Industrial relations in the Australian engineering industry, 1920-1945: the Amalgamated Engineering Union and craft unionism

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INDUSTRIAL RELATIONS IN THE AUSTRALIAN ENGINEERING INDUSTRY, 1920-1945: THE AMALGAMATED ENGINEERING UNION AND CRAFT UNIONISM

A thesis submitted in fulfilment of the requirements for the award of the degree

DOCTOR OF PHILOSOPHY

from

THE UNIVERSITY OF WOLLONGONG

by

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KEIO UNIVERSITY

DEPARTMENT OF HISTORY AND POLITICS
August 1997
I HEREBY CERTIFY that the work embodied in this thesis is the result of original research and has not been submitted for a higher degree to any other university or institution.

.................................
Kouichi Inaba
Preface

In the course of the examination of this thesis, an examiner commented that two points had to be clarified: the legal status of Federal awards and war loadings on wages during the Second World War.

In the period dealt with by this thesis, Federal awards bound only unionists employed by named employers. Therefore, they did not acquire the legal status as a common rule, which was applicable to all the employers and employees in the industry. The point this thesis tried to emphasise is, however, that Federal Metal Trades Awards enhanced its binding power and came close to a virtual common rule during the 1930s. For instance, in the 1935 Federal Metal Trades Award Case, the respondent employers in New South Wales, Victoria and Tasmania agreed that the Award would be applied to non-unionists as well as unionists. Subsequently, the High Court confirmed the Commonwealth Arbitration Court's power to make awards concerning non-unionists.

With regard to war loadings, they were initially confined to the metal industries. Eventually, however, they were extended to other industries.

As the examiner pointed out, the comments concerning 'common rule' at pages 40, 145 and 244 and concerning 'war loadings' at page 263 are misleading. These matters should have been explained more clearly.
Abstract

This thesis examines industrial relations in the Australian engineering industry between 1920 and 1945, with a focus on the legal framework, production methods and union activities. During this period, the Australian engineering industry developed from the 'jobbing' to the manufacturing stage. Therefore, the study assesses the extent to which the traditional industrial order, based on the apprentices-tradesmen system, was affected by this transformation. The investigation focuses on the industrial struggle between capital and labour at the point of production, especially the logic of craft unionism.

In the 1920s, the industry remained at the 'jobbing' stage and production was heavily dependent on the craft-type skill of tradesman engineers. Capitalising on this technical advantage, their union, the Amalgamated Engineering Union (AEU), held strong influence on the shopfloor. The basic industrial strategy of the AEU, as a craft union, was to impose craft regulation on the industry, in order to protect the conventional job territory of tradesmen and restrict the supply of the skilled workforce. Because the main purpose of the Arbitration Court was to maintain industrial peace, its judgements basically confirmed the existing industrial order. Therefore, the Arbitration system served the Union favourably, legally consolidating craft regulation. Thus, the Union evolved its relationship with the Arbitration system, while strengthening its ties with the Labor Party to secure and supplement the benefits of Arbitration. The Union's basic policy of 'laborism' was thus established in the 1920s in line with its craft orientation.

The recovery from the Great Depression and the ensuing development of the industry in the 1930s corresponded to the transformation of the industry towards manufacturing with the introduction of the new 'manufacturing' method. In this period, the Court gave priority to improving the condition of the Australian economy, and it encouraged the introduction of the 'manufacturing' method by legally providing cheap labour like 'process workers' and unindentured juniors for simplified operations. However, the
actual deskilling effects of the 'manufacturing' method was limited. Unlike the 'mass production' method which was characterised by the systematic use of automatic, single-purpose machines, the 'manufacturing' method was characterised by the attachment of deskilling devices like jigs, fixtures and stops to standard machines. By this method, Australian employers, who catered almost entirely for a small and fragmented domestic market, secured flexibility in production. However, because the setting up and the operation of standard machines were still largely dependent on tradesman engineers, the employers could not seriously undermine their employees' industrial ground. With the skill of tradesmen maintaining its value, the AEU continued to adapt traditional polices of craft unionism, and these remained effective. Thus, although the validity and efficacy of labourism was tested through the economic turbulence of the decade, the Union's reformist attitude was consolidated. Although the class consciousness of tradesman engineers increased in the Depression, their craft consciousness outweighed it.

During the Second World War, the production of the engineering industry was boosted, because of War necessities. Under the circumstances of national crisis, the Union was forced to loosen craft regulation in order to increase the supply of the skilled workforce. Thus, dilutees and even women were introduced into the industry in great numbers. However, the increase in output was realised not so much by the introduction of new production methods as by the intensification of labour and the extensive overtime. The 'manufacturing' method nevertheless remained and so did the dependence on tradesmen's skill. Because the six months' training of dilutees was not sufficient to give them responsible tasks, the technical advantages of legitimate and competent tradesmen, who had served apprenticeship training, survived. In fact, as production increased, the industry was plagued by the dearth of competent tradesmen. Therefore, the AEU maintained its strong industrial position in opposition to the employers, the Court and the Government, and did not let wartime anomalies break the framework of the traditional industrial order. The AEU's practical and reformist attitudes also remained, sharpening the confrontation with more radical, leftist unions of the non-skilled.
The empirical investigation in this study corroborates the theoretical assumptions set out in the Introduction. The industrial power of tradesman engineers derived from their technical advantage in production. Capitalising on it, they successfully resisted the employers' efforts to extend their power to manage. The deskilling process by technological development was not a unilinear and straightforward one. The historical process of struggle between organisations of employers and employees was complex, and neither developed a monolithic class loyalty.
I would like to thank my supervisors, Jim Hagan and Andrew Wells, who spared a great amount of time and energy for my work. Without their full support, this thesis would not have been completed. I also thank Bradley Bowden, Ben Maddison, Glenn Mitchell and Henry Lee for giving me useful advice and helping me improve my English.

The archivists at the N. G. Butlin Archives always gave me professional and friendly support. Administrative Assistants at the Arts Faculty of the Wollongong University, Marie Ferri, June Aspley, Claire Cooney and Rosemary Klein, were always helpful. Norma Vettoretto helped me with her excellent word processing skill.

Special thanks are offered to Warren and Noelene Mahoney. The completion of this thesis owes a great deal to their generosity and encouragement.

Finally, I must thank my parents, who have always been supportive.
Abbreviations

ACTU Australian Council of Trade Unions
AE ASE Australasian Engineer
AEU Amalgamated Engineering Union
ALP Australian Labor Party
ARU Australian Railways Union
ASE Australasian Society of Engineers
AWU Australian Workers' Union
BSA Blacksmiths' Society of Australasia
CAR Commonwealth Arbitration Reports
CC AEU Commonwealth Council
CPA Communist Party of Australia
DC AEU District Committee
ETU Electrical Trades Union of Australia
FIA Federated Ironworkers' Association
GDP Gross Domestic Product
IWAU Ironworkers Assistants' Union
IWW Industrial Workers of the World
MJR AEU Monthly Journal and Report
MR AEU Monthly Report
MTEA Metal Trades Employers' Association
NSW New South Wales
OBU One Big Union
TLC Trades and Labour Council
UAP United Australia Party
WEB Women's Employment Board
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Introduction

This thesis examines industrial relations in the Australian engineering industry between 1920 and 1945, focusing on the legal framework, work practices and union activities. By so doing, it aims to clarify the logic of craft unionism. The theoretical and methodological principles of the research are elucidated in this Introduction.¹ The empirical results follow in subsequent chapters.

For the following analysis, the notion of 'industrial relations' itself needs to be clarified. In common usage, industrial relations implies the legal and institutional aspect of the employer-employee relationship, commonly the main focus of traditional labour historiography. In fact, when labour historians studied working conditions in Australia, they customarily examined provisions of awards issued by the Arbitration Court which prescribed in detail the lawful terms of employment. In practice, however, award provisions did not always reflect actual work practices. What is legally and institutionally determined and what is actually happening at the point of production should be regarded as different levels of industrial relations.

If industrial relations are understood as the whole assemblage of relationships into which the employers and the employed enter in any way, the legal and the shopfloor levels are not the only activity characterised as industrial relations. Among other levels of industrial relations is the political one. The relationship between the employers and the employees in the political arena is complex. Each side is linked principally to a political party to which it lends financial and electoral support. It should be noted that the relationship between a political party and its supporters is not a simple one and demands of a party supporter are not necessarily

¹ Theoretically and methodologically, this research was inspired by the notion of 'history of industrial relations' advocated by labour historians like J. Zeitlin and S. Tolliday. As to the concept of 'history of industrial relations', see J. Zeitlin, 'From Labour History to the History of Industrial Relations', Economic History Review, Second Series, vol. 40, no. 2, 1987.
reflected directly in party policies. Nevertheless, the political battle between conservative and labour parties does reflect fundamental differences between labour and capital.

In short, industrial relations exist at any level where employers and employers face each other, individually or collectively, directly or indirectly; at the workplace, in the labour market, on streets, in parliament and so forth. Industrial relations are thus multi-layered and not confined to one specific form.

Next, it should be noted that industrial relations, at whatever levels, are essentially power-struggles between opposing groups. In a capitalist society, where labour power is bought and used as a commodity by the employers in their pursuit of profits, the interests of the employers and the employed are fundamentally incompatible, even if they may agree on certain issues under certain circumstances.

The conflict between labour and capital has been conceptualised in Marxism as 'class struggle'. Although Marxist orthodoxy has pointed out the structural contradictions inherent in capitalism, the notion of 'class struggle' and some of its implications require re-examination, lest the complexity of real history is neglected for a too general and abstract theory.

First, it should be assumed that, as industrial relations are multi-dimensional, so are class struggles. Understood as the whole assemblage of employer-employee confrontations in any form, class struggle is fought at various levels corresponding to the many levels of industrial relations. Class struggle is thus waged, concurrently and successively, at different places; on the shopfloor, on streets, in court, in parliament and so forth. These struggles resonate with each other. In fact, it was typical of the Australian labour movement that industrial disputes on the shopfloor affected legal battles over awards at the Arbitration Court, and vice versa.

In any event, these struggles as a whole give shape to industrial relations.

Next, it should be emphasised that these struggles are fought in specific economic, political and social contexts which condition their consequences. Factors that constitute the economic context include business cycles, the size and the structure of the product and the labour markets, current technologies and so forth. When the commodity or the labour market is slack, the balance of industrial power generally shifts towards the employers. When the markets are tight, it oscillates the other way. The introduction of new technology changes conventional work practices and, subsequently, affects existing industrial relations. It should be noted that the size and the structure of the product market limits the adoption of new production methods. For instance, if the company is catering for a small and fragmented market, it is not necessarily efficient to introduce expensive and inflexible mass production lines.

The political context which conditions 'class struggle' includes laws, Government policies, the balance of power between political parties and so forth. As to Government policies, it is not only industrial but economic, financial and other social policies that affect the formation of industrial relations. The functions of the State and State institutions, such as the Australian Arbitration Court, for instance, also constitute the political context.

The social context of 'class struggle' comprises factors like customs, norms, values and ideologies that society has developed over the years. They also include elements like cultural attitudes and

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3 The emphasis on the surrounding contexts is one of the major points of Zeitlin et al. See, for instance, J. Zeitlin, 'Shop Floor Bargaining and the State: a Contradictory Relationship' in S. Tolliday and J. Zeitlin (eds), Shop Floor Bargaining and the State: Historical and Comparative Perspectives, (Cambridge University Press, Cambridge, 1985) and 'Introduction: Employers and Industrial Relations between theory and History' in S. Tolliday and J. Zeitlin (eds), The Power to Manage?: Employers and Industrial Relations in Comparative-historical Perspective, (Routledge, London, 1991).

intellectual traditions. The effects of these cultural and social factors should not be underestimated, considering that the behaviour of employers and of employees cannot be entirely reduced to economic motives.

It is these complex economic, political and social contexts in which class struggle is fought, which ultimately 'determines' the shape of industrial relations. Based on this understanding, we have to re-examine some of the presuppositions as to 'class' and 'class struggle' conventionally held by Marxists.

Traditional Marxism has emphasised the structural inequality immanent in a capitalist society. A society based on private ownership, it argues, inevitably becomes class-divided; divided into the dominant capitalist class and the subordinate working class. In such a society, the employers are in exclusive possession of the means of production; whereas workers are forced to sell their sole asset, namely labour power, as a commodity to the employers. Under private ownership, the outcome of production belongs not to the actual producers but to those who buy and own the means of production. This is the basis of exploitation and unjust income distribution. The point to be stressed is that exploitation is inherent in the capitalist system which is based on private ownership. The structural inequity between employers and the employed not only causes inequity in distribution. The unequal relation is also apparent in terms of the contract of employment. In the labour market the employers, as the buyers of labour power, hold the upper hand over its sellers. That the employers hold the right to hire and fire means that this relationship of employment is not one between equal partners. The prime concern of the management is not the welfare of the workers but the maximisation of profits, which is after all the ultimate purpose of production in the capitalist system. From the employers' point of view, the labour force is no different from raw materials and machines; a manageable and disposable commodity.

With regard to this emphasis on the inequity in the economic structure of capitalism and the fundamental incompatibility of interests between the opposing classes, the arguments of
conventional Marxism still holds validity and significance. However, Marxist orthodoxy needs to be questioned when it theorises about the nature, the process and the outcome of class struggle in a determinist fashion. Some of its presuppositions are too generalised and too dogmatic to apprehend the complexity of real history and therefore need to be revised in accordance with empirical studies.

First, the structural inequity in a capitalist society does not lead inevitably to the emergence of solid and militant class consciousness and class action which seek the overthrow of capitalism. Even if the economic structure within which the employers and the employees are placed is the most fundamental determinant of their relationships, the actual consciousness and behaviour of those living under concrete and complicated circumstances are not decided solely by their economic situation. The most fundamental, structural contradiction does not determine in the definitive way the whole resulting phenomena. There are almost innumerable intermediaries between the economic basis and the consciousness and the behaviour of living people, which make the actual turn of events more unpredictable than any theory can define.5

Second, 'class', be it the dominant or the subordinate one, cannot be presumed as a simple monolithic entity. Even among the members of the same class, interests are not necessarily uniform. As to the employers' class, the interests of individual employers vary according to the nature and the conditions of the particular industries to which they belong: primary, secondary or tertiary; export-oriented or domestic; subject to import pressure; protected by the Government and so forth.6 Even within the same industry, factors like the size of their companies, their financial positions and

5 Katznelson, for instance, argues that different levels of 'class' should be distinguished, proposing the following four: the level of the macroeconomic structure, of the lived experience in the workplace and in the resident community, of class dispositions and of class-based collective action. See I. Katznelson and A. R. Zolberg (eds), Working-Class Formation: Nineteenth-century Patterns in Western Europe and the United States, (Princeton University Press, London, 1986), pp. 14-23.

6 See S. Tolliday and J. Zeitlin (eds), op. cit., p. 19.
the individual employers' personal beliefs may prevent them from taking uniform class action.

The same applies to the working class. The interests of the employed also vary from industry to industry, because of the specific circumstances each employee faces. In addition to this horizontal difference, there is also a vertical division of labour which stratifies the employees in accordance with their skills and the responsibility each worker exercises in the production process. In fact, it has often been the case that the antagonism between skilled and non-skilled workers has been too large to organise solid class action. Considering that intra-class struggle is an inevitable concomitant of class struggle, 'class solidarity' cannot be taken for granted.

With the nature of 'class' thus understood, the outcome of class struggle cannot be predicted in advance. Conventional Marxism predicted that the subordinate working class would become the ultimate winner in this class war as history evolved. In reality, however, the consequences of industrial conflicts are circumstantial, each side gaining and losing ground case by case depending on the political, economic and social conditions of the time.

Moreover, while predicting the final triumph of the working class, Marxist orthodoxy holds, seemingly in contradiction to its own analysis, that so long as the capitalist system sustains itself the employers are always placed in an advantageous position in dealing with industrial issues. In the view of Marxist orthodoxy, they keep enhancing control over their employees, thanks to their superior financial and political position together with benefits from technological advancement. According to this view, the employers are omnipotent in suppressing workers. For instance, it argues that the State and State institutions are apparatuses of the ruling class designed to maintain and increase their hegemony over the subordinate class.

However, such presumption is untenable in that it defines the essence of an institution regardless of the economic, political and social contexts in which it actually functions. The same institution
can play different roles, produce different effects and thus serve different interests under different circumstances. It should be borne in mind that the State maintains a certain autonomy from outside influences and pursues its own ends like national security and public order. In pursuing these ends, it may require sacrifice from employers as well as the employed. Therefore, the State may function, under certain circumstances, as a restraint over the employers’ control over employees.

For whatever purposes a State institution is created, it is unlikely that, once it is established, it brings about the exact results intended. The actual effects of an institution move beyond its original objects, due to ever-changing external situations. The danger with the traditional Marxist way of explanation is apparent. That is, it tends to fall into determinism, i.e., to define the essence of an entity regardless of the historical contexts which condition its function.

So far, this discussion has emphasised the contingent nature of class struggle, enumerating various factors that affect its process and consequences, in order to counterbalance the view presented by conventional Marxism. However, these factors are not without mutual connections, and so it is possible to construct an analytical framework, instead of a determinist theory, into which empirical findings are more easily integrated.

Among various levels of industrial relations, the shopfloor holds the principal position, because it is the very site of production where the employers need and use the employees and thus both sides enter into direct confrontation. It should be noted that this workplace relationship is not a simple one of domination of workers by bosses. It is the management that organises the production

7 See S. Tolliday and J. Zeitlin (eds), Shop Floor Bargaining and the State: Historical and Comparative Perspective, op. cit., p. 31
8 Ibid., pp. 2-3 and 33-34.
process, directing and supervising the workers. It means, however, that the management has to depend on the employees for the actual carrying out of production. In this sense, the employed are not passive beings who are entirely deprived of volition. They possess physical and intellectual abilities that make them valuable to their employers; their qualities and skills constitute the basis of their bargaining power. By setting up trade unions, the employees try, collectively, to take the best advantage of their value.

In Australia which inherited the social and cultural traditions of Britain, trade unions developed mainly as craft unions. A craft union is an organisation established as a collective self-defence apparatus by those sharing the same craft. Such skilled workers are called, with a connotation of medieval artisans, 'craftsmen' or, in Australia, 'tradesmen'.

Tradesmen's industrial power is based on the indispensability of their skill in the carrying out of production. Therefore, the dilution of traditional skill constitutes a crucial point in the shopfloor battle between the management and a craft union. It should be remembered in this vein that the advantage for the management of introducing new technologies is not only increased productivity but the replacement of expensive tradesmen. For tradesmen, on the other hand, it is vital to preserve the significance of their skill in order to maintain their industrial strength.

Although all trade unions pursue higher wages and better working conditions, craft unions do not simply press such general demands. They also seek particular demands for the protection of tradesmen's vested interests. For this end, they have developed and elaborated through their history a set of industrial strategies.

In order to maintain the scarcity value of tradesmen, a craft union intervenes into the skilled labour market by maintaining an apprenticeship as the sole source of new workers. While thus restricting the supply of skilled labour force, a craft union also interferes with work practices at the site of production, insisting that skilled operations be performed exclusively by legitimate tradesmen trained by apprenticeships. This claim directly runs
against the management's right of deployment, constituting one of the major causes of industrial disputes. Moreover, tradesmen request, with the pride in their craftsmanship, substantially higher wages and better working conditions than other non-skilled workers. Furthermore, they demand the same wage for all tradesmen even if they are assigned to different tasks. This prevents the craft community from breaking up.

These interventions by craft unions into the labour market and work practices are referred to as craft regulation. Since craft regulation has been conventionally imposed on an industry, any encroachment by the management is received by a craft union as a violation of a tacit consensus and, therefore, can lead to a dispute. In this sense, craft regulation creates a kind of sanctuary for tradesmen, in which the management has to be careful about trespassing.

Returning to the importance of the shopfloor battle over skill, the effect of the introduction of new technologies should again be stressed. This is not simply a technological matter, since hegemony over the shopfloor is often at stake. With regard to the deskilling of the production process, there is also a widely held Marxist presupposition that needs to be re-examined. As best exemplified by Braverman, it is assumed like a natural law that as ever developing mechanisation and job routinisation eliminate workers' skills, the management keeps increasing its control over the workplace.  

Empirical studies, however, have qualified this simple unilinear view on the deskilling process, demonstrating that there are various countervailing tendencies. First, as mentioned earlier, the size and the structure of the product market limit the adaptability of new technologies. The mass production method works efficiently for a company catering for a large demand of the same standardised products. However, within a small scale, fragmented market, it may be more efficient to use the dexterity and versatility of tradesmen.

rather than to introduce expensive and inflexible mass production lines. In addition, tradesmen's resistance is also an unavoidable obstacle that may prevent the management from introducing new labour-saving methods. In any event, the deskilling labour process does not necessarily proceed smoothly; its extent is contingent on the historical contexts and the outcome of industrial conflicts fought within such contexts.

Mechanisation and job specialisation, however thoroughly they are developed, never lead to a complete elimination of skill. Even though the introduction of new machines makes conventional skills obsolete, it requires, and in this sense creates, a new kind of skill on the part of the machine operators. Even if the newly created skill is different from traditional craft-type skill, it nevertheless has value for the management, providing workers with a continuing basis for their industrial power. It cannot be assumed therefore that the adoption of a new production method inevitably operates to the detriment of the employees. In any case, even though the industrial ground of a craft union is undermined to the extent that traditional craft is diluted by technological advancement, this deskilling process is contingent on various factors and takes no simple unilinear course.

Having thus understood the central importance of the workplace as a battle site, it can be understood that union activities in other spheres are supplementing, or at least connected to, shopfloor struggles. For instance, the underlying purpose of the political activities of a union is, as will be demonstrated in the following chapters, to obtain, through legislative and administrative measures, what it cannot achieve through shopfloor battles.

To sum up, class struggle between the management and a craft union is fought, centrally at the workplace, with certain strategies. Class struggle, therefore, should be conceived of as constellations of strategic moves made by both sides. This is not to insist that class struggle is a 'game' played by equal competitors. The structural

inequity immanent in the capitalist system should not be neglected. Moreover, as a long term trend, the deskilling of the production process weakens the very basis of the negotiating power of the employed. Therefore, it is true in general that in this game of industrial struggle, labour is expected to fight hard. This, however, does not mean that the employees have no option but to endure their ever increasing subjugation to their employers. As emphasised above, the course and the outcome of the conflict is circumstantial, according to the prevailing economic, political and social conditions. Workers can take, and in fact have taken, advantage of the situation with effective strategies.

The kernel of the strategies of a craft union resides in the imposition of craft regulation on the industry for the purpose of maintaining tradesmen's prerogatives. Making the best use of their scarcity value, tradesmen contend with the management, if not as an equal competitor, at least as a powerful and respectable opponent: much more so than other non-skilled workers.

Based on this analytical framework, this thesis examines the characteristics of industrial relations in the Australian engineering industry between 1920 and 1945. It consists of nine chapters flanked by an Introduction and Conclusion. These nine chapters are divided into three parts covering successive periods; the 1920s, the 1930s and the Second World War. Within each period, industrial relations in the engineering industry are investigated from three perspectives; that is, the institutional framework, production methods and union activities.

The first chapter of each part studies the institutional framework, dealing in the main with industrial awards issued by the Arbitration Court. Since the Arbitration system became compulsory in Australia, the Court's decisions about working conditions set the legal standard. In examining the standard labour conditions in the engineering industry, the core question is how the Court, under the economic, political and social circumstances of each time, dealt with traditional industrial relations based on the tradesmen-apprentices system. This determines the extent to which the Court eroded, or
protected, craft regulation and vested prerogatives of skilled engineers.

Some points have to be clarified about this research on the Court's decisions. First, State institutions like the Arbitration Court should not be branded as instruments of the ruling class. This is not to say that the Court maintained an entirely disinterested position. On the contrary, it altered its position according to the changes in the economic, political and social circumstances. Its decisions may have favoured the employers at a time and the employed at another. They may have left both sides dissatisfied.

To trace the changing stances of the Court, the first chapter of each part examines Judges' intentions behind award provisions. It aims at clarifying their personal views on industrial relations, together with their concern for economic, political and social circumstances. Although the Commonwealth Arbitration Court was established in 1904, it was not until around the First World War that major unions started to resort to the Federal system. During the period dealt with in this thesis, the Court was not yet fully developed as a bureaucratic system. There was still much room for individual judges to imprint their ideas of appropriate industrial relations onto awards. In any event, it should be stressed that Court's decisions were the correlative of various factors and they did not always favour only one of the contending parties.

Second, although a detailed analysis is made of award provisions and Judges' intentions behind them, it is not assumed that the legal standard mirrored actual work practices. As will be shown in the subsequent chapters, the opposite was the case in many occasions. In this understanding, the purpose of examining awards is rather to demonstrate that the decision of the courtroom was one thing, while the actual employer-employee relationship operating at the site of

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production was another. Insofar as this limitation is borne in mind, however, the study of the legal standard is a valuable and necessary starting point. Especially in Australia, courtroom battles bore special importance for the whole union activities because of the compulsory nature of the Arbitration system. As will be demonstrated, award provisions constituted the focal point of shopfloor contests. In this sense, the study of the legal framework in the first chapter assumes an introductory role to the subsequent investigation.

The second chapter of each part examines the changes in production methods and work practices. As noted above, the industrial power of workers derives from the importance of the roles they played in the production process and a craft union is an apparatus to take maximum advantage of the value of tradesmen. Based on this understanding, this chapter attempts to measure the degree of deskilling that technological developments exerted on the traditional craft.

Traditionally, engineering trades were entrusted to skilled tradesmen trained through an apprenticeship, while unskilled labourers were used only for simple assisting jobs. During the period under consideration, tradesmen in the engineering industry consisted, in the main, of 'fitters' and 'turners'. 'Fitters' were engaged on such manual operations as the making, setting up and repairing of parts and finished articles with the help of tools like files and chisels. 'Turners' were those who operated the lathes, the most important machines in the engineering industry.

Division of labour with mechanisation and job routinisation was continuously developing. In fact, the advent of fitters and turners was itself the result of that process, both deriving from 'millsmiths' in the late 19th century.\textsuperscript{13} However, the period dealt with in this thesis has special historical significance to this deskilling process, because it was during and after the First World War that mass production began to spread worldwide, as best exemplified by

Fordism in the American automobile industry. The introduction of mass production minimised the dependence on the traditional craft, unprecedentedly accelerating the technical division of labour.

Despite this general trend, regional and sectional differences should not be underestimated. Although Australia was not excluded from this global trend, it can hardly be assumed that the introduction of mass production and its economic and industrial consequences followed the same course in Australia as in the United States, considering the differences in economic, political and social situations between both countries.\(^{14}\)

The inter-war years was indeed a period of transition for the Australian economy from an agriculture-based one into a manufacture-oriented one. The engineering industry played a vital role in this transformation.\(^{15}\) However, this development of manufacturing should not be regarded as corresponding to the diffusion of mass production lines. The effect of a technological innovation in a country, or in an industry, was not spread evenly to other countries or industries. Moreover, as elucidated above, mechanisation and job specialisation did not directly lead to the dilution of skill and the replacement of tradesmen. It is through empirical studies that the actual degree of deskilling in each industry of each country is measured.

While measuring the extent to which the traditional craft was dispensed with, the second chapter of each part traces the vicissitudes in the skill of tradesmen; that is, how the content of tradesmen's skill altered according to the changes in production methods. Recently, the notion of skill has attracted a great deal of attention of labour historians, because of its social and cultural

\(^{14}\) See S. Tolliday and J. Zeitlin, 'Shop-Floor Bargaining, Contract Unionism and Job Control: An Anglo-American Comparison' in S. Tolliday and J. Zeitlin (eds), *op. cit.*

implications. Although this research is inspired by such a trend, the historical investigation into skill in this thesis is confined to its technical aspect. The purpose of this thesis is to analyse the industrial struggle between the employers and skilled engineers in its concrete form. It is crucial for this purpose to find out what practical abilities were required of tradesmen in order for the management to run production and to what extent the management succeeded in reducing this technical dependence on tradesmen through technological innovations. In this sense, the second chapter inspects the solidity of the very ground of tradesmen's industrial strength.

Following the analysis of the institutional framework and work practices, the third chapter of each part investigates union activities. The research is focused on the most powerful union in the Australian engineering industry, the Amalgamated Engineering Union (AEU). The AEU was a craft union comprising, in the main, fitters and turners. The Union inherited and enshrined the tradition of craft unionism from its home country. In fact, constitutionally it remained the Australian branch of the British AEU throughout the period under consideration, although it was financially self-sufficient and endowed with enough independence to be regarded as an autonomous body.

The chapter looks into AEU activities in different spheres: at the workplace, on streets, in the court, in the parliament and so forth. By so doing, it tries to detect the logical connections underlying seemingly disparate activities at various levels; that is, to discern the logic of craft unionism.

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Although union activities at various levels are considered as a whole, the study pays special attention to the AEU’s shopfloor activities. As elucidated above, the workplace is the very site where the management needs and uses the workforce and therefore both sides enter into a direct confrontation with each other. In examining shopfloor activities, the investigation lays emphasis on the structure of everyday activities of the Union rather than on occasional outbursts of dissatisfaction like major strikes. For this purpose, it makes a close inquiry, for instance, into the daily duties of union organisers and shop stewards.

While discerning the permeation of the general logic of craft unionism in the performance of the AEU, the investigation also aims at identifying the peculiarity of its function on Australian soil. That is to say, it looks into the relationship between craft unionism and 'labourism'. Labourism is the term to designate the characteristics of the mainstream labour movement in Australia. According to Hagan, the tenets of labourism were:

White Australia, tariff protection, compulsory arbitration, strong unions, and the Labor Party. White Australia kept out Asiatics who threatened the standard of living and the unions’ strength; tariff protection diminished unemployment and kept wages high; compulsory arbitration restrained the greedy and unfair employer; a strong trade union movement made it [possible] to enhance and supplement arbitration’s achievements; and Labor Governments made sure that no one interfered with these excellent arrangements. Labourism held that fair dealing was available and obtainable in a capitalist society.¹⁸

What should be noted is the tone of protectionism and conservatism inherent in labourism, which resonate with similar elements in craft unionism. This complicity between craft unionism and labourism is one of the important themes pursued in the chapter.

Shifting attention to the inside of the labour movement, labourism was a credo espoused by those who opposed communism. Ideologically, labourism is based on social democracy and

strategically, on the recourse to the Arbitration system. On the other hand, the proponents of communism were radical leftists who sought the subversion of capitalism, distrusting the Court and relying instead on direct action. This opposition between labourism and communism had its basis on division within labour, namely the cleavage between skilled and non-skilled workers. From this point of view, the chapter inspect the ambivalent relationship between the AEU and other craft and non-craft unions.

To sum up, the third chapter of each part examines the logic of craft unionism in its Australian form, presenting case studies of the AEU experience. This inquiry into craft unionism bears special importance, considering the period dealt with in this thesis in which mass production was spreading worldwide, making obsolete traditional craft-type skill. It can be assumed against this background that tradesman engineers had to fight increasingly difficult battles in order to maintain their traditional status. However, the real turn of events was much more complicated than any simple theory can provide explanation for. It is only through close empirical studies that their history can be grasped as it was.