely paralyzing much of the State's industry. At the peak, some 68,000 men were on strike.13

The Defence Committee made some bad blunders early in the strike. Its aim had been to limit the dispute to those unions affected by the card issue directly. However, in its effort to paralyze rail transport, it chose to declare coal "black" first, and then later to declare wheat and flour "black". Unfortunately this move did not have the desired effect. Instead of crippling train services, it brought a number of unions into the dispute which in reality had no part in it. It simply served to cloud the issue, and made the Committee's task of co-ordinating strike activities more difficult. Kavanagh realised the weakness of the position of the strikers, but with the Defence Committee swelling each day with representatives of striking workers, there was little he could do but continue to give tacit support to the strike. A.C. Willis, the secretary of the Australasian Coal and Shale Employees' Federation, and the Central Council of the Federation were particularly conscious of the weak position of the miners. At the time of the strike, there were large stockpiles of coal at grass, and if the Government could keep even minimal transport services operating,

12. J.B. Holme op. cit. p.14a
13. Estimates of this figure varied depending on whether official or union sources were used. This figure is about an average.
the position of the Miners Federation would be weak.\textsuperscript{14} In addition, the
miners had received a very good award in 1916, and involvement in the strike
would give the impression of contrariness more so since the Card System
did not concern the miners. Willis stated that the miners

"... had absolutely no quarrel with the Government or
with the colliery proprietors at present. They had a
three year agreement, and as far as possible the men
would abide by it. The position of the coalminers in
relation to the present trouble was almost entirely
due to circumstances over which they had no control.
Work would resume immediately the railway trouble was
settled."\textsuperscript{15}

Willis was responsible for some negotiating with the Government about terms
for a resumption of work, but his offer was refused.\textsuperscript{16} Mr. Morris, secretary
of the Waterside Workers' Federation, faced similar problems when the strike
extended to a number of major ports throughout Australia. The Committee
of Management, the central authority of the W.W.F. which was based in
Melbourne, had little control over the actions of the various branches.
When firstly the Commonwealth Steamship Owners' Association applied to
have Preference clauses struck from the award, and then the Federal Govern-
ment applied for de-registration of the union, the Committee of Management
was forced to amend the rules of the W.W.F. empowering them to fine or
expel any members failing to obey the instructions of the Committee of
Management.\textsuperscript{17} This was done in accordance with directives from Mr. Justice
Higgins, who was concerned that the Committee could not induce the men to
return to work.\textsuperscript{18}

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\textsuperscript{14} R. Gollan \textit{The Coalminers of New South Wales} (Melbourne 1963) p.153.
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\textsuperscript{15} \textit{South Coast Times} 10th August, 1917.
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\textsuperscript{16} \textit{S.M.H.} 9th August, 1917
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\textsuperscript{17} Minutes, Committee of Management, 31st August, 24th September, 1917.
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\textsuperscript{18} Minutes, Special meeting of Committee of Management, 11th October, 1917.
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It is vital to note here, that while shipping was tied up in a number of ports for a certain period during the strike, there were still attempts being made by the W.W.F. and other unions to assist the war effort. One such port was Port Pirie which was an important one since a bulk of the munitions needed for the war were shipped from there. The Committee of Management insisted that 'the members of the Port Pirie branch handle all cargoes necessary for the production of munitions to carry on the war against the enemies of England'.

Again, on the 17th September, a meeting of representatives from a number of unions moved the following resolution:

"Recognising that the continuous production of lead at the Port Pirie Lead and Zinc Smeltery is vital to the Cause of Great Britain and the Allies in the War, it is recommended that:

1. These works be declared immune from participation in any labour trouble or sympathy strike during the period of the war...
2. In order to ensure continuous operations at the smelters, arrangements be made for producing all coke and coal required, transporting it to Port Pirie and unloading it there by union labour, and the unions concerned agree to find the labour required for this purpose...

Evidently, there were unionists who were concerned that the war effort should not be hindered by disputes in these important areas.

Nevertheless, the Nationalist Government showed from the outset that it was prepared to take a hard line with the strikers. Having failed to induce the men to go back to work with his offer of an inquiry after three months, Fuller issued the following statement:

19. Minutes, ibid 8th September, 1917.
20. Minutes, ibid 17th September, 1917. The agreement was signed by the following union representatives: Grayndler, A.W.U.; Thornton, A.S.E.; Cremer, W.W.F.; Pearce, F.E.D.F.E.; Smith, A.B.L.F.; Johnson, F.B.F.; Wilson, F.I.A.
"After Friday next, no workman will go back on his old status. The men who stand by the Government in this crisis will be amply protected, and will receive and maintain seniority in the future. The men who refuse to return will lose the special rights and privileges which they now enjoy as employees of the State. If the strike does not terminate before ordinary working time on Friday next, the Government will utilise the offers of services already made and will call for volunteers to assist in running the services of this State." 21

Mr. Fuller next indicated that unions, as they existed, were not appropriate, and more loyal unions would be created:

"All Unionists who volunteer for work will be accepted as Unionists, and will be enrolled as members of the new unions registered under the Trades Unions' Acts."22

This, he claimed, showed that the "Government is not against the Unions".23

The crucial period of the strike was in the first few days. It was evident almost from the start that the strike would not have the full support of all the workmen in the Service. Some trains and trams ran every day. This, together with the number of volunteers applying for work every day, must have heartened the Government. The call for volunteers was most successful. The Government had advertised for experienced people to operate the services:

"Engine drivers, Engineers, Firemen, Mechanics and others necessary for maintaining railway and other traffic, and the distribution of food supplies are invited to offer their services. If they desire to stay in the Government service, they will be left in that service. All men capable of assisting are invited to communicate with the Government." 24

21. S.M.H. 8th August, 1917
22. From the Sunday Times, 12th August, 1917. Quoted from J.B. Holme, op. cit. p.82a
23. Ibid.
Many people did volunteer but the quality of some of these was sometimes questionable, since many were unable to pass the basic physical fitness tests required by the Department. Jack Lang, M.L.A., observed:

"The Railway Commissioner, with the support of the National Government, has gone right back upon his departmental policy, and today men who were removed because of their failure to pass the eyesight test are finding employment in positions which involve the lives of thousands of travellers". 25

To these volunteers were added inexperienced schoolboys and students from Sydney University. It was a calculated gamble to employ such recruits, but it paid off for the Government as train services improved slightly each day. That the Government was able to draw so many volunteers was significant for two reasons. Firstly, it was a reflection of the high unemployment at the time, and men were willing to work under almost any circumstances. Secondly, the strike showed that support for the war was still evident amongst the younger people of the community.

On Monday the 13th August, all strikers who did not return to work were formally dismissed from the Service. This, Fuller explained, involved "the forfeiture of all their rights under the Superannuation Act". 26 At this time, the Government made applications to the Industrial Court "to cancel the registration of all unions on strike, as well as their awards". 27

To ensure that the Government could keep central control of State services, various proclamations were issued. One gave the Government the power to assume control over all kind of motor vehicles, another gave

27. ibid. According to the Striker, when unions were de-registered they came "within the purview of the Unlawful Associations Act". (13th August, 1917). Unionists insisted that this situation had been deliberately created by the Nationalists.
the Government the power to take all coal in trucks and at grass.\textsuperscript{28}

Next, the Government assumed control of all the mines, Acts of Parliament enabled the Government to supply inexperienced labour in the coal mines, and also to control gas consumption.\textsuperscript{29} In mid-August, the Federal Government intervened on behalf of the Government of New South Wales. New regulations were added to the War Precautions Act and made interference with shipping or shearing procedures illegal.\textsuperscript{30} The latter was particularly effective because it made certain that the powerful A.W.U. would not join the strike. In addition to the regulations, the Prime Minister, Mr. Hughes, established a National Service Bureau which recruited more volunteer labour to load ships and to work the mines.

With plenty of volunteers and most services operating, the railway strike was virtually over by the end of August. To hasten the end, the government had the most prominent leaders of the unions arrested and charged with conspiracy. First, William Daly of the Seamen's Union was arrested. A few days later, Kavanagh, Thompson and Willis were arrested and later, Buckley, too, was charged.\textsuperscript{31} This virtually deprived the strike of any

\begin{itemize}
\item \textsuperscript{28} See Appendices nos. 26 and 27 in J.B. Holme, op. cit., p.103a.
\item \textsuperscript{29} J.B. Holme, op.cit. Appendix 33, the Coalmines Proclamation Act, 1917; and Appendix 34, the Electrical Lighting and Gas Emergency Act, 1917, p. 106a.
\item \textsuperscript{30} Commonwealth Bureau of Census and Statistics. Labour and Industrial Branch Report No. 8 (July, 1918) p.125
\item \textsuperscript{31} The charge of "conspiracy" is interesting. The original charge of the I.W.W. Twelve - treason - had been changed to conspiracy because it was easier to prove. All that has to be established is an agreement between the two parties to the conspiracy to do something unlawful. (See I. Turner, Sydney's Burning, p.49). The charges against the strike leaders were not heard until after the strike was defeated and all were acquitted. The men were probably arrested on these charges for political gain, to give credence to the Government's allegation of conspiracy, and also to deprive the strike of its leaders.
\end{itemize}
leadership and the men had little option but to negotiate a settlement. This was achieved on the 8th September\textsuperscript{32} and by the 10th men were applying for re-employment. So ended the railway section of the strike.

The Government's uncompromising stance during the strike showed an inclination to fight the unions to the finish and force them into an unconditional surrender, but it seems a strange course of action for a Government committed to winning the war, to expend so much time and money hindering the war effort. At no time did the Government enter into any serious negotiations with the intention of reaching a quick and equitable settlement. Even when the Lord Mayor of Sydney and some notable church leaders offered to act as mediators, they were brushed aside with curt refusals. The Government even refused to have further dealings with the Defence Committee. Final negotiations were left to J.B. Holme, the Industrial Commissioner for the State, but even then final endorsement was left to the Government. Naturally, the Government's actions were wholly approved of by the various employer organisations. After the collapse of the railway strike, workers in other industries were left to negotiate their own terms of settlement with respective employers, but once again Governmental involvement was evident.\textsuperscript{33} Perhaps Kavanagh best summed up the debacle for the unions, when in his report he concluded that:

"Prior to the strike, Trades Unionism had reached the highest pinnacle it had ever reached in this country. It took just twenty-seven years of hard work to bring it to that state of perfection. It was built up by arbitration and knocked down in twenty-seven days by direct action." \textsuperscript{34}

\textsuperscript{32} See Appendix I for the terms of settlement.

\textsuperscript{33} The Government largely determined the conditions for the re-employment of the coalminers and the settlement of that dispute, and also accepted the development of bureaux on the wharves. This will be discussed in Chapter 5.

\textsuperscript{34} Labour Council of New South Wales, \textit{Report}, p.18
As the role of the I.W.W. in the strike, and allegation of a conspiracy to threaten the Nationalist Government, little can be added. By August, the I.W.W. as an organisation was almost defunct. When the strike broke out, the remainder of the leaders were arrested. As Tom Barker tells, "soon the Government was picking us up and putting us behind bars" because "Hughes was going to have another crack at Conscription later in the year and he wanted us out of the way for that". The last issue of Direct Action even carried a criticism of the strike and its leaders:

"We must have scientific organisation which means all workers in the one industry in the one union, and all industries linked up into one concrete body of the working class with a general Executive Committee controlling the whole dispute ... Almost a score of different unions are on strike, and each union seems to be trying to settle the trouble in its own little way ... This very lax and inefficient system only spreads discontent among the men, and they at last become tired of hanging around doing nothing, and getting dissatisfied, defeat will follow." 36.

It was, in fact, more than a mere criticism. It was related to the very core of I.W.W. ideology.

35. E.C. Fry, op. cit. p.31
36. Direct Action, 18th August, 1917.
CHAPTER FIVE

The Aftermath of the Strike

The aftermath of the strike revealed the full intent of the Nationalists and the employers to punish the unionists for their part in the strike. E.J. Kavanagh commented in apparent bitterness that

"... the employers, backed up by the Government, are taking full advantage of the surplus labour, and hungry unemployed, and are 'putting the boots in' with a vengeance, regardless of the misery and suffering of the innocent women and children. Never in the history of Australia has there been such callous vindictiveness shown towards the workers excepting perhaps in the convict days."

The punishments meted out to the unionists were severe, and left a residue of bitterness that survived for many years. The way in which the Government of New South Wales handled the strike and the events immediately after, came under the scrutiny of a Royal Commission in 1922, and it was then that many irregularities and illegalities surfaced.

The methods adopted by the Government of New South Wales during the strike raised a number of matters which showed that these actions were legally questionable, but were decisive in the outcome of the strike. Under the existing Railway Act, ministers of the Government had no legal powers to involve themselves in any relationships between the Railway Commissioners and their employees unless they passed a validating Act of Parliament. Since no such Act was ever passed, "there was no legal foundation for any of the promises made by Ministers in their capacity as Ministers, as distinguished from persons acting on behalf of the

1. Labour Council of New South Wales, Report, p. 18
Furthermore, the power to make proclamations under the "extraordinary powers" should have been exercised by Executive Government, not by Cabinet alone, and public records should have been kept in appropriate Departments of any acts of intervention of the Executive Government. Mr. Justice Edmunds, presiding over the Royal Commission in 1922, was "unable to find any records except so-called Proclamations and documents in Holmes' report". Thus he concluded that the powers assumed by the Government of New South Wales were invalid.

This was significant because it meant that promises made by Acting Premier Fuller, such as the promise made on the 12th August, that volunteers would be enrolled as members of new unions registered under the Trades Union Act, enabled him to use volunteers to break the strike, but it was one which, in Mr. Justice Edmunds' words, "he had no legal authority to make". In other words, he took decisive actions which helped to defeat the strike, but which were illegal. The Government, too, took over negotiations with the Defence Committee for a return to work. So the Commissioners were committed to taking actions during the strike, and enacting the settlement proposals when they were barely consulted in the matter. Thus, when the unions accepted the proposals presented by Mr. Holme,

3. Ibid. p. xxxvi
4. Ibid. p. xxxix
5. Ibid. p. xxv. Mr. Fraser claimed that the Government had not consulted with him at all, but was found to be lying when Commissioner Fox's diary showed that they had met with Government Ministers on the night the settlement proposals were drawn up on the 8th September.
the Commissioners felt bound to carry out the proposals "according to the interpretation which the Government put on it". \(^6\) It was concluded by H.V. Evatt, acting on behalf of the men at the Edmunds' Commission, the "political pressure was exercised on the Railway Commissioners by the Nationalist Government and the Nationalist Party". \(^7\)

There is evidence which shows that the Government had intentions early in the strike of destroying existing unions and creating new unions. This at least was the case with unions whose members were employed by the government. On the 10th of August, at a meeting with the Heads of Branches, Mr. Fraser suggested that, while all men should belong to a union "no man employed by the Public Service of the State shall be a member of any union affiliated with unions outside of the Government Service". \(^8\)

At a later meeting, Fraser told the Heads that "the Government had no intention at all of having one big Public Service Union, but they do desire that the railway and tramway men should belong to various Public Service Unions - Craft Unions and that sort of thing". To achieve this, Fraser went on, "the Government seems to think it might be of some advantage if we allocated certain individuals to work amongst the men to see if any such unions could be formed or some existing unions wiped in their membership". \(^9\)

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6. ibid. p.xxv
8. Edmunds' Commission p.xxiv. Mr. Fraser was evidently aware of Government policy regarding the strike, and possibly sympathetic with the Nationalists' policies generally. One Labor M.L.A., Mr. McGirr, had accused Mr. Fraser of partisanship during the strike. He further alleged that during the Conscription Referendum, Mr. Fraser had sent "Yes" pamphlets throughout the State. M.S.W.P.D.(Second Series) Vol. LXVII, p.521
9. Evatt, op. cit. p.9
This was consistent with statements that Fuller had made himself that "all unionists who volunteer will be enrolled as members of new unions, registered under the Trade Union Act". And so, the Government of New South Wales set out to create new Government-sponsored trade unions.

The first stage was the de-registration of the existing unions. All the unions with members working for the Railways and Tramways Department had their registrations cancelled on the 23rd August. Others were de-registered progressively throughout the rest of the year. The applications were made mainly in the names of the Ministry for Labour and Industry, and the Railway Commissioners for New South Wales. At a subsequent meeting of the Railway Commissioners, a number of men considered to be suitable were selected from amongst the employees to carry on a campaign in the Railway Service for the formation of new unions and the extinction of old ones. For this, they were paid handsome wages and given free passes. However, on their time sheets, these men were shown as having been performing their ordinary duties, or being engaged in special duties. There was nothing to indicate that these men were involved in organising new unions. When questioned, Fuller denied any knowledge of the activities of men with special passes organising new unions and to this, Mr. Justice Edmunds replied that Fuller's answer was a "deliberate attempt to suppress the truth".

Evatt, in commenting on the formation of the bogus unions, concluded that

10. The Striker (issued by the authority of the Unions' Defence Committee) Sydney, 13th August, 1917.
12. A number of unions whose members were employed in private industry were de-registered as well, upon application from their respective employers. These cases will be dealt with later in the chapter.
13. Edmunds' Commission, p.lxviii
14. ibid. p. lxviii
"all the elements of conspiracy were present. There was agreement between the Government and the Commissioners. There was secrecy. Deception was practised in Parliament. The genuine unions were prevented from ascertaining the truth."15.

Mr. Justice Edmunds did not necessarily agree that a conspiracy did exist, but he did condemn the actions of the Government and the Commissioners as a matter of policy:

"... any action of the kind taken is sure to be regarded as a covert attempt to ensnare the employees into a union that will be more solicitous for the interests of the employers than for those of the workmen." 16

At least three new unions were formed in the Railway Service. These were the Australian Railways Union (which still survives today); the United Crown and Railway Services Association; and the Association of Employees (Mechanical Branch) of the New South Wales Government Railways.17

The railway section was settled when the Defence Committee agreed to proposals put by J.B. Holme.18 The settlement was actually in two parts - a written agreement of seven clauses, but also a number of verbal undertakings on the part of the Government. Two clauses of the written agreement dealt specifically with allowing unions to take their grievances to the Court of Industrial Arbitration, if in the jurisdiction of the Court. The Government agreed to amend an Act to give the Court the necessary jurisdiction to deal with grievances. This was a necessary concession. Since the Card System was not a matter of wages or conditions, the Court was not able to arbitrate during the strike. The Government, intent on forcing a total

15. Evatt, op.cit. p.10
16. Edmunds' Commission, p.lxix
17. Both A.R.T.S.A. (Minutes, 24th September, 1917) and the New South Wales Amalgamated Sheet Metal Workers' Society (Minutes, 27th September, 1917 and 11th October, 1917) stressed their opposition to the registration of these unions but were unsuccessful.
18. For the terms of the settlement, see Appendix I.
surrender by the unions, did not want the unions to arbitrate, so took no
steps to amend the existing legislation. Clauses 4 and 5 theoretically
then gave the unions a chance to air their grievances at the Court of
Industrial Arbitration, so could possible prevent similar strikes occurring
in the future. Yet, in one case, that of the Locomotive Engine Drivers,
Firemen and Cleaners' Association, when the union brought its grievances
to the Court, counsel for the Railway Commissioners objected to the union
appearing because it was de-registered.\(^19\) This was after the union had been
given a written undertaking that it could appear before the Court.

It was Clause 7 that was most flagrantly abused by the Government.
That clause stated that "it is mutually understood that work shall be
resumed without resentment, and employment offered without vindictiveness".
In fact, wholesale victimisation did take place. "Black lists" were drawn
up, by men who were in no position to make judgements. It was "an open
season for vindictive informers.\(^20\) One list of undesirables was drawn up
by Mr. Weaver, M.L.A., Minister of Railways and long-time critic of the
I.W.W. Another was compiled by Driver Piper, a loyalist who had opposed
were
the strike. These lists/presented to the Heads of Branches, who refused
re-employment to men whose names appeared on the lists. Mr. Justice
Edmunds concluded that those men whose names appeared on these lists were

"... men who had given unsatisfactory work in the past, had
taken a prominent part in carrying on the strike, men who
were suspected of sympathising with the I.W.W., men who
had been guilty of intimidation of loyalists or other covert
acts during the course of the strike, and slow and indiff-
erent workers". \(^21\)

19. Evatt, op.cit. p.15
20. Gollan, op.cit. p.154
21. Edmunds' Commission, p.xxviii
On this basis, thousands of men were refused re-employment. Those who were re-employed were obliged to sign forms titled "Form of application for re-employment of men who left duty on strike". Those men, although employed, forfeited all their seniority and superannuation rights. Ben Chifley was one of these men. Before the strike, he had been employed as a driver in the railway service. After the strike, he was not re-employed. He appealed and was finally re-appointed as a fireman. He shared the bitterness of his fellow workers, but it also changed the course of his life:

"I should not be a member of this Parliament today if some tolerance had been extended to the men who took part in the strike of 1917. All that harsh and oppressive treatment did as far as I was concerned was to transform me, with the assistance of my colleagues, from an ordinary engine driver into the Prime Minister of this country". 23.

It was, in all, a humiliating the bitter experience for all those men who had gone on strike. To ensure that volunteers and loyalists would get preference in employment and promotion, the Railway Commissioners modified the basic eyesight and hearing standards for volunteers. Even then, when a number of volunteers were dismissed for failing to achieve even the minimum standards, Mr. Holman exerted pressure on the Commissioners to keep the volunteers employed because, he claimed "any dismissal of a substantial number of loyalists at the present time will have a very serious effect on certain delicate matters of public policy that are new being determined". 24

22. J.B. Holme The N.S.W. Strike Crisis, 1917 Appendix No. 59, p.125a
24. Edmunds' Commission, p.lxxiv
retained in the Service, while some former employees remained out of work for years later. The Government of New South Wales was responsible for gross violations of the agreements, which confirmed their intentions of crushing organised unionism connected with the Public Service.

The victimisation was not confined to the railway workers. Similar actions were taken by the Government on the coalfields. The Government of New South Wales took over control of the collieries on the 23rd August. Asked if the proclamation to seize the coalmines was valid, Mr. Justice Higgins replied that it was "wholly invalid, not worth the paper it was written on, and it was not supported by the prerogative of the Crown, or by the Crown's right of eminent domain on which the proclamation expressly purported to be based". Nevertheless, with the assistance of the Federal Government, which established the National Service Bureaux, the New South Wales Government was able to keep the mines working with volunteer labour. It was necessary to amend the Coal Mines Regulation Act to enable non-skilled labour to be used in the mines. With the help of volunteer labour, the Government was able to produce sufficient coal, and this put the Miners' Federation in a weak bargaining position. The Government's terms of settlement were harsh - no mines were to be treated as "black", loyalists and volunteers would be retained ahead of strikers in employment and no guarantees of re-employment would be offered to the striking miners. This prompted the Federation to state

"We are fully convinced, from the Government's latest proposals, that the Government has no desire to effect a settlement except on conditions which we consider humiliating the degrading".

26. See J.B. Holme, op.cit. p.65a. The High Court has been asked if the proclamation taking over control of the coal mines within the State during the strike was valid.
27. J.B. Holme, op. cit.
The Government pressed further and made the terms more severe so that "members of the Coal Miners' Federation (would) agree to work with local workers, and to admit them to membership of the Federation if they so desired". Eventually, the miners were forced to accept the Government's terms and return to work. Lists of undesirables were again drawn up, and these men victimised as the railway men had been before, so that loyalists and volunteers could be kept in their employment.

Private industry was equally harsh in its dealings with the strikers. Companies like B.H.P., C.S.R., Schweppes and others sought and gained de-registration of unions to which their workers belonged, and imposed harsh terms on them. These included extracting promises of supporting employer-sponsored unions. For example, during an inquiry into a number of grievances of fell mongers and wool sorters, and wool and basil workers before Mr. Justice Heydon, it was revealed that the employers required the workers to sign application forms setting out certain conditions which they were to observe:

"3. The employee shall not oppose any application for de-registration of the Wool and Basil Workers' Association of New South Wales, and shall resign his membership thereof, or of any other industrial union, State or Federal, if when called upon by the employer to do so.

4. The employee shall, when called upon, join and support such new unions as the employers shall approve".

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29. J.B. Holme, op. cit. p.44a, see Appendix J.

30. One of these victimised miners was interviewed by the author. He was refused re-employment at the Bulli mine, and was out of work for 18 months until re-employed at Richmond Main. Taped interview with Mr. Jim Seamer, Thirroul, N.S.W., 28th September, 1977.

31. See Appendix H.

32. Edmunds' Commission, p.lxxi
Employers probably felt that they had the support of the Government and the Courts in this actions.

The case of the Waterside Workers' Federation was a little different from that of most other unions. In the first place, the watersiders were working under a Federal award, and so came under the jurisdiction of the Commonwealth Court of Conciliation and Arbitration. Secondly, the W.W.F. was attacked from two sides. The Commonwealth Steamship Owners' Association sought to have preference clauses withdrawn from the award, and Hughes sought to have the union de-registered. Both cases were heard by Mr. Justice Higgins. The Steamship Owners' Association applied to have the "preference" clauses struck from the award because it "embarrassed them in making use of outside labour". This would enable the shipping companies to use non-union labour. Mr. Justice Higgins did strike out the preference clause, but suggested that the union should alter its rules to give greater power to the Committee of Management, and ordered the Federation to pay a bond as a guarantee of no stoppages. With the loss of the preference clause, the Federation came under fire. Bureaux were established by the shipowners to replace the old mustering places. At the bureau, a worker, if approved of by the employer, was given a disc which enabled him to work. Naturally, preference was given to volunteer or non-union labour, because "it was considered desirable that the members of the wharf labourers' unions should not be allowed to swamp the wharves".

33. H.B. Higgins A New Province for Law and Order (London 1968) p. 65
35. Minutes, Australasian Steamship Owners' Federation, 24th October, 1917.
Workers joining new employer-sponsored unions would naturally get discs ahead of Federation members. Mr. Justice Higgins noted that "even certain soldiers, competent waterside workers, members of the Federation, were all refused employment through one of the Sydney bureaux, unless they joined a new union formed under the influence of the employers". Federation members were only to be employed if there was a shortage of labour on the wharves. Employers, in some cases, also felt confident in attacking existing working conditions. The Hobart branch of the W.W.F. for example wrote to the General Secretary, Mr. Morris, complaining that "Huddart Parker Ltd. (had) taken away ... all the domestic rules granted ... by the Conciliation Board ... and (also) all local conditions not mentioned in the award or order". The branch requested that the case be put to Mr. Justice Higgins. Victimization on the wharves continued up until 1925 when the bureaux were finally abandoned.

It was Hughes, however, a former president of the W.W.F. that threatened to do the most harm to the Federation. Under the provisions of the War Precautions Act, Hughes persuaded the Governor - General to sign a regulation which would enable him to cancel the registration of any union on strike. Mr. Justice Higgins did not appreciate Hughes' actions, stating that it seemed to say "You must cancel; for if you do not cancel, I shall myself cancel". Mr. Justice Higgins dismissed the case arguing

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36. One of these new unions was sponsored by the New South Wales Steam Ship Owners' Association, and was called the permanent and Casual Waterside Labourers' and Stevedores' Union. See Minutes, New South Wales Steamship Owners' Association, 31st October, 1917.
37. W.W.F. vs. Steamship Owners' Association, op.cit. p.8
40. Higgins, op. cit. p.66.
that "de-registration would not free the employers of obligations as to
wages and conditions imposed by the award", but it would free the Federation
and its properties from liability for penalties for strikes.\(^{41}\) As an
aside, Mr. Justice Higgins, in what was probably a dig at Hughes, added
that "the powers to cancel were not to be used as an instrument of pointless
vengeance".\(^{42}\)

This is an interesting point, in that it suggests a certain degree
of vindictiveness in Hughes' character. Hughes had been in conflict with
Mr. Justice Higgins since the 1916 Coal Strike when the latter refused to
be bullied into a decision of which he did not approve. When Mr. Justice
Higgins refused to de-register the W.W.F., Hughes was so incensed that he
contemplated having him replaced.\(^{43}\) This continued in 1917 with the
Queensland Railway Strike (not connected with the New South Wales rail
strike). Ryan, the Queensland Premier, asked Mr. Justice Higgins to act
as an independent arbitrator to settle the dispute. He agreed, but thought
that Hughes should be consulted as a matter of courtesy. Hughes did not
give his sanction, claiming that the men had brought "into contempt the
State Court and Government authority, dislocating industry and having no
regard for the present life and death struggle in which Australia is involved."\(^{44}\)
This made matters difficult for Ryan for no other reason than "the capacity
of Hughes for bastardry".\(^{45}\) Ryan, in reply, warned that

\(^{41}\) Commonwealth Court of Conciliation and Arbitration, W.W.F. ex parte
Attorney-General of the Commonwealth of Australia and ex parte
Industrial Registrar, p.4.
\(^{42}\) Higgins, op. cit. p.66.
\(^{43}\) Commonwealth Parliamentary Debates, Vol. LXXXIII, p. 2735
\(^{44}\) D.J. Murphy, T.J. Ryan (Queensland, 1975) p.27
\(^{45}\) ibid. p.271
"The attitude of the Prime Minister (in refusing to permit Judge Higgins to arbitrate) shows that he is determined to do all he can to prevent this Government from bringing about industrial peace in this State. The workers of Queensland should wake up the situation their political opponents are endeavouring to bring about". 46

The result was that Ryan and Hughes began to feud over the New South Wales strike. Ryan was urging Fuller to negotiate a settlement quickly, because it seemed that the strike would spread to Queensland, since men were refusing to handle goods consigned to Queensland at the border. Hughes threatened to use provisions under the War Precautions Act to force Queensland workers to carry all goods. There is an interesting contrast here between Ryan, Hughes and Fuller. Ryan constantly negotiated his settlements, while Hughes and Fuller were intent on using coercion.

Hughes, in June 1917 made a proposal to A.S.E. which would promote ship-building as part of the war effort. Hughes asked the A.S.E. for its co-operation on a number of matters - the prevention of stoppages due to trade disputes, the use of piecework systems, which Hughes believed would help to increase production, and the dilution of labour if necessary. 47 Hughes made it clear that all proposals would have to be accepted. In July, the A.S.E. held ballots to decide, and various branches decided that they would accept "continuity", but not "piecework" and "dilution". 48

So the shipbuilding program did not eventuate. Hughes had an obsession to win the war, and did not look kindly upon people who interfered with the war effort. His extremely partisan and decisive actions in the 1917 strike, could possibly be partly attributed to his anger at the A.S.E. decision.

46. The Worker, 6th September, 1917
Certainly, the Watersiders' strike did infuriate him since it tied up the ports and prevented essential shipping services from continuing. Hughes confirmed his desire to maintain the war effort and, if necessary, to punish unions who did not contribute when he stated that "Strikes in time of war are a crime against society".\(^49\)

What is apparent from the evidence quoted in this chapter is that the Nationalist Government of New South Wales violated agreements to achieve their goals of destroying unionism. The win-the-war Party wanted to create an industrial situation where unions were subservient to the whims of the Government, and the country as a whole could concentrate on winning the war. They used the most coercive methods to crush and humiliate the unions, and some of their activities were later judged as illegal. With the help of Hughes, whose involvement was decisive the Nationalists achieved a success that was almost complete.

\(^49\) S.M.H. 11th August, 1917.
CHAPTER SIX

A Government Conspiracy?

It has already been demonstrated that the Nationalists of New South Wales, together with the Prime Minister, Mr. Hughes, and various employer groups made an extensive and successful attack on trade unionism in 1917. All agreed too that the strikers needed to be punished. In 1918 the Railway Commissioners informed the Minister for Public Works in a letter that

"It was recognised by the Government and the Commissioners that some punishment should be meted out to those men who defied them and went out on strike."¹

Hughes stated that "strikes in the time of war are a crime against society", and strikers had to be punished for their crime.² The difficulty is in establishing whether or not the Nationalist of New South Wales, the Federal Nationalist Government and various employers engaged in a "conspiracy" to deliver this punishment, and for the purpose of destroying unionism or at least in some way changing or influencing its course. To do so, it would be necessary to show that there was a pre-arranged scheme developed by these groups for that purpose. It is unlikely that such a scheme was ever developed, or even that it could be, for it is difficult to imagine, as Childe points out, how the Government or the Employers' Federation could "foresee the remifications which the strike could assume"³. Marxist interpretations do perhaps provide a scope for conspiracies of this nature. One such interpretation is that capitalist power actually exists in

¹. Edmunds Commission, p.lxxv
³. Childe, op. cit. p.164
57.

state apparatuses, "determined by the social relations of production" and "conspiracies occur when ruling in the old way becomes difficult". In other words, according to McQueen, conspiracies "attempt that the normal functioning of state apparatuses cannot achieve, either at all, or as effectively, or as speedily". In the case of New South Wales in 1917, an unprovoked attack on the trade union movement could lead to a massive destruction of unionism and the wholesale victimisation of its members. The weakness of this argument is firstly, that it cannot be shown that there was premeditation for such a course; secondly, if the workers had accepted the Card System, it is possible that the strike would not have occurred.

Yet there were those in the labour movement who insisted that there had indeed been prior agreements reached to destroy trade unionism. Senator Gardiner alleged that the strike "was a pre-arranged attack on unionism" and argued that

"whether it was pre-arranged or not - although I believe it was - it is a fact that the Win-the-War Government of New South Wales and the Federal Win-the-War Government have made a successful attack upon our unions". 6

T. J. Ryan, the Premier of Queensland, on the same occasion claimed that "... the members of the de-registered unions ... believe that the Commonwealth Government was behind the employers in the recent great industrial strike...". The Unions' Defence Committee alleged that "the introduction of time cards was purposely engineered to create an upheaval

5. ibid. p.25.
7. ibid. p.22
in which unions and working standards could be attacked”\(^8\). J. Lang, M.L.A., supported this view:

"The Card System was not essential to the war effort. It was just an excuse. Holman knew that an attempt to force the issue would result in an upheaval. Yet he permitted Fuller to take over and conduct the campaign to break the strike as if he was engaged in a war against a foreign enemy"\(^9\)

Mr. Mutch, M.L.A., was also convinced that the Government and the Employers' Federation were determined to break unionism. He asked "Why did the Chamber of Manufacturers, on the 7th of this month (August) hold a meeting and decide that they were prepared to close down the whole of the factories of the State and starve the people"\(^10\)

if there is no such plot. Mutch pointed out that he had obtained this information from the Melbourne Age, because, he claimed, newspapers in New South Wales had been notified not to publish damaging information. He concluded by accusing the Nationalists of using the political machine of their party to organise volunteers and "scabs" throughout the country.\(^11\)

Yet another Labor M.L.A., Mr. Stuart-Robertson, also alleged a conspiracy: "My own conclusion is that the Chief Commissioner is merely the puppet of the Employers' Federation. He is bringing this thing to a head in the interests of the Employers' Federation generally for the purpose of breaking down the arbitration award where the award is little above the living wage"\(^12\)

Much of this is merely allegation but is must have been obvious to the Railway Commissioners and the Government that the introduction of time cards would lead to trouble, so their insistence on the implementation

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8. Quoted in K.D. Buckley, op.cit., p.262
9. J. Lang, I Remember (Invincible Press, no date) p. 109
11. ibid. p.501
12. ibid. p.532
of the system could be considered provocative.

Suspicions of some impending conflict between Government and labour existed even before the Card System was re-introduced in July 1917.

H.E. Boote, writing in the _Worker_ under the title "What Does It All Mean?", noted that

"For some reason or other, not yet explained, the coal proprietors, in conjunction with the Federal Government, are deeply concerned lest the miners should lose a single day's work...

(The miners) do see huge stacks of coal at every available point of assembly in close proximity to the Railways...

They are told that the Empire depends on them, and the coal they hew from below the surface. And then they turn to the huge stacks lying at grass and wonder why it is, if the Empire needs this coal so badly, it is not going Empire-wards". 13

The charge was a valid one. By using these existing stacks of coal, the Commissioners were able to keep rail services operating even though limited. The abundance of coal available to the Government also put the miners in a weak tactical position during the strike.

Commenting on the passage of the amended Unlawful Associations Act, Boote noted the following:

"I am absolutely convinced that the Unlawful Associations Bill is brought forward with the sinister object of having available a Coercion Act that can be used to crush out of existence any organised body opposed to the ruling and purpose of the Government.

The amendment secured by the Labor Party, to the effect that the measure shall not apply to Unions registered under the laws, affords a certain degree of protection...

... during the period of the war a capitalist-dominated government could always find a pretext for de-registration in time of industrial trouble, when mines might be abandoned or crops left ungathered, and when allegations of injury to property and of danger to scabworkers are almost invariably made. This measure could then be applied, and the Union or Unions concerned be declared unlawful, and the strikers brought under the harrow of coercion. ... Let the labour organisations make no mistake about it - there is mischief brewing in Billy's pot..." 14

13. The _Worker_, 12th July, 1917
14. The _Worker_, 26th July, 1917
Boote's observations could be dismissed as mere labour fantasies, yet they were so prophetic. The comments were particularly pertinent because of the nature of the circumstances that existed at this time. With unemployment relatively high, the Government had, in time of emergency, a potential source of volunteer labour. Mr. Buckley, M.L.A., speaking in the Legislative Assembly, strengthened Boote's fears:

"... we take strong exception to the economic conscription that is now being introduced. Unemployment is rampant, and no single men can obtain positions in the Tramway or Railway Departments. The railway service is about to dismiss all single men, and in view of the dearth of employment, it will be impossible for single men to exist unless they enlist". 15

The mention of unemployment, and economic conscription is important, for it raised another issue which some Labor members felt was the real motive for the Nationalists provoking the Strike.

The fear of conscription was very real within the labour movement and it was apparent to many that there may have been some connection between the Strike and another attempt by the Nationalists to introduce conscription. Mr. McGirr, M.L.A., alleged that "behind it (the Strike) is a desire to break up the industrial machine so that conscription may be foisted upon the manhood of this country". 16 The Annual Report of the P.L.L. Executive, published in December 1917, had the following to say about the Strike:

15. N.S.W.P.D. (Second Series), Vol. LXVII pp.258-9. Buckley was a former I.W.W. and official of the Tramways Union. He was arrested during the strike on conspiracy charges but later was acquitted. His role in the strike seems to have been as a stump orator in the Domain.

16. N.S.W.P.D., (Second Series), Vol. LXVII, p.521. McGirr also mentioned the "huge heaps of coal at the big country railway stations" that he had himself seen and which had been provided by the Commissioners who knew that a strike was coming on (ibid. p.523)
"Every subsequent step proved that the plausible Acting-Premier, Mr. Fuller, was simply a willing tool in the hands of the Employers' Federation which met daily to advise the Government. That the Government and the employers' organisations were all parties to a conspiracy to break the power of unionism and force conscription upon the working-class has been proved up to the hilt by the discovery of the Secret Memorandum prepared by Premier Holman, and circulated among his colleagues prior to his departure for Great Britain". 17

The Secret Memorandum mentioned was a startling document. It was compiled by Holman in February 1917, and publicly released in December 1917 on the eve of the second conscription referendum by opponents of the measure. It reviewed possible methods of improving recruitment:

"A census should be taken of the whole of the men employed by the Railway Commissioners on duplication. Those who are unmarried and of military age should be dismissed - not necessarily simultaneously. Arrangement should be made for them to be interviewed by recruiting sergeants, or preferably other recruiting agents. (He then suggested this course be applied to other Government departments.)

... Most important. The employers of the State should be got together. They should be asked each to consider:
1. How far single men of military age can be replaced by married men and men over military age.
2. How they can be replaced by young men and boys.
3. How far they can be replaced by women.
4. How far they can be dispensed with altogether.

The industries of this State should be reorganised upon this footing. When this is done, the employers should be invited to, as far as possible, dispense with men who ought to be defending the country."18

Holman admitted to being the author of the memorandum, but stressed it was only intended to provide a few ideas for discussion in Cabinet and the suggestions had never been implemented.19 Still, it gave credence

17. Quoted in Childe, op. cit., p.164
18. This was published in the Worker, 17th December, 1917.
19. The Worker, 17th December, 1917.
to Buckley's claims that the Government was forcing economic conscription on the workers, and in view of the events during the strike and the victimisation of unionists after the Strike, it was not surprising that a number of labour men saw the Strike as the result of a conspiracy to discredit and destroy the labour movement to pave the way for another conscription referendum. Both Hughes and Holman had, earlier in the year, promised that they would not seek another referendum:

"The Government does not contemplate reviewing the Conscription verdict or disturbing it ..."  
(Hughes, March 1917)

"We declare that the issue of conscription, having been referred to the people of Australia, and decided by them in the negative, is settled. We accept unreservedly the verdict of the people, and will give no support to any endeavour to again raise the question". 20  
(Holman, March 1917)

It is possible that Hughes was under some pressure from Britain to provide more reinforcements for the Western Front where losses had been high and for this reason tried to introduce conscription again. 21 Nevertheless, the connection between the Strike and conscription was reinforced, at least in the eyes of many in the labour movement. The Worker, under the title "We Told You So", re-affirmed this connection when it pointed out the steps that had led to the second referendum:

"1. on the plea of economy, thousands of men were dismissed from the Government works all over the country,
2. a strike was provoked in the ranks of the most loyal workers for the express purpose of making the industrial chaos as disastrous as possible, and of setting the men to fighting among themselves,
3. then, right on the heels of the Government's industrial victory, is introduced the second referendum battle". 22


21. H.V. Evatt, Australian Labour Leader, (Sydney, 1954) pointed out that the figures of the number of recruits required were grossly exaggerated. Throughout 1917, even during the strike, there was an average monthly recruitment of nearly 4,000 men. Evatt doubted that there was ever a need for conscription, p.337

If the Nationalists had hoped to gain some political capital at the expense of the labour movement during the Strike, for the purpose of committing voters to a "Yes" vote in the referendum, they were to be disappointed. The measure was defeated more soundly than before.

While such evidence exists which is damaging to the Nationalist Government of New South Wales, the Federal Nationalist Government and the various employer organisations, it is difficult to tie them together in the form of a conspiracy, suggested by members of the labour movement. Apart from the obvious emotive considerations and the political potency to be had from the issue, too many connections remained tenuous, and could be explained by coincidence. Childe claimed that the problem with the labour case was that it tried to prove too much. 23 This is probably the case, but it should be remembered that Childe did not have the advantage of reading the findings of the Royal Commission under Mr. Justice Edmunds. It is true that the latter found there was "no reasonable foundation for the charge of conspiracy between the Commissioner and the Government to ignore the Terms of Settlement", 24 but he did find it necessary to qualify this on a number of points. He found that several promises made to loyalists were illegal, that the government had "exceeded its rights in some matters, had violated the Terms of Settlement", had "suppressed the truth". 25 To make the final commitment to calling the strike a conspiracy between these groups is perhaps historically untenable, McQueen notwithstanding. What is tenable is that once the strike occurred, the Government of New South Wales, with the support of Hughes and the employers, decided on a show-down with the labour movement. With factors favouring them, they

23. Childe, op. cit. p.164
24. Edmunds Commission, p.lxx
25. ibid. p.lxxxiv
could easily win. The Nationalists no doubt saw that there was political capital to be gained from the strike, and it is likely that the strike added to (or confirmed) their decision to hold a second referendum. The alliance of thought between these conservative elements in Australia would ensure their mutual co-operation in any crisis involving the labour movement. No doubt a desire for revenge for the defeat of the first Conscription Referendum, and a continuing commitment to winning the war bound these groups to a course of common action and hence a total victory in the 1917 strike.
APPENDIX A

Revenue in the Railways and Tramways Services
(The amount of revenue available in the Service at the end of each financial year after the calculation of expenditure.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Railways £</th>
<th>Tramways £</th>
<th>Total £</th>
<th>Advances etc.* £</th>
</tr>
</thead>
<tbody>
<tr>
<td>1913</td>
<td>186,904 Surplus</td>
<td>32,456 Deficit</td>
<td>154,448 Surplus</td>
<td>407,217</td>
</tr>
<tr>
<td>1914</td>
<td>209,367 Surplus</td>
<td>1,680 Surplus</td>
<td>211,047 Surplus</td>
<td>182,397</td>
</tr>
<tr>
<td>1915</td>
<td>23,311 Deficit</td>
<td>90,135 Surplus</td>
<td>66,804 Surplus</td>
<td>615,005</td>
</tr>
<tr>
<td>1916</td>
<td>223,749 Deficit</td>
<td>86,292 Surplus</td>
<td>137,457 Deficit</td>
<td>440,220</td>
</tr>
<tr>
<td>1917</td>
<td>394,064 Deficit</td>
<td>18,189 Deficit</td>
<td>412,253 Deficit</td>
<td>216,330</td>
</tr>
<tr>
<td>1918</td>
<td>28,916 Deficit</td>
<td>40,835 Surplus</td>
<td>11,919 Surplus</td>
<td>11,919</td>
</tr>
</tbody>
</table>

* The column represents total expenditure costs related to concessions, advances of pay, and associated costs.

Interest Payments

<table>
<thead>
<tr>
<th>Year</th>
<th>Railways £</th>
<th>Tramways £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>1914</td>
<td>2,123,054</td>
<td>263,451</td>
<td>2,386,505</td>
</tr>
<tr>
<td>1915</td>
<td>2,328,680</td>
<td>284,639</td>
<td>2,613,319</td>
</tr>
<tr>
<td>1916</td>
<td>2,568,659</td>
<td>302,686</td>
<td>2,871,345</td>
</tr>
<tr>
<td>1917</td>
<td>2,858,789</td>
<td>335,361</td>
<td>3,194,150</td>
</tr>
<tr>
<td>1918</td>
<td>3,043,349</td>
<td>348,546</td>
<td>3,391,895</td>
</tr>
</tbody>
</table>
The high increases in interest payments adversely affected the revenue of the department and was the single largest item of expenditure. General costs increased largely due to the abnormal conditions of drought and war in the 1914-1915 period, the cost of munitions work in the Eveleigh and Randwick workshops in 1916, and the Coal Strike of 1916 which forced up the price of coal. Higher pay awards and advances also contributed to increasing costs. The surplus experienced in 1918, after deficits in 1916 and 1917, was largely due to the reduction of working costs during the strike (fewer trains and trams ran, and the wages bill was reduced by more than half, lower pay awards and advances, and the increase in rates and fares. The surplus cannot be solely attributed to the introduction of the Card System into the workshops.

(These tables were compiled from data presented in the "Reports of the Chief Commissioner" (N.S.W. Government Railways and Tramways) N.S.W. Parliamentary Papers, 1914-1918).
APPENDIX B

Slow Work

<table>
<thead>
<tr>
<th>YEAR (ENDED JUNE 30)</th>
<th>AVERAGE NUMBER OF STAFF</th>
<th>TOTAL TRAIN MILES</th>
<th>TRAIN MILES PER MAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1906</td>
<td>13,043</td>
<td>11,863,683</td>
<td>909</td>
</tr>
<tr>
<td>1908</td>
<td>14,891</td>
<td>14,251,052</td>
<td>957</td>
</tr>
<tr>
<td>1910</td>
<td>17,577</td>
<td>15,468,026</td>
<td>880</td>
</tr>
<tr>
<td>1912</td>
<td>20,915</td>
<td>16,521,320</td>
<td>885</td>
</tr>
<tr>
<td>1914</td>
<td>25,662</td>
<td>20,549,695</td>
<td>801</td>
</tr>
<tr>
<td>1915</td>
<td>25,500</td>
<td>20,420,023</td>
<td>800</td>
</tr>
<tr>
<td>1916</td>
<td>26,535</td>
<td>21,556,034</td>
<td>812</td>
</tr>
</tbody>
</table>

Mr. Fraser attributed the lower work rate recorded to four causes:

1. misdirected effort (some work was done twice over)
2. basic mistakes which stop things moving and cause idleness
3. men being brought on duty too early and left on too long
4. deliberate slow work

(These figures are quoted from a paper presented by Mr. J. Fraser, Chief Commissioner, published in the N.S.W. Railway and Tramway Budget, March 1, 1917).
APPENDIX C.

The Card System

Extracts from the report of a Commission sent by the South Australian Government to inquire into the System of working in the N.S.W. Railway Workshops. This took place before the Card System was introduced in the Railway workshops at Randwick. Taken from a statement by Senator O'Keefe, Commonwealth Parliamentary Debates, VIII, George V, Vol. LXXXIII (2nd Session) pp. 2424-2425.

Senator O'Keefe: "... Major Smeaton, a well-known member of the South Australian Parliament, who was chairman of the Commission, asked 'You have apparently a very perfect system of control. Now, in huge workshops such as you have, there are bound to be leakages somewhere. We would be glad if you would, for our benefit and the benefit of our own State, tell us where you look for those leakages; leakages which mean uneconomy, loss of time, loss of value through spoilt material?'

The following answer was given by Mr. Lucy, the Chief Mechanical Engineer of the Eveleigh Workshops -

'So far as concerns the leakage from slow working, loss of time of any description, we discover by keeping a good system of accounts where the leakage occurs. We compare one leading hand, or chargement, and a gang of fifteen or twenty, with another gang of the same number doing precisely the same work under similar conditions, and hold the leading hand, or chargeman, responsible for the output. In that way we are able to discover eventually the individuals to whom this lack of effort can be applied, and we deal with them.'

In the light of this evidence, was there any necessity for the introduction of the Card System in the railway workshops in New South Wales, especially in view of the fact that the Railways Commissioners had
been warned that any attempt in that direction would lead to a vast industrial upheaval? The report continues -

'With regard to the wastage or loss of materials, we have a system of watchmen and a system of detectives; also, by means of assays of castings made in the brass foundry and various other castings which contain such valuable metals as tin and copper, and less valuable metals, such as spelter and lead, we determine, by the amount of assay, the total castings coming out which contain such-and-such a proportion of tin, and we say, "Where is the tin consumed during the month gone to?" "What is the percentage of waste or losses?" In that way we can check any leakage.'

'What is the result of all this care? Do you really check wastage and reduce to a percentage basis the loss on what you think you ought to achieve from all your work and that which you get?' - Yes.

Do you think, taking the whole of your operations, that you are getting an efficient return for your expenditure? - Oh, yes. I am quite confident of that; the leakage is small.

You think that through the system of control you have the constant oversight of the superior officers, and under them the foremen, you are getting the full return for the wages paid to the men? - Coupled with the system we have of issue from the stores stock and return to stores, both the raw materials in their unmixed conditions, forged conditions, and finished conditions, the disparity of losses is further reduced to a minimum.

Mr. J. Gunn, a member of the Commission, asked, "Do you consider that you get as efficient service from the workmen employed in the Government workshops as private enterprise gets from employees in their own shops?"

Mr. Lucie - I do.
The Unions which met on the 30th July to appoint a deputation to the Commissioners to review the Card System, and who decided on the ultimatum were as follows:

- Amalgamated Society of Engineers
- Australasian Society of Engineers
- Federated Society of Makers and Repairers of Iron and Steel Boilers, Vessels, Tanks, etc.
- Blacksmiths' Society of Australasia
- Electrical Trades Union of N.S.W.
- Operative Plumbers' Society of New South Wales
- Amalgamated Sheet Metal Workers' Society of New South Wales
- New South Wales Government Tramway Employees' Union
- The New South Wales Amalgamated Railway and Tramway Service Association
- Federated Moulders' (Metal) Union of Australasia (N.S.W. Division)
- Amalgamated Society of Carpenters and Joiners
- Sydney Progressive Society of Carpenters and Joiners
- Amalgamated Timber Workers' Union of Australia, N.S.W. Branch
- Federated Ironworkers, Coachmakers, and Metal Polishers

(From J.B. Holme, The N.S.W. Strike Crisis, 1917, p.6a)
N.B. Figures are in shillings and pence

<table>
<thead>
<tr>
<th>Year</th>
<th>Food &amp; Groceries</th>
<th>Rents</th>
<th>Combined Rents, Food, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>National</td>
<td>N.S.W.</td>
<td>National</td>
</tr>
<tr>
<td>1911</td>
<td>20 0</td>
<td>19 9</td>
<td>20 0</td>
</tr>
<tr>
<td>1914</td>
<td>22 11</td>
<td>23 1</td>
<td>22 8</td>
</tr>
<tr>
<td>1915</td>
<td>28 4</td>
<td>27 11</td>
<td>21 7</td>
</tr>
<tr>
<td>1916</td>
<td>29 11</td>
<td>30 5</td>
<td>21 7</td>
</tr>
<tr>
<td>1917</td>
<td>29 5</td>
<td>30 10</td>
<td>22 0</td>
</tr>
</tbody>
</table>

*The figures provided are weighted averages.

The figures for N.S.W. are shown because prices were so much higher in that State and because the strike occurred mainly in N.S.W.

(Compiled from data in the N.S.W. Industrial Gazette, Vol. XIII, No. 3, 1918).
### Wages, Prices, Real Wages

<table>
<thead>
<tr>
<th>YEAR</th>
<th>MONEY WAGES</th>
<th>COST OF LIVING</th>
<th>REAL WAGES</th>
<th>REAL WAGES (Adjusted for Unemployment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
<td>1000</td>
</tr>
<tr>
<td>1912</td>
<td>1051</td>
<td>1101</td>
<td>955</td>
<td>946</td>
</tr>
<tr>
<td>1913</td>
<td>1076</td>
<td>1104</td>
<td>975</td>
<td>970</td>
</tr>
<tr>
<td>1914</td>
<td>1081</td>
<td>1140</td>
<td>948</td>
<td>912</td>
</tr>
<tr>
<td>1915</td>
<td>1092</td>
<td>1278</td>
<td>854</td>
<td>813</td>
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<td>1916</td>
<td>1144</td>
<td>1324</td>
<td>864</td>
<td>854</td>
</tr>
<tr>
<td>1917</td>
<td>1226</td>
<td>1318</td>
<td>930</td>
<td>907</td>
</tr>
</tbody>
</table>

(From the Commonwealth Labour Report Nos. 2, 14) These figures are adapted from those quoted in I. Turner, *Industrial Labour and Politics* (Canberra, 1965) p. 252.
It is significant that unemployment figures were much higher in the Eastern States, especially in the first two quarters of 1917, which coincided with labour claims of forced retrenchment or "economic conscription". Unemployment reached its peak in 1917 in the fourth quarter (October to December) at 7.4%. (This is taken from the Labour and Industrial Branch Report No. 8, July 1918, p.19, published by the Commonwealth Bureaur of Census and Statistics).

(From the Commonwealth Labour Report Nos. 2,14) These figures are adapted from those quoted by I. Turner, *Industrial Labour and Politics* (Canberra, 1965) p.253)
### APPENDIX H

**List of Unions De-Registered After the 1917 Strike**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Applicants</th>
<th>Employees Union</th>
<th>Date of De-Registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>Minister for Labour and Industry</td>
<td>Amalgamated Society of Engineers, N.S.W. District</td>
<td>13.9.17</td>
</tr>
<tr>
<td>Railway and Tramway</td>
<td>Railway Commissioners for N.S.W.</td>
<td>N.S.W. Amalgamated Railway and Tramway Service Association.</td>
<td>23.8.17</td>
</tr>
<tr>
<td></td>
<td></td>
<td>N.S.W. Railway Traffic Employees' Association</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>N.S.W. Government Tramway Employees' Union</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>N.S.W. Locomotive Engine Drivers, Firemen and Cleaners Association</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Carrington Coal and Coke Shipping Union</td>
<td></td>
</tr>
<tr>
<td>Carters</td>
<td>Earp, Woodcock, Beveridge &amp; Co. Ltd. &amp; Others</td>
<td>Newcastle and District Trolley Draymen and Carters' Union</td>
<td>11.9.17</td>
</tr>
<tr>
<td>Timber-yard Employees</td>
<td>Earp, Woodcock, Beveridge &amp; Co. Ltd. &amp; Others</td>
<td>Amalgamated Timber Workers' Union of Australia, N.S.W. Branch</td>
<td>5.9.17</td>
</tr>
<tr>
<td>Sugar Workers</td>
<td>Colonial Sugar Refining Co. Ltd.</td>
<td>Pyrmont Sugar Works Employees' Union</td>
<td>10.9.17</td>
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<td>Carters</td>
<td>Master Carriers' Association of N.S.W.</td>
<td>Trolley Draymen and Carters' Union of Sydney and Suburbs</td>
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<tr>
<td>Storemen</td>
<td>Drug Manufacturers Assoc. &amp; Others</td>
<td>Federated Storemen and Packers' Union of Aust., N.S.W. Branch</td>
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</tr>
<tr>
<td>Industry</td>
<td>Applicants</td>
<td>Employees Union</td>
<td>Date of De-Registration</td>
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<td>---------------------------------</td>
<td>-----------------------------------------------------</td>
<td>-----------------------------------------------------------------------</td>
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<tr>
<td>Wood &amp; Coal Labourers</td>
<td>Warburton &amp; Son, and another</td>
<td>Wood and Coal Labourers' Union of N.S.W.</td>
<td>19.9.17</td>
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<td>Coal Lumpers</td>
<td>Minister for Labour and Industry</td>
<td>Sydney Coal Lumpers' Union</td>
<td>24.9.17</td>
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<tr>
<td>Engine Drivers</td>
<td>Minister for Labour and Industry</td>
<td>Federated Engine Drivers and Firemen's Association of Australasia (Coast District)</td>
<td>25.9.17</td>
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<td>Labouring</td>
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<td>United Labourers' Protective Society of N.S.W.</td>
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<td>Coke Workers</td>
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<td>Coke Workers' Association of N.S.W.</td>
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<td>Engineers</td>
<td>Broken Hill Pty. Ltd.</td>
<td>Australasian Society of Engineers</td>
<td>28.9.17</td>
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<tr>
<td>Ironworkers</td>
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<td>Federated Ironworkers' Association of Aust., N.S.W. Branch.</td>
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<tr>
<td>Aerated Waters, etc.</td>
<td>Schweppes Ltd.</td>
<td>Federated Liquor Trades Employees' Union</td>
<td>27.9.17</td>
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<td>Cold Storage</td>
<td>Sydney Ice Skating Rink and Cold Storage Co. Ltd.</td>
<td>The Cold Storage and Ice Employees' Union</td>
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<td>Gas Employees</td>
<td>Australian Gas Light Company</td>
<td>Gas Employees' Union</td>
<td>17.9.17</td>
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<td>Coachmakers</td>
<td>West Wheel Co. Ltd.</td>
<td>Amalgamated Coachmakers Railway Car and Wagon Makers, and Wheelwrights' Society of N.S.W.</td>
<td>21.9.17</td>
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<td>Wool and Basil Workers</td>
<td>Lupton &amp; Co. and others</td>
<td>Wool and Basil Workers' Association of N.S.W.</td>
<td>30.10.17</td>
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## Industry Dislocations: Boilermakers

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<th>Industry</th>
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<th>Employees Union</th>
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<td>Boilermakers</td>
<td>James Couston</td>
<td>Newcastle Branch, No.4 of Boilermakers, &amp; c., Workers of Australia</td>
<td>12.12.17</td>
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</table>

(Adapted from "A Calendar of Industrial Dislocations", *N.S.W. Industrial Gazette*, Vol. XIII, No. 2, February, 1918, pp. 144-145)
APPENDIX I

Terms of Settlement

Agreed to by the Unions' Defence Committee and Cabinet on the 8th September, 1917.

1. The Card System, as existing on 1st August, to be continued, and at the end of three months a Royal Commission to be appointed to enquire into and determine whether its operations are just or otherwise, and should be continued.

2. In the operation of the card system every man shall, every day, have the opportunity of inspecting and initialling his card relating to the previous day's work.

3. Unions to submit full lists of grievances to the Special Commissioner for Conciliation appointed under the Industrial Arbitration Act, 1912.

4. Such of the grievances as raise issues which fall within the jurisdiction of the Court of Industrial Arbitration are to be immediately referred by or through the said Commissioner to the Court.

5. Such of the grievances as raise issues which are not within the jurisdiction of the Court are to be referred by the said Commissioner to Cabinet, which will immediately amend the Industrial Arbitration Acts so as to give the court jurisdiction over all matters which are industrial, but not matters of business management.

6. The Railway Commissioner is to have discretion in filling all vacancies, but in making appointments prior to consideration is to be given to the claims of applicants who were in the service of the Commissioners on or before 1st August last.

7. It is mutually understood that work shall be resumed without resentment, and employment offered without vindictiveness.
They were formally adopted at mass meetings on the 10th September, 1917.

(From J.B. Holme, The N.S.W. Strike Crisis 1917, p.35a)
APPENDIX J

Terms of Settlement re Coal Miners

Agreed to on the 2nd October, 1917.

1. The members of the Coal Miners' Federation agree to work with loyal workers, and to admit them to membership of the Federation if the loyal workers so desire.

2. Permits under the Amending Coal Mines Regulation Act in future are to be issued only in cases of strike.

3. The Government manager of each of the different collieries shall have the right to select labour, but in reinstating the industry he shall give prior consideration - subject to the claims of loyal workers who desire to remain in the industry - to former employees. In selecting labour, the manager shall not bar any man merely on account of his being a unionist, or on account of his past connection with unionism, or on account of old age, or on account of his becoming a slow worker through any legitimate cause. In individual cases where the Government has reason to believe that these instructions have been violated, the Government undertakes to grant an inquiry.

4. In selecting employees in re-starting the mines, the management shall show no unfair discrimination, and, subject to the limitations before prescribed, shall observe the rule "last to come, first to go".

5. The orders made by Mr. Justice Edmunds are to stand during the currency of the terms prescribed therein.

6. Each colliery shall accept a board of conciliation, consisting of a representative of the employees and a representative of the management, to investigate and determine all minor matters of dispute. In the events of these representatives not being able to agree, any matter
referred to them shall be settled by a district conciliation commissioner, a separate commissioner to be appointed by the Government for the Newcastle district, the Maitland district, the Southern district, and the Western district. These conciliation committees shall deal only with minor matters of dispute, and shall not alter in any way the working conditions, the rates of pay, or hours of employment which are prescribed for the industry as a whole.

7. Any future dispute as to an alleged alteration of the established customs of different collieries shall be referred to the local conciliation committee. But the employees agree that matters relating to the method of working the colliery shall be directed by the management, and in order to prevent constant minor stoppages of work, the Miners' Federation agrees to impose and enforce penalties against lodges which strike without reference of the matter in dispute to the local conciliation committee.

8. There shall also be a general conciliation committee for the coal trade, consisting of three employees' representatives and three representatives of mine proprietors. This committee shall deal with disputes general to the industry as a whole, and in the event of its being unable to agree on any matters referred to it by the Chief Industrial Commissioner, one of the Industrial Judges shall be called in to act as umpire. Both parties agree to forget past differences, and try to establish the industry on the basis of conciliation and arbitration.

9. All dargs shall be removed, and miners will give such reasonable output as they are capable of, but rules will be adopted to provide for fair distribution of available skips.

10. All collieries shall be brought into work again as rapidly as possible. The employees undertake that no discrimination will in future be shown
in respect of any collieries, and the Government undertakes that as many collieries as possible shall be worked.

11. The employees agree to hold a conference with representatives of the Government inside six months to consider whether an arrangement can be made to work a second shift on terms satisfactory to both parties.

(From J. B. Holme, The N.S.W. Strike Crisis, 1917, p.45a)
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- Minutes

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- Minutes, 1917.

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- Minutes, Monthly meetings of the Committee of Management

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Interviewed on the 28th September, 1977, Thirroul, N.S.W.