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

Craig Clothier
University of Wollongong
NOTE

This online version of the thesis may have different page formatting and pagination from the paper copy held in the University of Wollongong Library.

UNIVERSITY OF WOLLONGONG

COPYRIGHT WARNING

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site. You are reminded of the following:

Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material. Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.
Chapter 7

Clarrie Goes To War: The AWU and World

War Two in Queensland, 1939-1948

'Now is the time to fight this alien menace, this un-Australian creed...'

Worker, 12 April 1948.

Following Germany’s invasion of Poland in September 1939, Britain declared war upon the Nazi regime and as a result Australia and other Commonwealth nations were also at war with Germany, and soon after, her Fascist ally, Italy. The AWU and the Labor Party gave unqualified support for the war effort. As in the previous war AWU members enlisting in the Second AIF were conspicuous by their number. The AWU now had to adjust its policies from that of peacetime to war. The war could provide the AWU with the opportunity to expand its membership and finally purge the labour movement of the Communists and other militants that questioned its authority to lead the movement. The war would provide governments with extraordinary powers to suppress dissent and
with the AWU and Labor the dominant forces in Queensland these extended powers could be put to good use.

For Clarrie Fallon and the AWU in Queensland it was obvious that for the war effort to proceed smoothly the AWU, with a membership totaling over sixty thousand, would need to be closely consulted. And there was little doubt that this would be the case with the AWU clearly dominating the Forgan-Smith Government and the QCE. Furthermore, by December 1939 the Secretary of the Queensland Branch of the AWU, Clarrie Fallon was the most important administrator in not only the Queensland but also the Australian labour movement. He was not only the Secretary of the largest branch of the largest union in Australia but also President of the QCE. State Secretary of the ALP and Federal President of the AWU and in his position on the AWU national executive he was exerting more influence than the ailing General Secretary, Ted Grayndler. Fallon was the undisputed ‘King-maker’ of Queensland Labor politics and was now assuming the same role in the Federal Labor Party. Upon his re-election to the Federal Presidency in May 1939 the Worker commented with pride:

The only organisations that Mr Fallon belongs to ... are labor organisations, and he holds more executive positions in Labor organisations than any man in Australia, and more executive positions at the same time than any Labor man has ever held in Australia.¹

In Fallon, Forgan-Smith had found the perfect ally. Both shared the same world view, both had risen through the ranks of the AWU to exert enormous political power,

¹Worker, 9 May 1939.
both were intolerant of criticism, both were fiercely anti-Communist and both demanded unstinting loyalty from their supporters. Fallon, by this time had earned for himself a ruthless reputation. He was known as the ‘Red Terror’ not only for his shock of red hair but also his strident anti-Communist activities. Photographs of the day reveal a tall, stern looking man staring menacingly, almost accusingly, into the camera lens. He surrounded himself with officials who would not dare question his authority. This was assisted by AWU rules that permitted organisers to be appointed by the Executive if there was not sufficient candidates who received official endorsement for elections. Fallon used these rules effectively by refusing endorsement to candidates, especially in the more militant areas, until it became ‘necessary’ for Fallon to appoint his preferred choice. This became more common following the Weil’s Disease strikes and consequently by the end of the decade there were many more organisers ‘appointed’ than elected. Thus, many of the District Secretaries and their organisers owed their careers to Fallon and he did not let them forget it. It has been recalled that Fallon would sometimes move patently ridiculous motions at Executive meetings to see who would support him. Following the passing of the motion Fallon would then move to rescind the previous motion which would duly be carried. For Clarrie Fallon the true test of loyalty was to receive support when he was wrong, not when he was right. When asked about Fallon in his later life, AWU official and Labor minister Frank Bulcock was reminded of a quote from Shakespeare, ‘Spare me from this lean and hungry man’.

---


Again, the AWU would need to be on guard against the militant forces within the Queensland labour movement because a moment of national crisis could provide the means by which the militants could provoke dissent within the labour movement. War brought hardship and hardship was fertile ground for the militants within the labour movement. Although the official membership figures for the Communist Party of Australia (CPA) were still low the CPA was beginning to exert a disproportionate influence over many trade unions throughout Australia. Although not in any position to seriously challenge the superiority of the AWU in Queensland at the beginning of the war those militant unions affiliated to the Queensland Trades and Labour Council (TLC) in Brisbane once more perceived the imminent demise of capitalism.

The growing influence of CPA-led trade unions in Queensland had not gone unnoticed by the Queensland Executive of the AWU. In 1939 the AWU disaffiliated from the Queensland Trades and Labour Council where it had been restricted to only two representatives. The AWU cited the growing militancy of the TLC and 'communist infiltrators'. And there was truth in the claim. Unions such as the WWF, AMIEU, FIA and Miners were now clearly under Communist leadership and the AWU’s old nemesis the ARU were always prepared to assist under the militant leadership of Tim Moroney and Frank Nolan. Throughout this period Communists led the TLC in the form of Mick Healy from the WWF and then Alex MacDonald of the FIA. However, it could be argued that the AWU based its decision upon the fact that as it had a representation equal to that of all other unions on the TLC that it could not control that body and as such did not wish to be associated with a body that was increasingly questioning the conservative and

---

autocratic style that had developed under Forgan-Smith. Furthermore, the AWU may have decided that it simply did not need the TLC. It comprised approximately two-thirds of all trade unionists in Queensland, provided the majority of Caucus and Cabinet members, controlled the QCE and its Executive Committee and used its power and numbers to steam-roll its policies through the Labor-in-Politics Conventions. What need did the AWU have for an organisation pursuing militant principles that were clearly in conflict with those of the AWU and the PLP?

Having received news that his country was now at war the Prime Minister Robert Menzies was about to face the gravest crisis of his brief prime ministership, having succeeded Lyons following his death in April 1939. He led a disjointed coalition of UAP and Country Party members and Labor under John Curtin refused to consider the possibility of a multi-party coalition for the duration. As with the previous war Menzies quickly passed the *National Securities Act* giving the Commonwealth Government an extraordinary array of powers with which to best ensure the successful prosecution of the war.

In Queensland Forgan-Smith was more than prepared to extend his own powers and those of his Government to combat the oncoming crisis. After twelve months of war Forgan-Smith added to the substantial powers already conferred upon him under the provisions of the *National Securities Act* through the introduction of the *Public Safety Act*. The Act concentrated wide emergency powers in the hands of the Council of Public Safety comprising of The Chief Secretary (Forgan-Smith), The Treasurer (Frank Cooper), The Secretary for Health and Home Affairs (Ned Hanlon) and The Minister for Transport...
(Jim Larcombe). All of these men were closely aligned to the AWU with Larcombe although never an active member always relying upon AWU patronage in the sugar seat of Rockhampton. In case of an emergency (so declared by the Governor) the Council could take any action it deemed necessary to secure the order, welfare and public safety of Queensland.

Existing emergency legislation passed by the Labor Government further reinforced the powers under this act. In 1938 the Labor Government introduced the State Transport Act which invested the governor-in-council (cabinet and the governor) with a wide range of emergency powers. The offending clauses of the act were basically strike-breaking powers that ensured that Queensland’s industries would not suffer at the hands of strike action which disrupted transport. Clearly the act was aimed at militant unions such as the ARU and the WWF. Although encompassing a broad range of powers neither the new Commonwealth and State legislation nor the State Transport Act dealt adequately with the vexed question of how to deal with the CPA.

And vexed this question was. From 1936 the CPA had enthusiastically pursued the Comintern’s policy of a ‘United’ or ‘Popular Front’. This policy reached its fullest expression in the International Brigades that left for Spain in 1936 to confront the forces of General Franco who had staged a coup d'état against the elected Republican ‘Popular Front’ Government. Franco was ably supported by Mussolini and Hitler who would use the experiences gained in the Spanish Civil War only a few years later. The lines had become blurred as communists and anti-communists both became anti-Fascists. The less

---

dogmatic approach and anti-Fascist rhetoric had a significant impact upon the more
radical segments of the labour movement and the Italian sugar workers of the North many
of whom had escaped from Fascist Italy. This broader appeal can in part account for the
steady rise in support for and prominence of CPA trade unionists at both the State and
national level.

The situation changed dramatically in August 1939 when the USSR and Germany
signed the Nazi-Soviet Non-Aggression Pact. The Popular Front was no more. Stalin had
gone into an alliance with the man he had described as the major threat to world peace –
Adolf Hitler. The CPA was left to justify these actions to the Australian public and their
own members who were shocked by the dramatic volte face. The propagandists claimed
that Stalin had struck a blow for world peace, however, unbeknownst to local leaders the
pact had sealed the fate of millions in Eastern Europe who would now be subjected to the
tyranny of either Nazi Germany or Stalinism.7 On the same night that news of the pact
had reached Australia, J.B. Miles was scheduled to speak in North Queensland. The
meeting was never held, with disenchanted CPA faithful and anti-Fascists preventing
Miles from taking the stage as signs were smashed to pieces with axes.8 After hostilities
had commenced the Tribune declared in November 1939 that the war in Europe was an
'unjust, reactionary imperialist war'.9 The party that less than four months prior to this
had sustained a vitriolic attack upon the capitalist nations for attempting to appease Hitler
was now dismissing the conflict as 'imperialist' and demanding peace.

9 Tribune, 6 November 1939.
The CPA's hostility to the war provided the Commonwealth Government with the perfect opportunity to invoke the National Securities Act and ban the CPA. Interestingly, Menzies equivocated but he finally relented to pressure and in June 1940 the CPA was made an illegal organisation. Such an opportunity was rare for the enemies of the CPA and in Queensland the Labor Party and the AWU wasted little time in raiding the houses and offices of suspected CPA members. On 15 June the amendment banning the CPA and other left-wing (and one right-wing) organisations was promulgated. That same evening the Queensland police conducted a series of raids in Tully, Mackay, Cairns, Stratford, Gordonvale, Mareeba and Brisbane. These raids would continue with many non-communist trade unionists caught in the sweep. The enthusiasm, bordering on harassment, shown by the Government and the police was soon brought to the attention of Federal Attorney-General William Morris Hughes who condemned Forgan-Smith for his zeal. The Premier defended his actions claiming:

The only desire of the Queensland Government is to aid the Commonwealth in unearthing subversive activities; ... We have no desire, of course, to interfere with normal union activities within the law; but it would be absurd not to recognise that certain union officials, if not themselves Communists are at least willing tools.  

Despite Hughes' warnings there was no respite for militants or Italians in Queensland. Although Italians were being interned from early 1940 following

---

11 Forgan-Smith to Hughes, 5 July 1940, cited in ibid., p. 222.
Mussolini's official declaration of war against the Allies, this did not concern the AWU as much as the outlawing of the CPA. Although there were pro-Fascist groups amongst the Italians in the North many more had fled Mussolini's 'Blackshirts' and were more susceptible to the militant rhetoric of the CPA. Indeed, although not a serious challenge to the dominance of the Labor Party or the AWU, the CPA was beginning to attract enough support to be of concern, with Fred Paterson being elected for the Townsville City Council and Jim Henderson succeeding in the Wangaratta Shire Council in April 1939. In Townsville, Paterson held the balance of power between conservatives and Labor candidates, with these Labor candidates all coming from the militant Hermit Park branch dominated by the colourful and radical Tom Aitkens. Paterson soon formed a strong alliance and firm friendship with Aitkens that would endure.

Although only a pin-prick in the enormous power wielded by the AWU such intransigence by the ratepayers of the North were intolerable to an institution that demanded unswerving loyalty. The increasing prominence of CPA members in trade unions and the growing, although localised, support it was achieving at the polls prompted Fallon at the 1941 Labor-in-Politics Convention to assert that:

The chief enemy of the Party was not the 'straight out Tory', but the Communist who would try to obtain trade union leadership positions by attacking the ALP.

Thus, for the AWU and the ALP the powers granted the Government by the emergency legislation allowed them to strike at the heart of its main opponent – the CPA. Italians

---

13 Ibid.
could simply be referred to either as ‘enemy aliens’ or as Communists and interned on either basis. Either way, a group of people who were competitors in the workplace with white AWU members and who provided a strong support base for the CPA could be imprisoned along with other supporters of the CPA.

Once again, however, the situation changed dramatically in mid-1941. On 22 June Hitler launched Operation Barbarossa and Nazi troops poured over the border and pushed relentlessly into the heart of the Soviet Union. Before the massive and masterly assault the Red Army crumbled. The war had now grown to threaten the very heartland of world Communism and the oft despised Soviet Union was now an ally of Australia.\textsuperscript{15} For the CPA the character of the war had changed irrevocably and its change in policy was seamless and shameless in its hypocrisy. The ‘imperialist war’ had now developed into the glorious ‘people’s patriotic war’ with J.B. Miles declaring that ‘The Soviet cause is the cause of working people everywhere’.\textsuperscript{16}

For the AWU and ALP in Queensland the situation was fraught with uncertainty and discomfort. The enemy was now an ally and the legislation that could have seen the near extinction of the CPA in Queensland was repealed by the end of 1942.\textsuperscript{17} Government propagandists were stung into action and the despised Stalin now transformed into ‘Uncle Joe’ and Australians sympathised with the heroic struggle of the Soviet people against the evil Nazis. ‘Aid-to-Russia’ committees were established attracting not only CPA support but also a number of militant trade unionists and even

\textsuperscript{15} Macintyre, S., \textit{op. cit.}, 1998, pp. 410-411.
\textsuperscript{16} Ibid., p. 411.
members of the Government. Other organisations such as the 'Hands Off Russia' and Friends of the Soviet Union emerged under the auspices of the Australian-Russian Association, itself little more than a front for the CPA. The QCE, however, was not about to weaken its opposition to its most bitter opponent. In September 1941 the Executive Committee, whilst acknowledging 'its appreciation of the sterling struggle of the Russian armies against the aggression of the common enemy'\textsuperscript{18}, stated that:

c) ... because of the known Communist Associations of many leading members of the Australian-Russian Association, ... we believe this Association to be similar in character to others, which have been the subject of adverse resolutions, not only of this Executive, but also of the Federal Conference of the Party, and
d) Therefore, in accordance with these resolutions, we assert that members of the Australian Labor Party may not become members of, or participants in the activities of the Australian-Russian Association.\textsuperscript{19}

In Queensland, two of the most prominent members of the 'Aid-to-Russia' committee were Labor MLAs, G. Marriott (Bulimba) and G.C. Taylor (Enogerra). Other supporters included Tom Aitkens and the Hermit Park branch. All refused to cease their activities and all, including the entire Hermit Park branch were expelled from the Labor Party, the latter going on to establish a separate party called the North Queensland Labor Party or simply the Hermit Park Labor Party and becoming a vocal thorn in the side of

\textsuperscript{18} Minutes of the Executive Committee of the QCE. 4 September 1941.
\textsuperscript{19} Ibid. 4 September 1941.
successive Labor Governments.\(^{20}\) Clearly, the AWU-PLP clique in Queensland was not about to let its most bitter enemy establish any legitimacy within the Queensland labour movement without a fight.

By the end of 1941 the situation had changed dramatically. Menzies, worn down by internecine strife and the difficulties of wartime administration had resigned, to be followed by the short-lived Government of the Country Party’s Arthur Fadden. Fadden, a Queenslander, soon lost the support of the Independents that held the balance of power in the Federal Parliament and Labor’s John Curtin was asked to form a Government.\(^{21}\) More significant however was the devastating Japanese attack on the American naval base at Pearl Harbour on 7 December 1941. In an instant the war had grown from a conflict contained in Europe and North Africa to one which included the Asia-Pacific region as well. With the Japanese forces advancing steadily southwards the Australian nation found itself under threat for the first time in its history. As Australians entered 1942 an air of uncertainty prevailed with the Allied forces in Europe achieving few successes, France had capitulated, and its new allies the Soviet Union teetered on the verge of collapse in the face of advancing Nazi Panzer divisions and a new menace in the form of the Japanese Army. Curtin would soon place Australia’s people and her resources on a ‘total war’ footing.

Despite the turmoil at home and abroad, at the 1941 State election Labor retained forty-one seats. Labor lost four seats from 1938 but regained Kelvin Grove from the Protestant Labor Party. One of these seats (Bundaberg) lost to the dissident Andrew


Fisher Labor Party candidate, J.F. Barnes who voted with the Government on most issues. The party with the next highest number of seats was the Country-National Party with sixteen. Formed in April 1941, the Country-National Party was a coalition between the Country Party and the UAP. With the CPA now an illegal organisation it fielded no ‘official’ candidates although numerous candidates funded by the Queensland Political Rights Committee (the CPA) ran under a variety of banners. Fred Paterson, as an ‘Independent Socialist’, Paterson gave W.J. Riordan, Labor incumbent and member of the powerful AWU clan, a real scare in Bowen finishing second and attaining over forty-seven per cent of the vote.

Although some of the stalwarts had since retired or passed away the Cabinet was still dominated by the AWU. Forgan-Smith remained as did Frank Bulcock, Harry Bruce and Frank Cooper all AWU men and Thos. Foley. Ned Hanlon and Jim Larcombe had long relied on the AWU for its support. The deaths of Pease, Hynes and Stopford and the serious illness of Mullan (who would succumb to his illness in 1942) could have seen the end of AWU dominance. However, the numbers ensured that more AWU men got their chance with Alf Jones, Ted Walsh and Jack O’Keefe all continuing the AWU hegemony over the Queensland PLP.

On 15 February 1942 the allegedly impregnable British base at Singapore fell to the advancing Japanese and four days later Japanese aircraft bombed Darwin. Curtin

---

24 Jack O’Keefe could lay claim to impeccable AWU qualifications having helped establish with Ted Theodore and Bill McCormack the Amalgamated Workers’ Union in 1907 around Chillagoe and Irvinebank. Following the amalgamation he became the local chairman of the Irvinebank AWU. Upon Theodore’s resignation from State politics O’Keefe successfully contested Theodore’s vacated seat of Chillagoe.
described it as the ‘opening of the Battle of Australia’ and Queensland became Australia’s ‘frontline’.\footnote{For an excellent collection of reminiscences by Queenslanders of the impact of Pearl Harbour and the realisation that Australia was under threat see Connors, L., Finch, L., Saunders, K. and Taylor, H., Ch. 2, "The Shock of Pearl Harbour" in Australia's Frontline. Remembering the 1939-1945 War, St. Lucia, 1992.} Brisbane and other regional centres such as Townsville, Rockhampton and Cairns became little more than garrisons. Brisbane itself became the Headquarters for both the Supreme-Allied-Commander in the Pacific, General Douglas MacArthur and the Australian Army under General Thomas Blamey. Before the War’s end millions of Allied troops would pass through Queensland.

Incensed by Curtin’s attempt to broaden the Commonwealth’s intention to increase its powers of taxation, Forgan-Smith resigned as Premier in September 1942. Having served as Queensland’s longest-serving Premier Forgan-Smith, tired and guaranteed the job of Chairman of the Central Sugar Cane Prices Board, probably saw the taxation issue as a convenient means of leaving the political sphere. His Deputy, Frank Cooper, was duly elected as the new Premier. In the Cabinet reshuffle that occurred the only major new face was that of Vince Gair as Minister for Mines. Gair, the member for South Brisbane, former member of the Federated Clerks’ Union was a devout Catholic and a fierce anti-Communist.

All was not well within the AWU either. With Fallon now National General Secretary as well as the Queensland Branch Secretary there were others in the powerful northern branch that coveted some of the limelight monopolised by the ‘Red Terror’. These men included Queensland Branch President, Beecher Hay and Fallon’s hand-picked officials Tom Dougherty and Joseph Rochus Bukowski. All three, like Fallon, had gained their AWU experience in the tough Northern District. Both Hay and Dougherty...
were Catholic and all were vehemently anti-Communist. Hay, who Fallon had once described as ‘one of the finest men the labour movement had produced’, had become impatient. Dougherty’s ambition was palpable but he had learnt well from his mentor and knew the virtue of timing. Bukowski, now Southern District Secretary, was a large sullen man with a violent temper and capacity. He had been Fallon’s loyal soldier during the sugar strikes where he had gained an imposing reputation for brutality. Bukowski’s tactics of visiting militant cane cutters in the middle of the night and dispensing summary AWU justice against the hapless cutter, earned him the nickname ‘Midnight Joe’. Bukowski also had a talent for gauging the mood of meetings and if the vote seemed destined to be contrary to the wishes of the AWU Executive, Joe would provoke a fight with one and all and in the ensuing melee the meeting would be abandoned. As a relative newcomer to the AWU Executive, Bukowski was prepared to watch the potential combatants, and although devoted to Fallon, was not above sharing in the spoils.

Fallon had become acting General Secretary of the AWU in 1941 with Ted Grayndler on sick leave. Grayndler stubbornly refused to hand over control of the Union but Fallon was able to use rules regarding administrative duties and the persuasion of Henry Boote to humiliate Grayndler into retirement. Fallon took on the dual roles but not the dual salary. At the 1942 Executive Council meeting Hay moved a motion that the General Secretary should be based in Sydney thus forcing Fallon to choose between one of the two positions. Hay had moved the motion with the understanding that Dougherty would support him. He did not. Dougherty had secretly made a pact with Fallon that he

27 For an examination of the 1941 AWU Convention see ibid., p. 196.
would take the General Secretary's position leaving Fallon to control Queensland. For Fallon this offered the opportunity of having one of his students controlling the national body whilst he maintained his power base in Queensland and whoever controlled Queensland controlled the AWU. Hay would briefly succeed in his ambition to be General Secretary but following an acrimonious court case and allegations of voting and administrative irregularities, he was expelled from the AWU in November 1944 and Dougherty began his long tenure as General Secretary. The once powerful Beecher Hay would end his career as a tally clerk on Sydney's waterfront.

These official machinations had little impact on the average Australian or AWU member all of whom were directing their efforts towards the war. Japan's entry into the war had changed the nature of Australia's war effort. The whole of the economy was now directed towards war production. This required stringent centralised controls. Wages were pegged, as were profits, interest rates and prices. Goods and services were rationed and military conscription had again raised its head by 1943. Curtain deemed that Papua and New Guinea equated to Australian territory and as such those conscripted into the Militia for home defence could thus be sent to confront the Japanese in these regions. For many in the labour movement the idea of overseas conscription was anathema and had attained an almost heretical stigma. The AWU in Queensland could be counted as amongst the adherents of the belief. Before the beginning of hostilities the AWU in Queensland had registered its rejection of conscription. Fallon was the strongest advocate of this position and despite the threat of invasion he stuck doggedly to his beliefs. As the

---

28 Cameron, C., *op. cit.*, 1990, pp. 41-42.
war continued, this, coupled with other issues created a growing source of tension between Fallon and Curtin and the disillusionment of the former.\textsuperscript{30}

Another area of difficulty was the imposition of strict labour controls during the war. From the time of Menzies the AWU had secured its right of representation in these matters and remained separate from the Australian Council of Trade Unions (ACTU).\textsuperscript{31} However in 1942 the Allied Works Council was established. In association with the Manpower Directorate, the Allied Works Council was to co-ordinate and organise the labour needs for essential wartime production and in particular the civil infrastructure needed to aid the war effort. The Director of the Allied Works Council was none other than Ted Theodore. As his Personnel Director, Theodore appointed his business partner, Frank Packer. Packer was no friend of the trade union movement and was developing a ‘burgeoning reputation for industrial bumptiousness’.\textsuperscript{32} Theodore and Packer were given extraordinary powers over eligible Australians (men aged between 18 and 60 and not in the Services) and the conditions under which they were employed. A major component of the Allied Works Council was the Civil Construction Corps (CCC), established in April 1942.\textsuperscript{33}

With Queensland and the Northern Territory being the main departure point for Allied troops and airbourne attacks it was in these areas that the CCC would be most active, building roads, bridges, wharves and air strips. In Queensland the CCC would be encroaching upon workers who were covered by AWU awards. This point would be a

\begin{footnotesize}
\begin{itemize}
\item\textsuperscript{30} Ibid., pp. 193-195.
\item\textsuperscript{31} Hagan, J., \textit{The History of the ACTU}, Melbourne, 1981, p. 112.
\item\textsuperscript{32} Ibid., p. 114.
\item\textsuperscript{33} Butlin, S.J., and Schedvin, C.B., \textit{War Economy, 1942-1945}, Canberra, 1977, p. 34.
\end{itemize}
\end{footnotesize}
constant source of acrimony between Fallon and Theodore. Fallon wanted compulsory unionism for workers in the CCC with the AWU being the obvious union in which they would be enrolled. Fallon failed in his attempts to improve wages and conditions in the CCC and also failed in his bid to prevent Theodore from circumventing State awards. Under the relevant legislation Theodore was only obliged to use award conditions as a guide in establishing working conditions in the CCC and strike activity to improve conditions was virtually outlawed. With the Federal ALP's support of conscription and his antagonism towards the CCC, Fallon resigned as Federal ALP president in June 1944.  

Until it began to become obvious towards the end of 1944 that Allied troops both in Europe and the Pacific were beginning to win the war, the industrial scene in Queensland had been relatively peaceful. In 1944 there were twenty-three industrial disputes recorded in Queensland compared with eight hundred in New South Wales. With Queensland virtually under military administration and Queenslanders themselves acutely aware of the role they had to play in Australia's war effort there was minimal industrial activity. This industrial peace was not only facilitated by the general support given to the war effort by the Labor Party and the AWU and its members but also the overwhelming support displayed by the CPA and militant unions after 1941. It was not until the threat of invasion had subsided and eventual Allied victory seemed assured that Queensland workers began to ask questions about the society that would emerge in the post-war 'New Social Order' and what role they would play in it.

35 Queensland Year Book, 1945, Brisbane, 1945, p. 284.
The 1944 State elections revealed that although the Labor Party's support was still strong (it won 38 seats) there was some cause for alarm. Four seats were won by dissident Labor candidates – Marriott retained Bulimba as an Independent Labor candidate, the Barnes brothers in Bundaberg and Cairns who ran as Andrew Fisher Labor and King O'Malley Labor and Tom Aitkens won Mundingburra as the North Queensland Labor Party candidate. All were popular local candidates that campaigned on local issues and grievances and were quick to blame 'southerners' either in Brisbane, Sydney or Canberra for their ills. The most bitter pill for the AWU and the Labor Party to swallow was the victory of Fred Paterson as an endorsed CPA candidate. To add to the gravity of the defeat Paterson had triumphed over one of the proudly AWU-associated Riordan clan – E.J. Riordan. Paterson too was popular at the local level and considerably more moderate in his views than many of his comrades in the CPA. It could be argued that Paterson's victory could be more easily attributed to his own powerful personality and committed humanitarianism than to any significant support for CPA ideology. With the war drawing to a conclusion the time would soon come for the AWU and its allies in the PLP to deal finally with the CPA.

The first signs of troubles began in the pastoral industry. Shearers began localised industrial action over the issue of fly-blown sheep. The manager at Brookwood station claimed that, 'labour in this industry is almost out of control' adding that, 'The miners have nothing on them'. With war-weariness and the realisation that labour shortages placed the shearers in a strong position the workers pressed for overdue improvements in

---

38 G.W. Bayliss to Herbert Brookes, 18 June 1944, cited in ibid., p. 15.
wages and conditions. The trouble was attributed to Communists and there was an element of truth in this, who found a receptive audience in the disgruntled shearsers. By March of the following year Queensland shearsers were again on strike for a general pay increase. As ever the AWU Executive refused to endorse strike action that they claimed to be provoked by the Communists. It was not long, however, before economic imperatives forced shearsers back to their stands. This return was probably assisted by the efforts of the AWU Executive to appease the shearsers. Fallon, who by this time had announced his intention to retire from all positions, hastily made an application to the Queensland Industrial Court to secure a pay rise for all pastoral workers. Judge Riordan obliged and the potential for a lengthy and politically damaging dispute was averted.

With victory achieved by August 1945 Australians set about the task of post-war reconstruction. It was not long, however, before the continuation of wartime regulations began to manifest itself in industrial unrest. Ben Chifley, who had succeeded Curtin following his death in July 1945, was determined to avoid rapid inflation which could be brought about from immediate post-war largesse. Whilst economically sound, such restraint was difficult for workers who had been so patient and who had suffered so much to accept. Such a situation provided the perfect opportunity for the CPA to forment discontent.

With the distinguished role played by the USSR in the defeat of the Axis powers the CPA emerged from the war with greater prestige than it had ever commanded. Its

41 In fact upon Curtin’s death it was the Queenslander and AWU stalwart, Frank Forde, who as Deputy Leader became Acting Prime Minister until Cabinet could meet to elect Chifley six days later.
membership rose to around 20,000 in the mid-War period and its trade union officials held significant positions throughout the nation in many Trades and Labour Councils including Queensland and in the ACTU. Entering the post-war period it had attained a certain élan and self-confidence bordering on hubris and its goals and enemies were clearly identified. At its 1945 Congress the CPA resolved that:

In the struggles that lie ahead, selfish sectional and craft interests must be subordinated to the general needs of the working class, and the reactionary Right Wing of the Labor Party and the Trade Union Movement, which has joined the reaction in attacking the Communist Party to the detriment of the working class movement in general, must be defeated. The wages and conditions of the workers must be firmly defended and their demands won.42

To this resolution was added one in support of the ACTU and one more pointedly directed at the AWU:

It is essential to change the situation in the AWU, so that this union may once again take its place in the vanguard of the union movement.43

The opportunity for Queensland workers to challenge the post-war industrial and political environment arrived in March 1946 with the meat industry strike. With meat production essential for the war the meatworkers of Queensland and the militant union that represented them the AMIEU found themselves in a strong industrial position. Since the Depression meat industry employees had been at the mercy of companies which employed on a seasonal, casual basis with poor wages and conditions. Gone were the

43 Ibid., p. 20.
halcyon days of the immediate post-World War I period of union-run labour exchanges and workers control boards. However, the second world conflict had seen a dramatic rise in wages, improved conditions, workers control boards and the return of the principle of seniority. For the meatworkers this last issue was one which they held dearest as it could provide some semblance of job security. For the meat companies these wartime conditions were an intolerable incursion upon managerial perogative despite the fact that they were making substantial profits out of the war.

In March senior meatworkers at the Queensland Co-operative Bacon Association and at Borthwicks were dismissed. The AMIEU called a mass meeting and it was decided that if the seniority issue was not settled within the week then a general stoppage across the meat industry would ensue. The employers refused and the situation became a stalemate. The Queensland TLC Disputes Committee endorsed the action but both the Federated Clerks’ Union (FCU) and FEDFA refused to support the action due to the alleged Communist influences behind the strike. Indeed, with Alex MacDonald and Mick Healy amongst others on the Disputes Committee the claims had substance. The presence of senior CPA officials, Bill Hodgson and Jack Henry at the strike meetings added further credibility to these claims. For their part the meat companies welcomed the chance to confront what they believed to be a Communist dominated union.

Neumann, the State Secretary of the AMIEU, tried to involve the national branch, the Federal Arbitration Court and the Chifley Government, but with an election looming neither the Labor Party or the more moderate Federal Executive of the AMIEU wished to

---

become involved in a dispute which had possible connections with the CPA. As the AMIEU sought to extend the dispute by gaining the support of the Coalminers and the Waterside Workers the meat companies responded by successfully applying to the Industrial Court for the deletion of the preference clause and immediately began hiring non-union labour.  

For the Labor Government the dispute proved uncomfortable yet opportune. With Cooper having resigned the premiership to become Lieutenant-Governor in March 1946, the new premier, Ned Hanlon needed an issue upon which to stamp his authority. Significantly, it gave Hanlon a chance to stifle any advantage the CPA may have gained during the war and to reassure the business community of Queensland that no radical challenge to the existing system would be tolerated. Both Hanlon and the Minister for Labour, Vince Gair implored the AMIEU to seek redress for the sacked workers in the Industrial Court, its officials refused to do so.

With the strike dragging on into its third month the patience of the Industrial Court and the Government had been worn out. The Court de-registered the AMIEU, recognised a breakaway Meatworkers union made mostly of the moderate non-union workers that had replaced the strikers and issued restraining orders against the railway workers who had supported the strikers. With energy supplies disrupted by the Miners' action in sympathy with the AMIEU, Hanlon could now resort to the emergency powers clauses of the State Transport Act. This he did on 26 June by declaring a state of

---

47 The Bacon Factory Union of Employees. For a history of this union see Bowden B., *A Breed Apart: The History of the Bacon Factory Union of Employees*, Boolarong, Brisbane, 1996.
emergency, severely restricting the use of fuel, lights and transport. Furthermore, he ordered that the AMIEU conduct a secret ballot over the continuation of the strike.\(^48\)

A mass meeting of meatworkers two days later condemned the ballot and Hanlon backed away from the edict\(^49\). However, it had already achieved the desired result. Militant officials of the AMIEU feared that such a result would reveal that the majority of members who were suffering because of the strike would vote to return to work. This seriously threatened the future of the union leadership. Moderate officials of the AMIEU seriously criticised the other officials and the Disputes Committee for accepting the direction of the CPA and they were joined by other moderate unions such as the AFULE which resented the threat posed to its members by abandoning arbitration for militant industrial tactics and succumbing to the CPA. By early July the strikers began to return to work and the strike was over with the Disputes Committee reluctantly accepting the government’s terms\(^50\).

Jack Henry would report to the Central Committee of the CPA that the dispute was the ‘greatest industrial struggle in the history of the Northern State’.\(^51\) He concluded triumphantly that, ‘The first great assault launched by big capital on the Queensland working class in the post-war period had been defeated’.\(^52\) For the militants on the Queensland TLC the strike did nothing but confirm its belief that the Labor Government were reactionary strike-breakers and that arbitration favoured the capitalist class. For others, especially those who became unemployed, it provided a stark reminder of the

\(^{48}\) Courier Mail, 27 June 1946.
\(^{49}\) Ibid., 29 June 1946.
\(^{51}\) Report of the Work of the Central Committee from the 14th to 15th National Congress (1948), p.11
\(^{52}\) Ibid. p. 12.
dangers of militant industrial action. In the eyes of many the CPA-aligned union officials became discredited. Workers had become unemployed, their union de-registered and a company-initiated union emerged in competition to their own. Furthermore, the major issue of seniority remained largely unresolved. Those unions and unionists who rejected CPA tactics were now forced to choose between the militants of the TLC and more moderate unions such as the AWU. With its enormous power, its relationship with the Government and its devotion to arbitration, many chose the latter. More ominously for militant members of the labour movement in Queensland, the meat industry strike, convinced the Labor Party and its ally the AWU that it should initiate a coordinated strategy to seek out and finally eradicate the influence of the CPA within the trade unions and the Queensland labour movement as a whole.

Even before the end of the meat workers strike, elements within the Labor Party and particularly the AWU had been encouraging the formation of an organisation within the Labor Party to combat the influence of the CPA in some unions, notably the WWF. In June 1946 the Executive Committee of the QCE received a 'suggestion' from the AWU Executive that 'the QCE consider the advisability of forming an organisation to combat the anti-ALP activities by Waterside Workers' opposed to the ALP'.\(^53\) It was resolved that a meeting be held between the President and the Secretary with Messes Smith and Reardon (WWF), 'with a view of drawing up a plan to combat the Communist Party'.\(^54\) These sentiments were supported in correspondence from the Methyr branch of the ALP in the following month.\(^55\) The organisation of what would be called the Industrial Groups

---

\(^53\) *QCE Minutes*, 13 June 1946.

\(^54\) Ibid.

\(^55\) Ibid., 2, 3 and 8 July 1946.
was ratified at the 1947 Labor-in-Politics Convention and not surprisingly the first efforts of these groups were concentrated in the Brisbane branches of the WWF and in the AMIEU.\(^{56}\)

The impetus for these groups did not come solely from the AWU. Indeed, evidence suggests that as early as May 1944 recommendations were being received by the QCE to establish some form of what were described as ‘ALP units’ in the WWF.\(^{57}\) The real impetus for the formation of ‘the Groups’ in Queensland and throughout the Australian trade union movement was the Catholic Social Studies Movement, more popularly referred to as ‘the Movement’. The Movement in turn had developed out of the Melbourne-based group, the Australian National Secretariat of Catholic Action dominated by B.A. Santamaria. Morally and politically conservative, Catholic Action did embrace a form of agrarian socialism espousing the agrarian principles of Italian Fascism whilst reviving traditional Australian idealism for the benefits of rural living and agricultural production, Catholic Action also advocated a robust social welfare agenda that positioned them more towards the Labor Party than it did to the conservative political parties.\(^{58}\) However, Catholic Action were also openly hostile to the CPA and the influence it was gaining in the Australian trade union movement and thus the Movement was formed with a view to preventing this influence in Melbourne and Sydney in 1942 and 1943, respectively.


\(^{57}\) QCE Minutes, Letter from A E Amell (WWF) to QCE, 19 May 1944.

\(^{58}\) For an examination of the policies and formation of ‘Catholic Action’ see Truman, T., \textit{Catholic Action in Politics}, Melbourne, 1960.
Although, not officially backed by the hierarchy of the Catholic Church when the Movement formed in the early 1940s, Santamaria received continual encouragement from the powerful Melbourne Archbishop, Dr. Daniel Mannix. However, in September 1945, in light of the successes enjoyed by Communist trade union officials at the 1945 ACTU Congress, Santamaria was able to convince a meeting of the Australian Archbishops that the threat from the CPA was so great that the Church should support the Movement both morally and financially. Thus, in 1946 when the issue of establishing the Groups was raised the Labor Party and the AWU could be certain of the support of Brisbane Archbishop, James Duhig. An astute political operator, Duhig had been a friend and indeed confidante of successive Labor premiers in Queensland since the days of T.J. Ryan. Not surprisingly he had also cultivated a strong relationship with the AWU whose Executive was perennially dominated by Roman Catholics.

Although initially reluctant to support the establishment of such an official organisation within the Labor Party, the events of the meatworkers dispute encouraged Hanlon to support the formation of the Groups. Significantly, for those supporters of the Movement, the Groups had received the strongest possible support from the members of the Executive Committee, including that of the increasingly powerful Joe Bukowski of the AWU. Although the idea of the Groups had received the strong support of the Labor-in-Politics Convention in February 1947 the immediate concern for the Labor Party was the coming State election. As such no formal structure for the Industrial Groups emerged with the development of the Groups occurring mainly at localised level and in a largely *ad hoc* manner.

Once again the Labor Party was returned with a comfortable majority winning thirty-five of the sixty-two seats at the May election. Labor lost East Toowoomba, Dalby and Warwick on the Darling Downs, and Deputy Premier and AWU candidate Ted Walsh was defeated in the sugar seat of Miriani. However, Labor regained Maree in Brisbane and Cairns in the North. The Country Party and the Queensland People’s Party who were now working together improved their representation to fourteen and nine seats respectively. The Independents were reduced to three with the loss of Cairns. Fred Paterson retained Bowen for the CPA with a slightly reduced vote. Although the majority for the Labor Party seemed safe things were beginning to get a little too close for comfort. The Party recorded its lowest primary vote since 1929 with only 43.6 per cent of the total vote as opposed to 46 per cent for the Country Party and the Queensland People’s Party. The figure that concerned Labor the most was the 10.4 per cent of the vote that went to other candidates – predominantly the CPA and dissident Labor candidates such as George Marriott, Frank Barnes and Tom Aitkens’ North Queensland Labor Party. Such groups, particularly the CPA were eroding the Labor Party’s vote and would have to be stopped.

In the immediate post-war year Australian workers became increasingly frustrated by the continued implementation of war-time stringencies and industrial disputation became common. In Queensland the economic situation was worse than any other State in the nation reeling from unemployment and shortages of basic necessities brought on by these restrictions but exacerbated by a severe drought and the need to accommodate over 60,000 discharged servicemen within a depressed economy. With Queensland serving as
Australia's frontline during the war years the States infrastructure and working population in general were stretched to breaking point by the demands of the war.

One of the most dispirited group of workers were the railway workers. The Queensland railways and its workers had borne the brunt of the war effort. Already obsolete rolling stock and tracks were forced to carry millions of tonnes of war material over huge distances. Added to this was the introduction, in 1943 of the Australian Standard Garratt locomotive. The Garratt contained design flaws which made it unsafe with a series of derailments and fatal accidents further eroding the morale of the railway workers. Although not involving the Garratts two disasters in 1947, at Camp Mountain and Tamaree costing the lives of twenty-two people, brought the decrepit state of the railway service into the public sphere.\(^6\)

With morale low the ARU began to rally its members around two issues: pay rises in line with C.C. Mooney's Federal award handed down to metal trade workers in the railways and the five day forty-hour week. After receiving offers of an increase that did not meet the Mooney Award the Union applied for the case to be heard in the Queensland Industrial Court. As the Court was breaking up for a two month Christmas break, the case would not be heard until 1948.\(^6\) The second issue was implemented almost immediately upon the Hanlon Governments re-election in accordance with the decisions of the 1947 Labor-in-Politics Convention. However, the ARU and the other militants of the TLC insisted that the forty-hour week be on the basis of a five-day working week.

---

\(^6\) Ibid., p. 238.
Regardless of the imminent wage case which had a strong chance of success and Hanlon's fulfillment of the forty-hour week, it became apparent that the unions had become impatient with the difficult working conditions they had endured and had resolved to make a stand. By February railway workers were going on strike and a Disputes Committee had been formed under the moderate E.J. Irwin of the Railway Salaried Officers Union as secretary. The Railways Department began to stand-down workers. As a consequence, despite the presence of militant and communist members of the disputes committee, the Government believed that the moderates would soon lead the men back to work and their faith in arbitration would be restored.

However at the end of the first week of the strike, E.J. Rowe, Commonwealth councillor of the AEU and Communist Party official from Victoria arrived to give leadership to the strike. At the same time Alex MacDonald of the Federated Ironworkers' Association (FIA) replaced Irwin as secretary of the Disputes Committee. With these two could be included an imposing line up of CPA union officials on the committee plus militant ARU officials and long time enemies of the AWU, Mick O'Brien and Frank Nolan. The strike was now clearly developing as a political struggle between a Labor Government and a Communist dominated strike committee.

The strike spread quickly and in an environment of continued rationing scarce supplies became even more so as the railways came to a halt, coal was not mined or loaded and wharves were brought to a standstill. Mass pickets served to intimidate non-striking workers and the frustration felt by many Queensland workers in the post-war era

62 Ibid., pp. 238-239.
63 J.J. Ryan (Vehicle Builders), G.M. Dawson (Building Workers), F.C. Weigel (Moulders), T. Kissick (AFULE), R. Cobb (Boilermakers), E.C. Englart (WWF) and M. Healy the Secretary of the TLC.
led even moderate unions such as the AFULE and the Electrical Trades' Union (ETU) into strike action. With Hanlon fearing a serious break down in civil order and a threat to the States economic well-being he proclaimed a state of emergency under the provisions of the Transport Act which banned picketing and made it offence to encourage anyone to strike or disobey the Industrial Court. Soon picketers and strike leaders were being arrested. Hanlon also embarked upon a wide-scale propaganda campaign using radio stations throughout the State to condemn the strike-leaders for duping the strikers and as 'budding Commissars' and 'mimicking Molotovs'.

After ten days the Government implemented its next strategy, the Industrial Law Amendment Act. The Act gave police the authority to enter homes and use any means necessary to remove all but the residents of the house. Police could 'move on' anyone suspected of fomenting industrial unrest and could arrest without warrant with the burden of proof placed on the defendant. Only Fred Paterson and Tom Aitkens voted against the Act. The Act provoked outrage from civil liberty groups and trade unions across the country. One week later on St. Patrick's Day a small group of demonstrators, including many women, left Trades Hall to record its disapproval of the new Act. Having only travelled a small way, the protesters were brutally set upon by the police who dispersed the protest. In the melee three people were admitted to hospital including prominent CPA barristers Max Julius and Fred Paterson MLA who were taking notes. Paterson was seriously injured having been struck from behind with a baton and receiving a fractured

---


skull. The police had marked their targets well, with every person injured or arrested being a Communist. 67

Although a mass rally the day after proceeded without the previous day's violence, it soon emerged that some strikers, particularly those in the regional and more remote centres were beginning to weaken. Nolan realising all could be lost urged the committee to re-enter negotiations with Hanlon. Hanlon, too, in acknowledgment of the damage the strike was doing to the image of his Government and his desire to regain control, was prepared to negotiate. On 2 April a mass rally of workers accepted the Government's offer that was an increase on the 1947 offer yet still not equal to the Mooney Award. 68

Hanlon had been able to restore 'industrial peace' although at some cost to the reputation of his Government. Furthermore, Hanlon, the PLP and the AWU were now more convinced than ever of the need to eradicate the CPA from the Queensland labour movement. For the militant trade union and the CPA the strike attained mixed success. On one hand the strike committee could claim some success in improving wages and conditions and in further exposing the autocratic and anti-working class nature of the Labor Party. However, it had re-opened the old debate between arbitration and direct action with many workers and moderate trade unions resenting the role played by Communist and militant trade union officials in leading the workers of Queensland into a damaging strike that brought suffering to the workers and their families for no significant reason.

67 Ibid., pp. 190-195
68 Knight, K.W., 'Edward Michael Hanlon. A City Bushman', in Murphy, D.J., et. al. (eds), op. cit. 1990, pp.433-457
For the AWU the decade had provided much success with its influence growing as its membership surpassed 70,000 and its officials held sway at both State and Federal levels in both the AWU and the Labor Party. It continued to dominate the QCE and the powerful Executive Committee and had diligently served the interests of its members during the war years. In the post-war years it was faced with a renewed threat from the CPA and its old foe the ARU. It had also seen with the development of the Industrial Groups a possible means of finally driving the influence of the Communists from the Queensland labour movement. Against the increasing hostility of the Cold War environment and an evolving Queensland economy, the challenge for the AWU as it entered the next decade would be to harness the operations of the emerging Industrial Groups in order to crush the CPA whilst maintaining its own dominance within Labor politics and the Queensland labour movement in general.