EVERYBODY WHO IS ANYBODY knows that the class struggle is outmoded, lingering on vestigially only because communists, leftwing unionists and other oldfashioned orthodox working class thinkers stubbornly persist in believing it exists, stirring up alleged grievances and fomenting strikes. This idealist conception of Australian social reality is shared, from quite differing viewpoints, by the conservative establishment which has a vested interest in "abolishing" the class struggle, and some of its radical opponents who consider that economic injustices have almost disappeared in the "affluent society" and are superseded by new moral issues and problems of contemporary capitalism. A whole new concept of social, industrial and political conflicts has emerged, with conservative and radical sides. The conservative theory holds that a new unionism is needed, that concerns itself with sharing in the technological revolution by lifting productivity, co-operating with the new managerial class, a unionism of bright and pushing new experts that will turn its back upon all the old traditions. The new radical theory, with several variants, seems to be saying that the working class, changing at any rate, has been assimilated into the system and is no longer capable of waging a consistent anticapitalist struggle for social change.

The conservative theory fares far worse in explaining contemporary reality. 1968 was a year of widespread and sharp industrial action, ushered in with a postal strike and the protracted and largely successful struggle of metal tradesmen against "absorption" of the margins increase, supported by their "unskilled" and "semi-skilled" fellow workers, who entered the struggle wholeheartedly even though they had little or nothing to gain from it. As the year progressed, industrial action swept across the workforce, involving new workers and raising new possibilities for trade unionism. Journalists, teachers, space technicians and other professional workers came into the fight alongside petrol tanker drivers, railwaymen, aircraft maintenance workers, the postal workers again, not to speak of the constant guerrilla struggles, so usual as not to merit even a press report in most cases, waged in metal factories, the mines and the waterfront.

1969 WILL BE A YEAR OF INDUSTRIAL ACTION, precisely because the class struggle exists objectively, and is sharpening. The
Australian ruling class—the owners and controllers of the economy and their political and industrial auxiliaries—has worked out a coherent and well-planned economic strategy. This aims at nothing less than the introduction of an “incomes policy,” not by direct government legislation as in Britain, but by a combination of sheer monopoly economic power, the judicial power of the arbitration system, and the power of the State both to mobilise the national wealth for the monopoly capitalists through taxation and other fiscal powers, and to use legal sanctions against the unions when they use their industrial strength. Essence of a capitalist incomes policy is that it seeks to control wages and salaries, but not profit, interest, rent or prices which are sacrosanct.

Economic power is used through monopoly price-fixing, that does not “fix” prices but continually raises them and so exerts constant pressure upon wage and salary earners and those on fixed incomes (pensioners, etc.). Very little remains of classic bourgeois economic theory, based on “free competition,” the market, and “individual private enterprise”. However, the right of “private” price fixation is jealously guarded, even when the conditions of price formation through market competition have almost disappeared in the decisive economic sectors. While the monopolies no longer fear but actively demand government economic “regulation” in many fields (including labor), they resist strongly (and successfully) any government regulation of prices or profits.

**Arbitration’s Role is Enhanced** in the new economic strategy. Over a three year period, the Arbitration Commission has introduced a totally new method of wage-fixing, in which the judicial murder of the basic wage—margins structure was decisive. In its place has emerged the “total wage” and “work-values” structure. This new creation is the employers’ brainchild, and its desired future growth into a full-fledged incomes controller is the subject of new demands in the ‘Employer’s Charter” served on the Commission.

Effects of this new wages structure can be summarised as follows:

- The “total wage”, that affects the income of every wage- and salary-earner, will be reviewed annually and varied only according to the Commission’s interpretation of economic conditions. This virtually means a general wage-freeze, with any increases barely keeping up with erosion of real wages by price rises. It is an interesting intellectual exercise to consider what economic conditions make a general wage rise
desirable, according to arbitration, government and employers' economic experts. If the economy is booming, any wage rise, they argue, would cause inflation; if there are economic difficulties, a general increase is plainly undesirable, and even dangerous. Add to this the perennial balance of payments problem, which must be met by increasing exports (which means “keeping costs down”—and every bourgeois economist knows that wages are the only costs that can be “kept down”) and by dampening demand for imports (and this means the wage-earners' demand above all). There is thus an ironclad case for keeping general wages down; every possible contingency and conjecture of circumstances demands that wages must not rise too much.

If the general wage is to remain pegged, perhaps there are dramatic new possibilities for increases for specific industries and occupations through “work value” cases? The metal trades case, which provided a $7.40 increase for tradesmen, seemed to promise this. But experience soon showed how thin was this sugar-coating on the bitter pill. Employers, the arbitration machine and governments bitterly resisted any automatic flow-on, and union experience of work-value cases has been salutary—as railway men in general and enginedrivers in particular will testify.

In fact, work value cases after the first ones will present many obstacles to establishing a legal argument for new rates. It is necessary to prove new skills and new conditions, and in general technological change makes this harder for most workers in most industries. This is particularly true for those classed by arbitration as semi-skilled and “unskilled”. The general trend to establish a low rate for the majority of production workers will be accelerated. In fact, Australia is moving in its own way, towards the conditions of a submerged and depressed class within a class, made up largely of immigrant workers who are the backbone of the production workforce in such basic (and low-paid) industries as steel, automobiles, railways, textile, clothing and food.

THE WORKING CLASS NEEDS A COUNTER-STRATEGY to meet the mounting offensive. The working class is growing, not diminishing, as technological change gathers momentum. Newer elements in the working class, the technicians, planners, teachers and professional workers are no longer a bulwark of conservatism. They increasingly turn to the classical methods of industrial action,
sometimes infusing new methods and concepts into the traditional forms. And industrial workers and their unions have not abdicated the struggle by any means. The changed methods of wage fixing met stern opposition, even if this did not prevent the change. The procedure and final form of the change are instructive, for it was not implemented without problems.

The metal workers, by refusing to accept absorption, struck the first blow, and many thousands of other workers acted or threatened to act to win flow-on against the Court’s declared intention. This is the militant alternative to the new system. But it needs to become a powerful movement, uniting blue and white collar unions and all working class political trends in the unions around a common strategy. Unionism often limits its perspectives and usually fights on the terrain dictated by employers and within the employer-oriented “rules” of arbitration. While the employers, governments and arbitration worked purposefully to implement their total wage strategy, the unions have no common counter-strategy that seeks to change the whole terms of the battle. This arises from limitations imposed by influences of conservatism and rightwing reformism in the movement, and failure to understand the implications and possibilities in technological change if a bolder and more fundamental challenge is made to the system itself. And quite frankly the left also has been slow to articulate a strategy for the new conditions. Some lines of thought suggest themselves for consideration.

The new conditions of technological change and higher productivity suggest that unionism should advance more radical demands, both in distribution of the national income and in democratic control of decision-making in workplaces, whole industries and in the places where the public and private bureaucracies decide national policies in secret.

In the field of economic demands, the following are worth considering:

• The union movement should, through intensive research at both academic and grassroot levels, fix upon and substantiate a demand for a minimum living wage. This wage demand (and already-taken surveys and researches suggest it would be at least $60 a week) should then be projected as the alternative to the present “total wage” that is manipulated within the “economic” framework and the irreducible minimum that can placate workers’ unrest.

• The demand for equal pay that must bring women’s wages up to men’s, not scale down somewhere between existing male and female rates.
The demand for shorter hours, at least the 35 hour claim, and for 4 weeks annual leave.

The development of industry campaigns (on industry allowances, pensions, etc.) that can embrace all workers, whatever their skill levels, in industries like the automobile, steel and other big and highly monopolised branches of production.

Develop and sustain industrial campaigning and organisation by unions covering low-paid workers, recognising that these are often mainly immigrant workers with all the attendant special problems.

These and other issues of wages, hours and conditions require a broader horizon and a bolder challenge to the whole system than as yet exists even among most militant unionists. It also requires a new type of unionism, more efficient, more scientific and more highly organised.

There are several trends developing on this plane. The communist view should be based upon a mass-democratic concept of efficient, scientific and highly-organised unionism that is democratic from the workplace upwards to the national level. In this concept, job and workplace organisation is basic, and the real strength of the unions flows from an active membership that can effectively control each union and the state and national centres of the movement.

This stresses the significance of (1) the union delegates, shop committees and industry-wide rank and file organisation embracing direct representatives of all workers whatever their unions; (2) union democracy and active encouragement of activity; (3) union amalgamations; (4) democratic national and state centres that allow for union initiatives and do not seek to impose a control that confines militant unions to the level of the more backward.

This method of union struggle will raise, naturally and logically, issues of democratic control. At its most direct expression, the formation of shop committees and delegates organisation at once asserts the demand for recognition of workers' rights and carries within it the demand for potentially democratic control. At another level, the struggle against arbitration's crippling legalisms, restriction and penalisation of industrial action is a direct, even if only partial, challenge to the capitalist state.

Popular appeal of democratic resistance to arbitration penal powers has been shown again in Western Australia. Seven boilermakers, electing to take jail rather than pay fines for an "illegal" strike, set the Establishment a real problem. United opposition of
unions threatened state-wide industrial action, and support came from varied and sometimes unexpected quarters. Rumor has it that neither would the police have picked them up, nor warders "received" them. Whatever the truth of this story, the fact remains that some anonymous benefactor paid the fines.

TODAY'S ECONOMIC AND SOCIAL PROBLEMS affecting wage and salary workers are more directly and obviously political issues. High taxation takes a big bite out of any wage increase, first and most obviously in income tax and then through indirect taxes. Income tax alone has mushroomed—30 years ago a skilled metalworker had to work perhaps two days a year to pay his tax, now he works several weeks.

Ever-increasing government charges—fares, car registrations, hospital fees, TV-radio licences, and an endless list—eat into real wages. Alongside this goes a shameless monopoly price fixing for goods and services, that steadily increases the cost of living, forcing excessive overtime, two jobs or a whole family working to maintain standards. Added to this is the chronic deterioration and rising cost of social services—education, health, local government. It is surely necessary to elaborate a radical working class program of demands and action on all these questions, that monopoly capitalist affluent society projects into the lives of even the most complacent and apathetic citizen. What is needed is an Australian action program, finding in the apparently mundane realities of life the starting point for a radical challenge to existing social relations, morality and political practice. To suggest a few:

• A radically new taxation system, in which the first $2,000 is free, with the wealthy monopolies and individuals paying more.

• Price control that protects the public from monopoly extortion, run by direct popular representatives of unions and consumers.

• A new quality of education for all children, with highly qualified teachers, proper facilities and a modern curriculum.

• A non-contributory health service that provides medical, dental and hospital care for all.

• Increased social services, particularly pensions and child endowment.

These are some of the issues and demands that move masses to concern, yet are in their essence radical and even potentially
revolutionary if asserted by a people's movement as demands upon the powerful groupings that direct and control Australian society.

It would be merely naive to suggest that such a movement can be built easily, or to believe that it only needs a program of demands to come into being. Big problems arise from the character of our society and the power of its dominant ideology, conservatism and capitalist individualism. Other problems arise from the inadequacies of the working class movement and of its left and radical components. The working class movement needs to consider seriously the new left criticisms mentioned above. It is too facile to dismiss them out of hand by pointing to the obvious realities that the mass workers' movement provides the real opposition, the perennial irrepressible counter-action against capitalism, or that the working class must play a decisive role if there is to be a fundamental challenge to the present social system. Even if the new left criticisms were 100 per cent correct (which they are not), the task of the revolutionary vanguard would still have to be assisting the workers to consciousness, to see themselves as a class for itself, otherwise elitism and sectarianism will cut off the vanguard from the masses who alone can make history.

The working class must play a leading role, and for this it needs the co-operation of radical intellectuals and other strata critical of capitalist society. This requires a new approach, eliminating proletarian snobbery and suspicion of intellectuals on one side, elevated condescension and plain lack of knowledge or concern about the actual working class struggle on the other. The left working class movement should understand from its long experience of struggle that the working class has no mystically-endowed right to a leading role. Rather, it has to win this right anew in each new period, by lifting its struggle to new targets, speaking and acting for all whose interests conflict with and whose lives are restricted by capitalist society.

THE FIGHT FOR PEACE IN VIETNAM, and the struggle for a new post-Vietnam foreign policy, is central to this role. The tortuous path to real peace negotiations presents a challenge to all who have opposed the war, for the United States and its Australian and other satellite governments are still pursuing their war aims. Reluctantly, they have recognised that they cannot win the war; further, that they actually faced military defeat in the classical sense of this term.

That is why they finally accepted the offer first made by the Democratic Republic of Vietnam in February 1967, after trying
several different military strategies that failed miserably after inflicting immense suffering upon Vietnam and the loss of tens of thousands of American, and hundreds of Australian, lives. If this chance of peace is to be seized, public opinion must demonstrate the demand for immediate withdrawal of US, Australian and satellite troops from Vietnam, recognition of the National Liberation Front and the right of self-determination and independence for South Vietnam.

All the face-saving lies and inspired concoctions about a favorable turn for "The Free World" in the war cannot hide the humiliating defeat of the USA, nor disguise the collapse of the whole Australian foreign policy. But like the Bourbons, the Australian policymakers forget nothing of the canards about defending Australia from Asian Communism and learn nothing from the lesson, magnificently taught by the Vietnamese, that military might cannot today defeat a whole people determined upon national liberation. Forgetting and learning nothing, the policymakers are now working on a "new" policy that prepares for new interventions in Asia to suppress new national liberation movements. This policy calls for mobile strike forces, equipped with modern offensive weapons. Clinging to the FIII is not just political face saving nor inept and precipitous contracting—though both are present. The FIII is the type of "weapons system" required for Asian intervention, even if it is a flop. So the defence review may come up with new plans but they will be directed to the same aims.

Government foreign policy will not change its basic character either; it will still be subject to Washington's decisions. Johnson is dead; Long live Nixon! And US policy under Nixon will not change its basic character; probably it will only demand a bigger Australian contribution in men and money to further US policies of domination. Australian foreign policy is in a rut from which it can escape only by a complete change enforced by popular action. Unless this can be developed, and soon, Australia will stumble from crisis to crisis, from one Vietnam to a second and a third, sacrificing more and more for policies that end in fiasco and increased dangers.

The struggle for democratic foreign policy is one of the most vital issues for the whole democratic opposition, and the left in particular. It influences every aspect of the struggle against monopoly capitalism, and a real challenge to the economic, political strategy of conservatism is impossible unless there is confrontation on this issue, not the growing trend to bi-partisanship evident in Whitlamite thinking on the "US alliance" as the keystone of Australian foreign policy.