A history of the relationship between the Queensland branch of the Australian Workers’ Union (AWU) and the labour movement in Queensland from 1913-1957

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CHAPTER 1

Queensland to 1891: political economy

"...this state will continue for all time to be a primary producing state...Primary production is the natural occupation of mankind."  

William Forgan Smith, Premier of Queensland, ex-AWU Organiser, 1932.

Since the earliest European explorations of the northern part of the Australian continent people have seen great potential for economic expansion in the enormous region to be called Queensland with its lush tropical coastline and drier inland with expansive and often fertile plains. Throughout the period of this thesis from 1890-1957 the Queensland economy relied upon pastoral pursuits or mineral exploitation, relied upon primary resources and industries as the mainstays of its economic stability and development. What type of people did such economic opportunities attract to this isolated and often inhospitable region of an isolated continent? What were their expectations? Where did they come from and where did they go? Most importantly, how did these factors influence the society that emerged and the institutions both industrial and political that emanated from this society?

Whilst the original European settlements along Queensland’s coast were initially

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\footnote{Queensland Parliamentary Debates (QPD), vol. 162, 1932, p. 1731.}
penal in nature what is certain is that by the time the colony of Queensland separated from that of New South Wales in 1859 the pastoral industry – relying upon goods produced from sheep and cattle – and those involved in it had become the dominant social, economic and political sector within the fledgling colony.

*The Pastoral Industry*

As early as 1840 southern squatters had begun to overland their flocks to the fertile Darling Downs in the southeast of what would become the colony of Queensland. Those early squatters laid the foundations for a tight-knit and privileged society, largely based on Scottish ancestry and finance. These pioneering squatters were dubbed the “Pure Merinos” to indicate their standing on the top rung of the colonial social.

Throughout the period leading up to the 1890s the expansion of pastoralism continued apace. The squatters continued their steady push inland along the Condamine and Maranoa Rivers west and north west of the Downs. Along the coast too, in the Burnett River district and north to the Fitzroy River squatters attempted to make their fortunes. West of the Downs the Maranoa and Warrego districts were opened; in central Queensland the Leichhardt and Mitchell districts experienced phenomenal growth; and to the north the Kennedy district and the inhospitable Burke district which extended to the Gulf of Carpentaria were introduced to the hooved stock which it was hoped would return a healthy profit for the intrepid squatters and finance companies which largely bankrolled these adventures in colonial capitalism. Even a collapse in the world wool market in the early 1860s only served to force Queensland pastoralists to diversify into

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3 See Appendix 1 for a map showing the Queensland pastoral districts.
the beef producing industry. Similarly when pastoralists found that the land to the tropical north of the colony was wholly unsuitable to wool-growing they backtracked towards the central western regions that would prove to be some of the best sheep country in the colony. Between 1860 and 1890 the numbers of sheep in Queensland had grown from 3.5 million to 20 million with only New South Wales (60 million) having greater numbers of sheep. Another significant change in the Queensland industry was the shift in dominance from the Darling Downs in the 1860s to the central district of Mitchell which by the 1890s commanded over one third of the sheep population in Queensland.

This rapid expansion was ably facilitated by favourable land legislation enacted by the newly separated Queensland parliament. Anyone could apply for a one-year license to occupy a run of 100 square miles and then apply for a 14-year lease conditional upon the run being stocked to a quarter of its assumed capacity (100 sheep or 20 head of cattle to the square mile). This legislation acted to discourage absentee “map-graziers” living in southern cities speculating on distant pastoral leases. Furthermore, the Act helped to encourage many southern squatters, threatened by hostile land legislation in their own colonies to look North.

Further assistance was provided by southern and overseas banks, financial institutions, and pastoral companies looking to profit from pastoral speculation. Prominent amongst these institutions in Queensland were the Scottish Australian Investment Co., the Australian Mercantile Land and Finance Co., and Goldsborough Mort & Co. The Queensland squatters were heavily indebted to these lenders with over two thirds of Queensland’s sheep and half of its cattle mortgaged. Individual debts of

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4 Merritt, J., The Making of the AWU, Melbourne, 1986, pp. 3-4
5 See the map in Appendix 1
6 Merritt, J., op.cit., 1986, p. 5
7 The colony of Queensland formally separated from New South Wales in 1859.
8 See a number of legislative amendments referred to as the ‘The Douglas Land Acts’ of 1860.
three thousand pounds were common.9

By 1891 the population of Queensland had reached 393,718. This growth was achieved mostly through immigration. Many were refugees from the southern gold fields that were beginning to require costly capital-intensive production methods to be profitable. Others were poor Irish farmers, Presbyterian Scots or Lutherans from Germany, all encouraged by inexpensive passages and generous lease agreements offered by the government. These pioneering émigrés often possessed a tradition of agrarian capitalism. They saw Queensland as offering the means of a prosperous future.

This growth also encouraged the establishment of townships to service these distant regions. Bowen developed to serve the Kennedy; Clermont and Springsure provided the squatters of the Leichhardt with inland depot; as did Burketown and Normanton in the Burke district; and Roma was established further south in the Maranoa district of central Queensland. Likewise those townships that were well established prospered from the boom as they provided the basic infrastructures that were essential to facilitate the rapid expansion north along the coast and then inland to the central and northern interior. Ipswich, Toowoomba, and Warwick all prospered from the pastoral boom and port towns such as Maryborough and Rockhampton were able to consolidate and grow as regional centres. Railway infrastructure developed to meet the needs of the pastoral expansion. Brisbane had been linked to Mitchell in 1883 and Charleville in 1888; Rockhampton was linked to Barcaldine in 1886; and Townsville had its link to Hughenden by 1888.10

Assisted by the increased population and even more so by an improvement in the

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10 Merritt, J., *op.cit.*, 1986, p. 10
world economy and more particularly the price of wool, in Queensland pastoralism
developed into a resilient industry capable of withstanding the occasional fluctuations in
the world’s commodity markets. Technological advances helped to greatly improve the
efficiency of the pastoral industry throughout Australia. The widespread use of fencing
helped to keep out scab, foxes and dingoes as well as reducing labour costs by dispensing
with shepherds. The fence helped to protect the sheep and along with improved breeding
techniques the fleeces became of a higher quality. A gradually improving transport
infrastructure in Queensland also helped to reduce costs and improve access to markets
and, due to changes in wool marketing, pastoralists were also able to dispense with
expensive wool washing facilities.\footnote{\textcite{Merritt, 1986, pp. 5-16 and Butlin, \textit{Australian Domestic Product, Investment and

N.G. Butlin estimates that in 1872 the price of wool reached its peak at 15.5 d. per
pound and that seaward wool exports contributed £ 1 000 000 to the Queensland
economy. Although wool prices never again reached the 1872 peak in the nineteenth
century, the value of the wool clip to Queensland’s economy continued to rise, so that for
all but two years (the economic slump of 1885-86) from 1883 until the end of that decade
the value of the seaward wool export never dropped below £ 1 500 000.\footnote{Butlin,
\textit{op.cit.}, 1962, pp. 56-59} Such a consistent return for capital investment convinced southern speculators to continue to
pour finance into the Queensland pastoral industry.

Throughout this pastoral cycle of expansion, decline and rejuvenation a definite
social and political structure became entrenched. The pastoralists were clearly the elite of
Queensland colonial society with both wealth and power. The Queensland colonial
electoral and parliamentary system favoured the pastoral lobby. The Queensland
parliament was divided into two houses – a nominated Legislative Council which
approved and amended the decisions of the elected Legislative Assembly. Members were

\footnote{\textcite{Merritt, 1986, pp. 5-16 and Butlin, \textit{Australian Domestic Product, Investment and
elected from multi-member seats subject to plural voting with those elected receiving no payment until changes to the Electoral Act were made in 1886. Thus members of parliament needed to be able to take extended periods of time away from work. Wealthy pastoralists employing numerous stockmen and often station managers dominated the early decades of Queensland politics. Furthermore the franchise, whilst ostensibly open to all adult males, was heavily restricted through residential and property qualifications. Pastoralists with properties sometimes larger than some European nations were able to vote in a number of electorates. Along with plural voting those with the time and wealth also had their paths to politics smoothed by the multi-member nature of many electorates. Landed pastoral interests (and urban business interests for that matter) could ensure that their particular areas and industries could return more than one representative sympathetic to their ideas.

The men they employed, however, were rarely able to exercise their voting rights since either property or residency qualifications excluded them. Similarly, those workers throughout the colony who followed the colony’s expanding economy and settlement – construction workers, carriers, railway workers and miners – regularly failed to meet residential requirements for voting. Thus domination of Queensland politics in the decades leading up to the 1890s was divided between of rural elite and the urban elite dominated by professionals and businessmen.

So long as the workers of Queensland could demand relatively high wages and good conditions due to shortages of labour, the inequity of the political system mattered little to many of them. The potential vulnerability of these workers due to draconian legislation favouring the employer and restricting industrial organisation similarly mattered little when conditions were good. However, as workers began to settle in areas,

13 Prior to the changes to the Electoral Act property qualifications allowed wealthy land and property owners to vote in every electorate in which they met the property qualifications.
marry, start families and aspire to their own businesses or to select their own properties
many became conscious of their vulnerability. They began to look towards those
organisations and individuals who offered some protection from these uncertainties
through either industrial or political action.

By the 1880s pastoralists had learnt from some earlier misadventures and cattle
became predominant along the coast and up into the inhospitable Gulf districts, whilst
wool growing became centred on the middle west of the colony. In 1879 the Mitchell
district could boast nearly a third of the colony’s sheep total and by 1884 Queensland had
overtaken Victoria’s sheep population to be headed only by New South Wales as the
continent’s leading pastoral colony.14 Despite the collapse of wool prices and economic
recession of the mid-1880s, investment in the Queensland pastoral industry continued to
be consistently strong. New technologies provided the source of this investment.
Refrigerated meat, artesian water bores, rabbit-proof fencing, and towards the end of the
decade, the Wolseley shearing machine, all increased the need for capital investment. At
the beginning of the 1880s, gross capital formation in the pastoral and agricultural
industries in Queensland was estimated at over £1 000 000 per year. At the end of the
decade having endured an economic slump and a drought in 1888, this figure had
recovered to be half of the 1881-82 peak.15 With wool prices returning to their pre-slump
levels and investment increasing, the pastoral industry could look to the 1890s with some
confidence. According to the 1891 census figures over 12 000 Queenslanders were
employed in the pastoral industry. Another 28 000 could otherwise be identified as being
employed in ‘rural industries’ such as farming, agricultural labouring and mining16.
However, with the health of Australia’s economy largely determined by overseas markets

14 Merritt, J., op.cit., 1986, pp. 5-6
15 Butlin, N., op.cit., 1962, p. 296
16 Merritt, J., op. cit., 1986, p. 46-47. Figures were calculated using ‘Table 2.1 Rural occupation groups:
New South Wales, Victoria, South Australia and Queensland, 1891.’
and trends, this appearance was to prove illusory and confidence misplaced.

*Conditions and Industrial Organisation in the Australian Pastoral Industry in the 1880s*

Whilst workers in the Australian pastoral industry had generally enjoyed good wages and conditions, a minor slump in the mid-1880s threatened the jobs of the unskilled and semi-skilled workers within the industry. The efficacy of collective industrial organisation became compelling. The year 1886 marked the foundation of a union that would eventually play a significant role in the Australian labour movement. Advertisements placed Australia-wide in the *Australasian* and *Australian Town and Country Journal* in April 1886, announcing that the shearing rates for the coming season were to be cut from 20s a hundred to 17s 6d, along with other conditions unfavourable to the shearers, are credited with forcing shearers to organise industrially. One of the many shearers' unions that sprang up following the advertisements was the Australasian Shearers’ Union in the Victorian town of Ballarat. Under the leadership of local Amalgamated Miners' Association (AMA) secretary, William Guthrie Spence and fellow AMA member and shearer, David Temple, the union grew. The leaders soon realised that the best course of action would be to form a union that gave all shearers a single collective voice. To this end the Australasian Shearers Union amalgamated with the Bourke and Wagga Wagga shearing unions in New South Wales to form the
Amalgamated Shearers' Union of Australasia (ASU) in January of the following year.\textsuperscript{17}

The cut in rates had been a reaction to the 1885 slump in wool prices around the world, and with Queensland by now the second largest woolgrower in Australia, its pastoralists welcomed the planned reduction. The pastoralists in the Leichhardt district adopted the new rates whilst others in the western districts most commonly adopted a compromise rate of 18s 9d. Although shearing unions had been established in the colony since the 1870s, it was not until this new challenge and the emergence of the mass unskilled rural unions such as the Miners' at about the same time, that a carefully organised shearing union was organised. From a conference of disgruntled shearers held in Blackall in the Colony's central western pastoral district of Mitchell in January 1887, the Queensland Shearers' Union (QSU) emerged. By the end of that year, respected Blackall resident, Bill Kewley had become secretary. Kewley was a socialist but not of a revolutionary nature. He was a man of moderate temperament with an acutely pragmatic disposition who preferred conciliation to confrontation. Whilst not of a violent temper he was efficient, tireless, industrious and fiercely loyal to the Union and its members.\textsuperscript{18}

The nature of the pastoral industry at this time lent itself to industrial organisation. The mobility of the pastoral workforce was limited. There were no armies of casual labour traversing the colony in search of a shed. The shearing season occurred throughout Queensland largely at the same time, from about April to June, making fruitless an odyssey that in the days before modern transport could take weeks. There were some exceptions - the Leichhardt district sheared earlier but relied mostly on local men and some

\textsuperscript{17} For an excellent examination of the foundation of the ASU see Merritt, J., \textit{op.cit.}, 1986.

\textsuperscript{18} Svensen, S., \textit{The Shearers' War}. St. Lucia, 1989, p. 49.
men from the Darling Downs went west to the Maranoa before the season commenced on the Downs. New South Welshmen living near the border often crossed into the Maranoa and Warrego districts in the early part of the season before returning home. Before the unionisation of the pastoral workforce, hundreds of Chinese sought general work around the sheds as rouseabouts. But, generally speaking, the wages and conditions for the pastoral industry were simply not attractive enough to encourage a large migratory itinerant labour force.

The workers in the Queensland pastoral industry were of two kinds: those who worked in the more established pastoral districts in the central and south-eastern regions of the colony, and those who worked in the isolated sparsely settled frontier districts of the north-west and west of the colony. Those pastoral workers in the more established areas were typically small-scale farmers (and often their sons) who worked on local properties in order to supplement the family income. For these men, 'cut out' did not signal the beginning of a drunken spree in the nearest town. The completion of the season enabled them to pay their creditors in order that their family and their own smaller holdings could make it through another year.

In the regions to the west and the northwest, selectors were few and the large sheep runs dominated the pastoral landscape. The workers on these properties were motivated by a myriad of reasons for seeking employment on the remote frontier of the British Empire. Some were attracted by the spartan lifestyle and isolation, others were refugees from the rigidity and monotony of industrial capitalism and others still

19 Ibid., p. 39-40
appreciated the anonymity of the frontier where questions about the past were rarely asked. But most of these men did not conform, by and large, to the romanticised portrait of the wild frontiersman. The lessee of the Hughenden property, R. Gray, stated accordingly, 'The hard drinking shearer, who after getting his cheque used to be found at full length on the publican's verandah, is now quite exceptional.' In the off-season most took other casual labouring jobs such as fencing, dam-sinking, rabbitting or even mining. As such they provided the basis of what was the core of broadly defined 'rural' workforce that provided stability for both employers and employees. Any form of effective industrial organisation would need to account for the multi-industry nature of its prospective membership. It would take the best part of a decade for this to be recognised.

The men themselves were a mixture of Australian-born and immigrants from England, Scotland and Ireland. In general it is claimed that as a class of workers they possessed a laconic sense of humour and an air of roguish mischief or 'larrikinism'. They also were claimed to possess a fierce loyalty and camaraderie towards each other - in the Australian context - 'mateship.' What forged these characteristics were the conditions they worked under.

At the top of the bush workers hierarchy were the shearers, the aristocrats of the rural labour force - the 'knights of the blade.' Despite their princely reputation, their wages were related more closely to those of the pauper. Shearers were engaged in 'piece work' whereby they were paid an amount per hundred sheep shorn. Until the late 1880s

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21 Ibid, p. 40
22 Ibid., p. 40
the men shore exclusively with hand-held blade shears. The situation gradually changed following the introduction of Wolseley's shearing machine in 1887. Nevertheless both methods required the shearer to remain crouched over the sheep for hours at a time in often sweltering conditions. It was physically demanding work and as such a predominately young man’s occupation.

There were other difficulties: wet sheep, the fumes of which, many shearers believed, caused illness; and the boils and infections caused by the burrs and dirt carried in the sheep's fleece or the 'grease' secreted by the sheep. Further difficulties were imposed by the employer. The shed manager or owner would mark sheep he thought were poorly shorn. Payment for such sheep would then be deducted from the shearer's total. Known as 'raddling' the practice was a source of much anger among the shearers. Not only did it detract from their pay, but the ‘boss’ was the sole adjudicator and the shearer had no means of appeal.

Apart from the wool-classer and the presser, there were the shed hands, more commonly referred to as rouseabouts. Their tasks and job descriptions were various including sweeper (usually old men or young boys), pickers-up (or wool-carriers), wool-rollers, piece-pickers and penners-up. All of these workers were essential to the efficient running of the shed. They ensured that the shearer was supplied with a steady flow of sheep, that the wool was collected for classing and pressing and that the shed remained as clean as possible. Unlike the shearers, they were paid on a weekly wage. Also they were, apart from perhaps the pickers-up, considered unskilled and therefore

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24 Ibid.
vulnerable in the labour market, particularly in the more settled regions. Encouraged by their shearing brethren the shed hands became organised in 1888. The shearers realised that their position regarding bargaining with the employers would be jeopardised if they could not count on the support of the whole shed. Thus at Barcaldine one hundred kilometres north of Blackall in October 1888, the Central Queensland Labourers' Union, soon re-named the Queensland Labourers' Union (QLU), was formed.

By the middle of the 1880s the pastoral labourforce was becoming increasingly aware of its vulnerability. Not only was it at the mercy of employers in an increasingly competitive labour market, but it was also prey to fluctuations in world markets and the demands of pastoral companies and financial institutions both local and foreign. This final consideration was particularly significant to those heavily mortgaged workers with their own smallholdings.

The pastoral frontier in Queensland was beginning to close. Workers were forced to reconsider their position in the Colony's society thus developing the seeds of class awareness. The pastoral workers of Queensland realised the need to abandon the rugged individualism of the early decades of the Colony and embrace collective action for their own protection. Although pastoral workers represented a variety of opinions and beliefs, there were many areas of industrial grievances across the industry that needed organisation. Into this void strode the QSU and the QLU.

The Mining Boom
As those in the southern colonies knew only too well, nothing attracts people like the lure of gold. Towards the end of 1866 a gold discovery was made at Crocodile Creek (near the present Mount Morgan) and a small rush of around 2000 diggers ensued. The modest discovery could not have come at a better time for the Queensland economy which was undergoing an economic slump caused by a fall in wool prices. The slump had momentarily halted the large numbers of immigrants which had flowed into the colony since separation. The government was eager for the potential profits of a gold rush and the increased population that this would bring, and offered a £3000 reward for any prospector that made a significant discovery of any significance.

The following year James Nash made such a discovery at Gympie, along the Mary River, inland from Maryborough. In no time 15 000 prospectors had descended upon the field and within a year the field had produced 84 792 oz. for the ailing Queensland economy\textsuperscript{25}. The rush was on!

In the same year as the Gympie find, a small rush occurred on the Cape River near Bowen. Between 1868 and 1872 a number of discoveries were made at Ravenswood (1868) south of Townsville, on the Etheridge River (1870) north of Gilberton, and Charters Towers (1871) southwest of Townsville. The goldfields at Gympie and in particular Charters Towers were to prove the most profitable of the fields. For sometime Charters Towers or "the World" as many diggers referred to it, was the second largest city in Queensland.

The easily obtained alluvial gold of these fields was quickly exhausted by the swarming prospectors and it was not long before the companies with their batteries and a vast supply of capital dominated the gold districts to exploit the deep rich reefs. The pioneering digger with his adventurous dreams of instant wealth would soon be forced

\textsuperscript{25} Fitzgerald, R., \textit{op.cit.}, 1982, pp. 155-157
into the mines as wage miners, toiling long and hard for companies and shareholders situated far from the drudgery and dangers of gold mining.  

The lure of alluvial gold, however, would always stir the hearts and spark the imagination of the true digger and the optimistic opportunist alike. Thus when James Venture Mulligan, acting on earlier reports, discovered a large quantity of alluvial gold on the Palmer River (north-west of present day Cairns) in 1873, the Palmer was invaded by diggers. Mulligan had sparked the biggest gold rush in Australia since the 1850s and the “fabulous Palmer” would become that of legend. By 1876 the immigrant population on the Palmer included 1400 Europeans and some 17 000 Chinese - a situation that provoked problems all of its own. Cooktown was established to supply the mining population. The Palmer produced well over one million ounces of gold by 1877. Added to this was the establishment of the Port of Cairns in 1876 to help service the Palmer as haulage costs from Cooktown reduced profits.

In 1880, inland from Rockhampton, the Morgan brothers began extracting gold from what would be called Mount Morgan. Mount Morgan would become a thriving settlement and profitable mine to the present, although gold would not continue to be the basis of its wealth in the twentieth century. The Mount Morgan boom also helped the port of Rockhampton to confirm its status as the leading centre on the Central Queensland coast. However, as the industry entered the last decade of the century it was characterised by a continued decline. Many fields simply ran out and the inadequate transport infrastructure in such a large colony made production and transportation costs prohibitive thus rendering the industry unprofitable for capital investment.

Other metals and minerals were mined in the colony at this period such as coal,
copper, tin, and silver although they were never as significant as gold. Ipswich was the major coal centre and benefited greatly from a rail link and the railway workshops. Other coalfields developed only to supply local demands, such as the Burrum for Gympie. With successive governments throughout the 1880s and 1890s expanding rail infrastructure the demand for coal increased dramatically and by the late 1880s Queensland coal collieries produced over 300 000 tonnes of coal. About 80% of this coal was produced in the Ipswich region. The presence of the mines and the railway yards encouraged a thriving community in and around the provincial center of Ipswich.

Cloncurry was found to be rich in copper although, once again isolation and the lack of a rail link made the extraction and transportation of the copper too expensive to make it a profitable exercise until well into the next century. Up along the northern coastline between Cairns and Cooktown numerous small tin, copper, and silver mines were established, assisted by the proximity of the large Tinaroo tin mine near Herberton and the rail link between that town and the port of Cairns. However, for the period the gold producing mines were far and away the most valuable mines in the colony. By 1898 gold had contributed £44 499 955 to the Queensland economy compared with tin £4 448 800; coal, £2 282 692; copper, £2 022 927; and silver, £697 418.

The mining industry did many things for the colony of Queensland besides simply generate revenue. The gold rushes did much to increase the colony’s population, particularly in the sparsely settled north where many of the biggest fields were. This in turn, provided local pastoralists and merchants with local markets and encouraged the provision of much needed infrastructure for the towns - rail links and port facilities - all of which created employment. These men of capital became the nucleus of local political

29 Whitmore, R.L., *Coal in Queensland: The Late Nineteenth Century 1875 to 1900*, St Lucia, 1985, p. 4.
30 Ibid., p. 19.
32 Fitzgerald, R., *op.cit.*, 1982, pp. 177-179
organisation providing vocal regional and industry-based lobby groups. The fundamental goal of these groups was the enactment of favourable legislation to benefit both the region and industry they represented. Whilst there were some political divisions on the basis of which region and which industry was to be most favoured and the means by which certain goals may be achieved the broad goals were always similar – the continued economic development and expansion of Queensland.

The miners themselves developed into a significant community of workers that would provide a pool of unskilled labour that could oscillate between mining and other occupations in pastoralism, building and railway construction and the emerging sugar industry along the coastal strip. These men were imbued with a contrasting ethos that embraced the brash individuality and crude material capitalism of the petty-bourgeoisie with a collectivist solidarity and sense of community and working class consciousness. Most of these workers had come to the colony with dreams of gold and escaping from the rigid class divisions of their homelands, but by the end of the 1880s most of the prospectors were wage-miners working for companies and shareholders. Their place in the production process and in society was becoming more apparent and entrenched and the events of the next decade would serve to starkly crystalise their position and vulnerability. Such a community would be ripe for any organisation that professed equity of opportunity and a “fair go” for all.

*Agriculture and Manufacturing*

In a society that valued quick returns for its labours the growing of crops and the establishment of an advanced manufacturing sector had little appeal in comparison with pastoralism and mining. Coupled with this prevailing ethos of rapid development through

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land and mineral exploitation were other factors including climatic conditions, and the pastoral/mining bias of the government's development of infrastructure. As can be seen in Appendix 1 the development of the colonies rail links and spurs, port facilities and service centres both inland and along the coast were often directed towards pastoral and/or mining regions. Nevertheless, these sectors would play a significant albeit relatively smaller role in the development of the Queensland economy as compared to the pastoral and mining industries.

For the most part of the nineteenth century, agriculture was of little significance in the Queensland economy\(^{34}\). The only crop grown in any commercial quantity was maize. Even this crop, however, must be viewed in terms of its significance to the pastoral industry as it provided good fodder. Wheat growing was not fully developed in this period. The areas where agricultural pursuits were able to establish a significant foothold were those in the south east of the colony, especially the fertile Darling Downs. Here not only were soil and climate most favourable, but the region saw the first attempts by the town based Liberal politicians to challenge the power of the squatters by introducing closer settlement legislation.\(^{35}\)

The motives of the Liberals were not simply political maneuverings for their own aggrandisement. The Liberals believed that agricultural production was inherently morally superior to the naked pursuit of wealth they believed characterised the pastoral industry. Thus what was desired was a class of agrarian workers that became a common motif in nineteenth century liberal-capitalism - a diligent, morally irreproachable yeomanry. Typical of this ideal were the German Lutherans who began migrating to Queensland from the 1860s and selected land around the Toowoomba and Warwick

\(^{34}\) Fitzgerald, R., *op.cit.*, 1982, p. 179.
\(^{35}\) For an excellent examination of the agricultural industry and the socio-political ramifications of the industry see Waterson, D., *op.cit.*, 1968.
Despite the legislative attempts to promote agriculture, the pastoralists were able to maintain their positions of economic pre-eminence. Like their southern counterparts the pastoralists of Queensland were able to employ a series of tactics to ensure that their fortunes were not severely threatened by the Selection Acts that were designed to encourage closer settlement. Measures such as “dummying” made certain that the ‘Pure Merinos’ of the Darling Downs would retain the best lands and the prime water-frontages. Ironically, the various political trade-offs necessary to enable the enactment of the Selection Acts appeased and even assisted the powerful pastoral lobby as new lands to the west were opened for grazing.

Thus agriculture, to a large extent was of minor significance to the colony’s economy at this time. Even the better farmers on the Downs succeeded because they were willing to employ mixed farming that included wool growing and cattle grazing. The significance of these mixed farming communities typical of the south east of Queensland will be seen later as they served a unique role in the labour market by not only working for themselves (and possibly employing others) but also providing a permanent locally based source of labour for others. As both potential employers and employees the workers within these communities were politically conservative and typically resisted industrial reform, let alone tolerate industrial militancy which could jeopardise the family earnings. Although they worked hard and were in turn exploited by others they did so in the hope that the day would come when they and their families would have the opportunity to become more financially and socially secure. Industrial or politically militancy threatened the long-term prosperity and social advancement of these workers.

The glaring exception to this seemingly gloomy agricultural portrait was sugar.

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36 Ibid.
37 Fitzgerald, R., op.cit., 1982, pp. 189-191
From humble beginnings in the early 1860s around Mackay in the north, the sugar industry in Queensland dominated the agricultural environment. With the ‘help’ of indentured Kanaka labourers the industry was flourishing along the coastal regions by the 1870s. With Mackay as the central producer, Queensland sugar growers were producing a surplus, and in 1874 began exporting to other Australian colonies. The following year the industry was hit hard by an outbreak of rust with many smaller producers going to the wall. The outbreak ensured the continued trend in the industry of capital-intensive self-sufficient plantations. Where possible the planter used large plantations worked by cheap Kanaka labour and provided their own wharves and transportation, crushing batteries and their own refinery (or at least easy access to a refinery). The sugar industry soon became the domain of the wealthy man.

Several changes occurred in the late 1870s and into the 1880s. Firstly, there began to trickle to the south stories of the barbaric “blackbirding” trade in Kanaka labour. For a variety of reasons from basic humanity to working class xenophobia and labour market anxiety, the Douglas ministry brought down legislation prohibiting “coloured” labour outside of coastal and tropical areas (ie. sugar districts!). Prohibition was out of the question with the influential and well organised sugar growers insisting the industry was doomed without Kanaka labour as fortune seeking white labourers could not and indeed would not work in the torrid tropical conditions.

Significantly, the Douglas land acts opened up areas to the north on the Tully, Johnstone and Daintree rivers and also around Cairns and Geraldton (present day Innisfail). In yet another example of the liberal pursuit of the yeoman ideal many took

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40 The Pacific Islanders Act 1885
advantage of the high yielding crop and made selections of usually less than one hundred acres. In this boom climate the conservative government of Thomas Mcllwraith successfully attracted southern finance to the increasingly capital-intensive yet profitable industry. The most significant of these companies was the Colonial Sugar Refining Company (CSR). The company had agreed to invest £200 000 in sugar cultivation over five years and the government passed special bills to allow CSR to acquire land for these purposes. Further still, CSR became the major investor in three large mills in northern Queensland - Homebush at Mackay, Victoria on the Herbert River, and Goondi on the Johnstone. By the mid-1880s the continent's leading sugar centres were in Queensland at Mackay, Bundaberg, and Maryborough.

The rest of the decade however became a period that was characterised by increasing uncertainty and acrimony that would continue into the twentieth century. With the election of Samuel Griffiths' Liberals in 1884 support for the small grower increased, as did opposition to Kanaka labour. Following the Hopeful scandal of 1884 Griffith brought down the Pacific Islanders' Act that forbade their importation after 1890. Coupled with this was a slump in sugar prices after 1883, when the Europeans dumped sugar beet onto the international market, and a disturbing decline in yields. (The Department of Agriculture was established in 1877 to address the issue of declining yields).

With all these problems the traditional large-scale plantation became increasingly unviable and many began to subdivide their land for small scale growing. The Liberal's had apparently realised their goal of the yeoman. However, appearances were just that, as the mills were still owned by a few companies or individuals that exercised a virtual

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[Fitzgerald, R., op.cit., 1982, p.183]
[Ibid., p. 184. It should be noted that the political pressure of the sugar lobby soon forced Griffith to overturn the act as economic conditions worsened during the 1890s.]
[Ibid., pp. 187-189]
monopoly over the industry who could dictate sugar prices to the small growers. The small growers were at the mercy of the millers and other middlemen.

The seemingly numerous crises afflicting one of the colony’s most significant industries provoked the establishment of a Royal Commission into the industry in 1889. One of its major recommendations was the break down of the mill monopolies. Despite some attempts to address these issues it was not until the second decade of the next century until these issues and the fundamental chasm between millers and growers was seriously considered.

Despite these difficulties sugar still remained far and away the pre-eminent agricultural pursuit in Queensland and as such a distinct sugar community developed. The growers were trapped between their own exploitative labour practices and the power of the big mills to dictate prices, and as such were at once opposed to industrial legislation encroaching upon labour relations in the industry yet welcoming of any attempts to regulate prices between growers and the mills. Although indentured Kanaka labour still prevailed the increasing legislative restrictions and public scrutiny of the practice ensured an increased presence of ‘local’ labour. Like the miners this group provided a group of unskilled labour capable of moving between industries on a seasonal basis, working in tough conditions and aware of their vulnerability in the labour market.

The development of secondary industries in Queensland was consistently subordinated to those of primary industries in the period to 1890 and beyond. A series of geographic, economic and demographic factors helped retard manufacturing in Queensland. These included the very nature of the colony’s settlement characterised by pastoral and mining rushes along the long coastline and into the vast central and northern interior. This inevitably led to a decentralised population far from the capital in the southeast corner and a sometimes-irregular labour supply. Similarly the sheer size of the

44 Ibid., p. 186
colony with its under-developed transport and communications infrastructure lead to unreliability and punitive costs that threatened any potential profits and served as a great deterrent to potential investors in large scale manufacturing. Indeed it was often cheaper to import manufactured goods from the southern colonies. The result was the concentration of a large number of secondary industries in and around Brisbane with its more urbanised population.

Raw statistics however reveal that manufacturing was economically significant to Queensland. Between 1860 and 1890 the gross output of Queensland factories is estimated at £62 150 000. For the same period the total value of pastoral exports alone was £61 484 840 and total mineral production was £32 198 057. An uncritical examination of these figures would conceal some salient truths. Of the 1 322 industrial establishments in Queensland in 1890 some 790 of these establishments were related to primary industries, food production, and building and construction. Employment statistics also indicate the marginal status of manufacturing. Only 7.5 per cent of the colony’s workforce were employed in the manufacturing sector and that was based mostly in the southeastern capital of Brisbane. For the rest of the vast colony manufacturing could be considered sparse and localised mainly in specific regional centres.

Thus throughout this early period and indeed for the majority of the period of this work the economic base in Queensland was dominated by primary industries with the majority of both the population and workforce living outside of the urban capital. Therefore, political and industrial power was attained in the mainly rural sections of the colony. The key then to political and industrial influence in Queensland was the successful organisation of this geographically vast yet demographically sparse population.

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46 Ibid. pp. 37-38. As there was no total workforce and manufacturing figures for 1891 this figure was attained by calculating the percentage of persons employed in manufacturing in 1892 (13 369) and the 1891 'Total breadwinners' (178 244).
It was not only distance that separated this largely rural society. The population of Queensland drew upon a wide variety of backgrounds and beliefs, from ambitious Scots and other adventurous capitalists to hardworking Lutherans and a myriad of drifters, loners, speculators and the exploited and oppressed from the British Isles. Whilst most rejected exploitation and embraced a collectivist ethos that often manifested itself in parochialism and insularity they were also fiercely individualist and often vehemently opposed to anyone that impeded their 'progress'. Any political or industrial organisation that wished to exert any influence over this community would need to embrace at least some of these conflicting beliefs. This then became the task of the fledgling labour movement in Queensland.