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

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Chapter 6

Sweet Surrender: The Rise and Demise of Militancy in Queensland, 1933-1939

‘Let me here point out that Labor ... has never been defeated by its enemies. Defeat always comes from its own ranks.’ William Demaine, Presidential Address, Labor-in-Politics Convention, 1938.

Having secured the defeat of the Moore Government in the 1932 state elections, Forgan-Smith and the ALP in Queensland were now charged with the responsibility of fulfilling the promises made to the Queensland electorate. Getting Queenslanders working again and dragging the economy out of a crippling depression were the
cornerstones of Labors electoral resurrection. For this to occur one of the requirements of the labour movement was to ensure a climate of industrial peace and resist calls for direct industrial action. As ever the Labor Party would look to its foremost political and industrial ally the AWU to enforce the compliance of trade unionists through its reliance upon the arbitration system. For the AWU the immediate goals were to restore the power and prestige of the Arbitration Court which had been emasculated by the Moore administration and to retrieve the many employment conditions which his government had eroded. Finally the AWU officialdom would continue its perennial struggle against those challengers to its ascendancy within the Queensland labour movement. However, with trade unions throughout the state having been ravaged by the Depression, the most strident assaults upon the AWU domination would not come from other trade unions but from within the AWU itself with the assistance of the Communist Party of Australia.

The Labor Party had won thirty-three seats in the new parliament with the Country-Progressive-National Party reduced to only twenty-eight. The conservative pastoralist, Arnold Weinholt was the only Independent returned with the seat of Fassifern out towards the Darling Downs. Despite Moore’s manipulation of the electoral boundaries the Labor Party attained a comfortable working majority. Not only had Labor regained traditional seats such as Port Curtis and Ipswich but it had also made a significant recovery in the metropolitan seats winning twelve of the eighteen Brisbane seats. Included in this sweep of the capital was the defeat of Attorney-General Neil
Macroarty in South Brisbane by the young clerk and committed Catholic, Vincent Clair Gair.¹

The new Cabinet clearly reflected the rural and provincial bias of the Labor Party in Queensland despite its successes in Brisbane. Of the ten-man Ministry six represented Northern electorates; one from the West; two from the South with only E.M. Hanlon (Ithaca) representing a Metropolitan electorate. The new Ministry comprised: Forgan-Smith (Premier, Treasurer and Chief Secretary), Percy Pease (Public Lands), Jack Mullan (Attorney General), 'Ned' Hanlon (Home Secretary), 'Mossy' Hynes (Labour and Industry), Jack Dash (Transport), Jim Stopford (Mines), Frank Cooper (Public Instruction), Frank Bulcock (Agriculture and Stock) and Harry Bruce (Public Works).² It is often noted that of the ten Ministers, nine were members or officials of the AWU. The tenth, Ned Hanlon, is identified as having played a significant role in the Queensland Railway Union during the 1912 General Strike.³ Later in his parliamentary career Hanlon would symbolically join the AWU but even in this early stage of his ministerial career it is difficult to identify him as anything but an AWU sympathiser when it is remembered that his brother, Jack, was the long-time editor of the Worker and a member of the Worker Board of Trustees. Another element of the Cabinet that would gain greater significance in the course of time was the fact that six of the Ministers were Catholic with

² Ibid., p. 125.
the minority Protestants being Forgan-Smith, Cooper, Bulcock and Bruce. This was the first time in Queensland history that the Cabinet contained a Catholic majority.4

Forgan-Smith and his Cabinet soon got down to business. Before the new Parliament had even sat for its first session the Labor Government had used Orders-in-Council to implement a graduated scale of taxation for the employment relief tax as opposed to Moore’s flat scale. The move infuriated high-income earners but was well received by the workers and small businessmen and farmers to whom Labor owed its victory.5 As well, relief work was to be paid at the same rates as the basic wage and single men were no longer compelled to travel from town to town to collect relief coupons. Soon after the Government ensured that these same unemployed workers were guaranteed at least one day’s work per fortnight. The Government also committed 100 000 pounds to a public works scheme with workers being paid at award rates.6

Once the session began the Government wasted no time in bringing forth measures to repeal the Moore Government’s industrial relations legislation. The Industrial Arbitration and Conciliation Act of 1932 varied little from that which had existed prior to the defeat of the McCormack Government. The new Court would have a judge as its President and two other members appointed for seven-year terms. The Court would have a legal status similar to the Supreme Court and could make declarations concerning the basic wage and standard hours. The new legislation also made provision for a 44 hour week and for union preference. Thus in a relatively short period the labour

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4 Interview with F.W. Bulcock, 5 June 1968. Interviewer – Martin Sullivan. (Transcripts in the author’s possession courtesy of the interviewer)
movement in Queensland could see that its political representatives were making a concerted effort to redress industrial injustices imposed upon them by the CPNP as well as attempting to alleviate unemployment.

Ironically, for Clarrie Fallon and the Executive of the AWU the Depression had delivered them the opportunity to assert finally the AWU's undisputed leadership of the Queensland labour movement. As with all trade unions in Australia during the Great Depression, the Queensland AWU suffered a significant loss of membership due to the serious rate of unemployment. In the year of Labor's re-election the AWU membership had slumped to 22,807. However, the AWU had not suffered nearly as much as most trade unions due to Queensland's disproportionate reliance upon primary industries over manufacturing. Those industries in which the AWU had significant coverage such as the pastoral industry, metalliferous mining and particularly the sugar industry had managed some degree of sustainability as prices remained consistent. Thus although the AWU suffered a fifty four per cent decrease in membership between 1927 and 1932 it could still boast nearly twenty thousand members more than the nearest trade unions the Federated Clerks, the AMIEU and the ARU during the same period.

Such a numerical superiority had obvious advantages within the official political and industrial representative of the labour movement, the QCE, wherein union representation at the Labor-in-Politics Convention was determined by numbers within each affiliated union. As such at the 1932 Labor-in-Politics Convention in Brisbane the

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7 Annual Delegates Meeting, 1933.
8 For an examination of Queensland during the Depression see Costar, B.J., 'The Great Depression: Was Queensland Different?', Labour History, no. 24, May, 1974.
AWU had ten delegates and the next highest number of delegates was the AMIEU with two. Thus despite the fact that the AWU had suffered a serious decrease in its membership it could still muster a significant numerical superiority over the other unions in the State. Moreover, with ALP membership declining and branches reduced from the 1925 high of 294 down to 197 in 1932, the AWU and its infrastructure were more necessary than ever in organising the Labor campaign, especially in the more remote areas. The significance of the AWU’s role in helping to secure victory for Labor was lost on few, but none more than Clarrie Fallon who triumphantly acknowledged this fact amongst the faithful at the 1933 Annual Delegates Meeting in his last Presidential Address:

While properly appreciating the splendid work done by other organisations and Laborites generally, it is admitted that the AWU contributed tremendously to Labor’s success ... Not only did the AWU contribute liberally to the election funds, but the organisation was used to its utmost capacity throughout the State ... Throughout the State the AWU had a fleet of cars, a chain of efficiently staffed offices, replete with telephones and all the equipment incidental to efficient organisation ... That the enemy appreciated our potency is indicated by the fact that towards the end of the campaign in the metropolis and certain portions of the coastal belt they concentrated their attack against the AWU, and actually engaged aeroplanes to distribute literature throughout a number of electorates attacking the union and its officials.11

10 Ibid., p. 181.
11 Annual Delegates Meeting, 1933.
Thus, although having suffered like many other trade unions the AWU in Queensland emerged from the worst of the Depression years stronger than when it had entered them. It had survived the assault of the Pastoral Workers' Industrial Union; had provided candidates and invaluable organisational resources in assisting the victorious Labor Party; and had retained sufficient numbers to ensure even greater domination of the QCE and the Labor-in-Politics Convention. Finally, the AWU Executive could look to the new Labor Cabinet with satisfaction as virtually all of them were AWU men whose loyalty to that union and its principles could be guaranteed. It was left only to the Executive to ensure that this power was used as a basis not only for consolidation but also expansion not just in Queensland but possibly at a national level. The members lost to the Depression must be regained and expanded upon. Industrial conditions must be restored by the Arbitration Court and the mechanisms of the industrial and political leadership of the labour movement in Queensland must be vigilantly guarded against the dissenting ideologies of militant trade unionists and the CPA.

As it was to be his last report as Branch Secretary, Jim Riordan allowed himself the indulgence of reminiscence and perhaps a tone of self-congratulation as he addressed the Annual Delegates Meeting in January 1933:

There is no corner of the State, no matter how remotely situated, where workers can be found, that an AWU organiser does not reach during some period of the year, and where large numbers are congregated organisers are stationed permanently. This kind of service is not to be had from any other organisation.\(^\text{12}\)

For Riordan, such a situation was a source of great pride. Riordan had replaced the legendary Bill Dunstan who had guided the new union from the amalgamation in 1913 to 1925 when Ted Theodore offered him a position on the Industrial Court. As Branch President from 1916 to 1925, Riordan had shared Dunstan's goals of expanding the Union's strength, prestige and influence. He had extensive experience in industrial relations having been the Unions advocate since his election as Secretary and had on occasion found himself representing not only AWU members but all Queensland workers in basic wage cases. Thus it seemed with Dunstan's passing in 1930 that it was only natural for Forgan-Smith to offer Riordan a position on the new Arbitration Court. Once again, with an almost regal succession, the AWU had secured itself a role in the supreme industrial relations body in the State. Riordan would ensure this presence remained for the next twenty years.

With its power growing almost daily the AWU was as quick as ever to stifle internal criticism and when a motion to the Annual Delegates Meeting from the Gordonvale Branch of the AWU complained of a restriction of freedom of speech in the Worker, its editor, Jack Hanlon responded unambigously:

In regard to letters sent to "The Worker", every letter that contains anything of benefit or advantage to the AWU or Labor Party is given full publicity. Letters that have nothing constructive in their criticism or comments or which contain

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damaging or libellous statements are promptly consigned to the waste-paper basket. (Hear, Hear)\textsuperscript{14}

For Labor and the AWU to maintain its ascendancy, obedience couched in terms of 'unity' and 'loyalty' were to be the only demands placed upon the rank-and-file.

The Forgan-Smith Government continued to implement its policies for economic revival. The most important thing the Government could do was to get people working again. A key component of Labor’s plans involved an extensive public works programme. To facilitate this policy the Government established the Bureau of Industry which soon developed major public works initiatives in the form of the Storey Bridge and the Somerset Dam\textsuperscript{15}. Such policies were genuinely beneficial to the workers of Queensland but also to the AWU. With legislation once again giving union preference in public employment the AWU could not help but to benefit from a government investing large sums of public money in an industry it largely covered. When construction began on the Storey Bridge in 1935 the Premier, in broad Scottish brogue, told onlookers as he turned the first sod, ‘I’ll have ye knaw, that I hae a union ticket for this class of work’.\textsuperscript{16} And he did! With compulsory unionism a strong Labor principle the politicians were not exempt. If not members already, most symbolically joined the AWU when they entered Parliament if they did not possess a ticket from another union.

\textsuperscript{14} Ibid.
\textsuperscript{16} Carrol, B., ‘William Forgan-Smith: Dictator or Democrat ?’ in Murphy, D.J., \textit{et. al.} (eds), \textit{The Premiers of Queensland}, St. Lucia, 1990, p. 414.
For Fallon his rise as the most powerful man in the Queensland labour movement was all but complete with the elevation of Riordan to the Industrial Court. In 1933 he replaced Riordan as Secretary of the branch and shortly thereafter was elected unopposed to the Vice-Presidency of the QCE in Riordan’s place. Furthermore the power which had gradually been devolved into the hands of the Executive Committee became formalised when the QCE resolved upon the recommendation of the Executive Committee that the QCE should only meet on a quarterly basis. Provision was made for extraordinary meetings to be ‘called by the Executive Committee when considered necessary’. Thus upon the recommendation of the Executive Committee the QCE had allowed itself to be marginalised from the regular decision making process of the labour movements peak body in Queensland and subordinate itself to the very body that made the recommendation. Furthermore, if unusual circumstances arose between the scheduled meetings that needed to be addressed the QCE would be summoned if that same body that virtually stripped it of its power condescended to seek its opinion.

From this point on the oligarchic tendencies of the AWU hierarchy were entrenched within the QCE with virtually all forms of criticism and debate stifled. The minutes reveal that very often the Executive Committee drafted motions for the quarterly meetings that were subsequently adopted at those meetings often without amendment or even much debate. The subordination of the QCE to the Executive Committee meant that this once robust forum that embraced a broad gamut of Labour opinion became little more than a ‘rubber stamp’ for the edicts of the Executive Committee. Such a blatant

17 QCE Minutes, 15 March 1933.
16 Ibid., 6 June 1934.
19 Ibid.
neglect of rank-and-file concerns only provided fertile ground for militants within the labour movement who began referring suspiciously to the 'Inner Executive'.

Typically, this new oligarchy was dominated by the AWU. Of the eight members of the Executive Committee during this period four including the Premier were AWU men. These were: Forgan-Smith, Fallon, Hynes and Lamont. Of the remaining four, the President, Demaine and the Secretary, McDonald had been long-time supporters of the AWU. Only R.J. Carroll and S J Bryan could offer resistance but as conservative Catholics this was unlikely. The Executive Committee was completely at the mercy of the AWU with Fallon (Branch Secretary), Lamont (Branch President) and Hynes (Branch Vice-President) along with the powerful influence of Forgan-Smith. The link between the AWU, the PLP and the Executive Committee and the power asserted by the AWU officials becomes more apparent when it is realised that Hynes was also Minister for Labour and Industry in Forgan-Smith's Cabinet.

At the 1934 Annual Delegates Meeting Fallon was quick to assure members who were becoming cynical of the annual gathering of the AWU hierarchy:

It is sometimes contended that the work done at Delegate Meeting is not of sufficient value to justify the cost of calling delegates together. I wish to direct the attention of those who advance that contention to the fact that practically the whole of the industrial and a very substantial portion of all other Queensland...

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20 *QCE Executive Committee minutes*, 26 November, 1935.  
21 Three of these, the President, Vice-President and Secretary of the QCE were *ex-officio* positions, whilst the remaining five were elected by the QCE.
legislation, which has benefitted the people as a whole, was initiated at Delegates Meetings such as this.\footnote{Annual Delegates Meeting, 1934.}

And so it was that, beneficial or otherwise, the decisions made at the Annual Delegates Meeting were directly conveyed to the Executive Committee to be the source of Labor policy. At the same Delegates Meeting, Forgan-Smith encouraged the AWU in its self-proclaimed role as vanguard and spirit of the labour movement urging:

The Australian Workers' Union has played an important part in Labor organisation, politically and industrially, and I look to the AWU to continue this, and hope that its influence will always be in the direction of a unified Labor Movement speaking with one voice for the people of Australia.\footnote{Ibid.}

For others within the Queensland labour movement the monolithic force of the AWU/PLP clique seemed insurmountable. By the time of the 1935 election it was obvious that Labor had guided Queensland out of the desperate times of the Depression with a stronger economy than any other state in the Commonwealth. Furthermore, unlike the punitive fiscal policies advocated under the Premiers' Plan the Labor Government in Queensland had achieved these goals by dramatically improving the conditions of average workers. Although subversive groups such as the Militant Minority Movement were beginning to make incursions within traditionally militant unions such as the Waterside Workers' Federation, the Miners' and the Meatworkers' even these union officials baulked at openly criticising the ALP leadership. To do so could be to risk the
support of their own rank-and-file which were enjoying the return to relative prosperity. Instead they contented themselves in passing motions at the Brisbane Trades and Labour Council and the annual Trades Union Congress encouraging the improvement of working conditions and the advancement of socially beneficial legislation whilst expressing concern over the increasingly centralised administration of the QCE. However, these bodies did maintain its militant calls for social organisation such as consistent requests to pursue the implementation of the 'Socialist Objective' and reductions in working hours. These aims became manifested through motions at the Labor-in-Politics Convention in 1935, which called for the establishment of a 'socialisation committee' and the pursuit of the 30-hour week. Both motions were convincingly defeated with Forgan-Smith labelling the 30-hour week proposal 'mischievous' and 'impractical'.

As the Party prepared for the 1935 State election Lamont succinctly presented his reasons for Labor's re-election in his Presidential Address:

We have the highest effective basic wage that has ever obtained in any state in the Commonwealth;

We have the shortest working hours;

The lowest cost of living;

The best compensation laws;

More people own their homes;

Murphy, D.J., 'Organization, Structure and Finance', in Murphy, D.J., et. al. (eds), op. cit. 1980, pp. 34-35.

And there are a greater percentage of the people with savings bank accounts.\textsuperscript{26}

For Fallon, concerned by recent trouble in the sugar industry and the proliferation of small disaffected political parties such as 'King O'Malley Labor' and 'Douglas Credit' (or 'Social Credit' in some cases) coupled with the CPA all posing a threat to Labor electoral support, he chose the meeting to revive the favoured AWU ethos of loyalty:

> Your union will play its part, but it behoves every member of the working class to appreciate the fact that, irrespective of whether they call themselves Nationalists or adopt any other label, such as was adopted by a number of political freaks at the last Federal elections, every person who opposes a Labor candidate is the enemy of the Labour Movement and should be treated accordingly.\textsuperscript{27}

What remained unsaid by Lamont and Fallon was the claim that in a very substantial part these achievements are our achievements, these policies are our policies and to vote against them would be to vote against us.

The election on 11 May resulted in the largest majority attained by any Government in Queensland's history with Labor winning an overwhelming forty-seven seats in the sixty-two seat legislature. The CPNP had been reduced from twenty-eight members in the previous Parliament to fifteen\textsuperscript{28}. A significant feature of the rout was the fact that a number of traditionally non-Labor electorates returned Labor candidates in some cases for the first time such as East Toowoomba, Mirani, Sandgate, Toowong.

\textsuperscript{26}Annual Delegates Meeting, 1935.

\textsuperscript{27}Ibid.

Warwick and Wynnum as well as seats such as Logan and Windsor that had consistently returned conservative candidates for many years. Of these seats all but Mirani were in the South-East either in Brisbane or on the Darling Downs. The seat of Mirani, a sugar seat that incorporated the area surrounding the provincial electorate of Mackay, was won by yet another AWU candidate E.J. ‘Ted’ Walsh.

In the country electorates such as Mirani and those on the Downs, the Labor vote could be attributed to the extensive legislation enacted by the Forgan-Smith Ministry that established price control boards, finance and other assistance to primary producers which still dominated Queensland’s economic landscape. For the metropolitan seats the shift to Labor provided a combination of possible reasons such as genuine satisfaction with the Government’s economic strategies, an acknowledgment of Labor’s more conservative policy outlook and a general display of frustration as their traditional political representatives in the CPNP became increasingly ineffectual and faction-ridden. Soon after the election the CPNP felt compelled to publicly proclaim the unity of the Opposition — such a pronouncement generally being a good indication that such was not the case!

For the organisation most likely to present a challenge to the hegemony of the AWU in the Queensland labour movement, ideological differences and intercine power struggles served to stifle its abilities to organise effectively against the authority of the AWU. The CPA was attempting to define its role in a post-Depression era and a world

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increasingly influenced by the ultra-conservative and nationalistic and stridently anti-
Communist ideologies of Fascism. The Comintern, now firmly under the direction of
Joseph Stalin, were shifting from its ‘Third Period’ stance against the class-
collaborationists and ‘social-fascists’ to that of a ‘United’ or ‘Popular Front’. According
to the ‘Third Period’ doctrine political and industrial organisations such as the ALP and
the AWU, which did not actively pursue the overthrow of the capitalist system were
social fascists and even greater enemies of the socialist revolution in that they diverted
the attention of the proletariat. However, with the rapid emergence of Fascism across
Europe in Italy and more menacingly in Hitler’s Germany, the Comintern realised that it
would need all the support it could obtain against an ideology that used anti-communism
as a central theme of its nationalistic and racist rhetoric to galvanise domestic support.31

In Queensland these ideological struggles were waged most obviously by the
popular barrister Fred Paterson and by the Queensland Secretary, the autocratic J.B.
Miles. Paterson had been expelled from the ALP in 1926 and in 1932 had advocated that
the CPA direct its preferences to the ALP. His reasoning was simply that the Moore
Government had to be defeated. Paterson also believed that a continuation of the hostility
to the ALP by the CPA would only serve to alienate rank-and-file Labor voters who may
one day prove susceptible to the propaganda of the CPA. Miles still clung doggedly to the
Third Period line and was scathing in his attacks on Paterson’s ‘right opportunism’. By
1932 Miles had been called to Sydney as the General Secretary of the CPA, which
signalled Miles’ domination of the CPA along with Lance Sharkey into the 1950s.

31 For detailed accounts of the effects of the changing policy of the CPA see Gollan, Revolutionaries and
Reformists. Communism and the Australian Labour Movement, 1920-1955, Canberra, 1975; Davidson, A.,
Party of Australia from origins to illegality, St. Leonards, 1998.
Nevertheless, Miles ensured that Paterson was censured for his appeal for a united front with rank-and-file Labor voters.\(^{32}\)

In 1933 the Queensland Branch of the CPA was divided into two districts: District Three centred on Brisbane and heavily influenced by Miles; and District Nine in the North of the state and under the direction of sugar-worker Jack Henry. Despite the optimism of CPA propaganda the Communists achieved fared poorly in the 1932 elections. The highest vote recorded by any CPA candidate was 359 or 4.2 per cent by Paterson in the Toowoomba electorate\(^{33}\). Whilst Paterson enjoyed personal popularity as the ‘Workers’ Barrister’ few of those same workers were willing to transform his personal qualities into votes for a party that they could not understand and was unable to exercise the political influence on their behalf that the Labor Party could.

Undaunted, Jack Henry and Paterson set about employing new tactics upon Paterson’s move to Townsville in December 1932. Whilst the Federal Executive engaged in large purges of Left and Right ‘deviationists’ throughout this period Paterson and Henry concentrated on local organisation. As a sugar-worker Henry soon took aim at the AWU Executive in Brisbane. The CPA’s main support was provided by the large Italian community that had migrated to North Queensland to work in the cane fields. The Italians proved to be receptive listeners to Henry’s anti-Fascist and anti-AWU invective\(^{34}\). The Italians had begun migrating in large numbers to the North in the 1920s.

By the 1930s the Italians numbered over 8,000 in the sugar districts. Many of these migrants had escaped from Mussolini's Italy and needed no convincing as to the evils of Fascism.

The AWU was also no great friend of the Italians. As before with Asian and Kanaka labour the AWU saw the Italians as a direct threat to the wages and conditions of Australian workers. Although the AWU officialdom consistently argued that its objections to Italian cutters were based on economics and not racism the Worker readily referred to these men as the 'Dago menace' and a 'foreign breed'. In June 1930 the AWU entered into an agreement with the Australian Sugar Producers Association (ASPA) and the Queensland Cane Growers' Council (QCGC) ensuring that seventy-five per cent of all cane cutters were 'British-Australian'. The 'preference agreement' or 'Gentlemen's agreement' as those who devised the agreement preferred was an understandable source of friction between the AWU and its Italian members. With large Italian communities in areas such as Ingham and Tully, Jack Henry and other CPA organisers soon made their presence felt.

The Italians were not the only sugar-workers susceptible to communist agitation against their union. The work performed by these workers was hot, dangerous and tiring. The men worked on a contract basis at piece-rates and time meant money. Although employment in the sugar industry remained relatively steady during the Depression wages slumped. The cane plantations and mills were often in isolated and inhospitable areas where AWU organisers rarely ventured. The sugar workers were ripe for

35 Menghetti, D., op. cit., Townsville, 1981 Ch. 5.
36 Ibid
exploitation and abuses occurred. For AWU organisers the only time they had direct contact with the rank-and-file was on one day of the year when all of the cutters signed on not only for their cutting contracts but also to purchase their AWU ticket. From that point on the only union presence for the rank-and-file was their representative that they elected from amongst themselves. Far removed from the offices of the provincial towns or of the Head Office in Brisbane these local representatives more often than not represented the views of their workmates rather than those of the AWU Executive. In such circumstances workers were more inclined to engage in direct industrial activity and were receptive to the more militant doctrine of dedicated CPA officials such as Jack Henry and the oratorial skills of Fred Paterson.

The issue that served to unite sugar workers was the outbreak of Weil’s Disease in 1934 and 1935. Weil’s Disease was spread by rats urinating on the cane and invading workers bloodstreams through the numerous cuts and abrasions that cutters received when handling the trash. The symptoms of the disease included fever, muscular pain, headaches and depression. In some cases victims became jaundiced and experienced internal haemorrhaging that could prove fatal. The seasons of 1933 and 1934 were unusually wet in the Ingham district thus increasing rat numbers. At the end of the 1933 season forty cases of the disease had been recorded in the district, four being fatal. Within a month of the 1934 season opening in June another thirty-six cases had been diagnosed

\[\text{\textsuperscript{38}}\text{Ibid, or Burrows, G. and Morton, C., The Canecutters, Melbourne, 1986}
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with two proving fatal. The Commonwealth Health Laboratory concluded that the only way to combat the disease was to burn the cane before harvesting to remove the trash and partially sterilize the cane and the ground\textsuperscript{40}.

This solution, however, was not as simple as it first seems. Employers were concerned by the fact that the sugar content of cane is reduced by burning thus lowering the employer’s profits. Stands of cane that were not harvested quickly enough may also be lost, once again to the cost of the producer. The 1934 sugar award made allowances for burning in that the cutters could have twenty per cent less if handling burnt cane. This was insufficient compensation for the Ingham growers and millers who refused to burn the cane. Under the local leadership of MMM activist George ‘Bluey’ Bliss a strike was called. Although short, the strike was characterised by fiery speeches and some violence. Although never endorsing the strike the AWU acted swiftly and applied to the local industrial magistrate for a burning order. The union was successful and the workers agreed to accept a one shilling per ton reduction for handling the burnt cane. The growers represented by the Colonial Sugar Refinery (CSR) appealed the decision in the Industrial Court claiming that the disease was ‘mild’ and that it was contracted through stagnant water and not cane trash. Fallon himself represented the cutters and was able to have the decision upheld with cutters resuming at what was now called the ‘Ingham rate’ (with the assistance of the CSR’s own experts who testified that cane trash was the source)\textsuperscript{41}. At the end of the season the QCGC again applied to have the orders rescinded and were successful. In the same year the Labor Government contributed to the issue by using an

\textsuperscript{40} Ibid., p. 204.
\textsuperscript{41} Ibid., p. 205.
Order-in-Council to have Weil’s Disease covered by the Workers’ Compensation legislation.  

For the AWU Executive the Weil’s Disease issue served as yet another example of arbitration achieving considerably more for the worker than direct action and industrial upheaval. On summarising the AWU’s role in the dispute Fallon told the Delegates Meeting:

The value of actions of this kind should be carefully weighed by members in connection with the efforts of industrial freaks who, claiming to represent some ism or other and actuated by very questionable motives are attempting to injure the AWU, the prestige and influence of which is a result of actual experience on the industrial field gained as a result of 50 years of valuable service to the class to which we all belong. The cessation of work which took place at Ingham and Innisfail does not reflect any credit upon those self-styled leaders of the rank-and-file who brought about the cessation of work, the only result of which was to cause unnecessary loss and hardship to men who depend on seasonal work in the sugar industry for their livelihood.

The Far Northern District Secretary, Campbell, vigorously supported these sentiments:

There was absolutely no justification for a stoppage of work at Mourilyan, as members’ interests were at no time in jeopardy, but on the contrary were fully safe guarded. The Branch Secretary had an application in the Court to meet the

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42 Queensland Industrial Gazette, 19, pp. 468-470.
43 Annual Delegates Meeting, 1935.
position, and this application when granted gave something more favourable than was asked for by those who ceased work.

The strike was ill-considered, and to the impartial observer it would appear that the object was not so much to assist the men engaged in harvesting cane to safeguard their health as to embarrass the union and humiliate the Industrial Court. 44

It would appear that there is a good amount of truth in what these officials had to say. The AWU had achieved, via the Industrial Court, a result in excess of the original demands of the strikers. As well it is not difficult to imagine that Bluey Bliss, whose militancy was well-known 45, did not undertake the leadership of the strike without the full knowledge of Jack Henry and the local CPA hierarchy, with the intent of creating rank-and-file rejection of AWU leadership. Indeed, the overwhelming support of the Forgan-Smith Government in the May elections following the original dispute would indicate widespread support for the Union’s actions with well-known AWU man Percy Pease returned with over fifty per cent of the primary vote in the Herbert electorate.

Fallon had achieved the burning order for the Ingham district only (Victoria and Mackinade mill areas) with other sugar districts obtaining burning orders on the recommendation of Health Inspectors. Furthermore, if the order was given the cutters would be paid at the old twenty per cent reduction rather than the new ‘Ingham rate’ 46. There can be no denying that the cutters were genuinely fearful of the disease and apart from what was already known a good deal of fear was generated by the many rumours

44 Ibid.
45 Bowden, W., op. cit. 1987.
46 Queensland Industrial Gazette, 19, p.291.
that abounded about the spread of the disease, its long-term effects upon cutters and their families. There is also strong evidence to suggest that whilst concerned about the safety of the cutters, the CPA saw the issue as perfectly designed to manufacture unrest amongst the rank-and-file of the cutters.

At the end of July 1935 just prior to the new season beginning, Karl King, AWU representative who also happened to be the local CPA secretary, called a meeting of sugar workers at Mourilyan to discuss tactics for the coming season. The meeting elected an Area Committee and approached the QCGC and the AWU to obtain a burning order. The request was refused. The growers were naturally against burning and for the AWU there had been no Health Inspectors recommendation for burning and there was unlikely to be so until a case of Weil’s Disease had been reported. With no evidence to support the claims of the Area Committee, to advocate burning would equate to a breach of the award in the eyes of AWU officials and such a concept was an anathema. By the end of August 2000 cutters from Mourilyan, Goondi, South Johnstone and Tully were all on strike against the wishes of the AWU.

On 9 August the Workers Weekly declared that, ‘This action has been taken in opposition to the traitorous AWU officials who have openly sided with the courts and employers’. The Worker described the strike as ‘The Communist Party’s Latest Stunt’. Clearly with the establishment of Area Committee’s and what was sometimes referred to as ‘Rank-and-File Committees’ the strike and its leaders were posing a direct threat to the authority of the AWU in the sugar industry. At CSR’s Hambeldon mill on 27

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48 Workers Weekly, 9 August 1935.
49 Worker, 24 August 1935
August the workers carried a ‘no confidence’ motion against the AWU and threatened strike action if the case was not brought before the Industrial Court in five days. At the end of August the AWU used its influence to have the following motion passed by the Queensland Trades and Labour Council:

That this Council declare that such tactics are detrimental to Trade Unionism, and urges the Workers of Queensland to be loyal to their organisations and support Arbitration.

The strike now turned into a battle between the AWU and the CPA for the control of the sugar workers. Neither of the combatants could have chosen a more inappropriate issue which to conduct such a struggle. Knowing that they had neither the numbers or the influence to achieve their goals the CPA leadership insisted upon continuing a strike that only brought hardship to the cutters, their families and to those of the farmers and the towns that depended upon the sugar industry. Indeed, the millers and farmers took little time in attempting to replace strikers with ‘volunteers’. These ‘volunteers’ were AWU members operating with the support of the AWU Executive and the Labor Government which provided police protection for the strike-breakers. Seeing the dispute as a direct threat to its authority, Fallon and the AWU Executive colluded with the Government and the employers to resist the burning orders in order to maintain the decisions of the Court at the potential cost of the lives of its members. The AWU had worked long and hard for its political and industrial ascendancy and was not about to surrender it easily. This fact was later noted by Karl King who accepted that the formation of the Rank-and-File

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50 Workers Weekly, 30 August 1935.
51 Minutes of Queensland Trades and Labour Council, 28 August 1935.
Committee had proved detrimental claiming the committees, ‘made the AWU more bitter against us because they thought we were going to tear a lump out of the AWU’. And indeed they would have if they could have, but in their long history the AWU had learnt to become distrustful of ‘rank-and-file’ organisations and knew how to defeat them.

Whilst the CPA sought to unite all of the sugar workers, the AWU dividing them by having smaller meetings and calling for secret ballots. The strike leaders would invariably boycott the ballots claiming that they were fraudulent, with the leaders often making references to sliding-backs on the ballot boxes. This played into the AWU’s hands as votes favouring a return to work could be presented to the membership and to the Industrial Court. Forgan-Smith supported these actions by making it illegal to refuse to attend these meetings or discourage others from attending. Along with the ‘volunteer’ labour, struggling cutters and mill hands began to return to work after six months of hardship. The CPA was forced to accept the obvious and officially declare the strike over on 8 October.

For the AWU hierarchy the sugar-strike was an unfortunate but necessary struggle in defence of arbitration and against disruptors who openly defied and challenged the authority of the AWU. The provocateurs were clearly identified as the CPA with the Northern District Secretary Beecher Hay reporting:

The dispute was not a strike in the ordinary sense, in that it was not an attempt to improve conditions of employment, but it was very definitely an attempt to give effect to instructions issued to the ‘Key Men’ of the Mischievous Minority from

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54 Ibid.
the Communist Hall, Sydney, with the object of undermining and, if possible, 
destroying the influence of the AWU.

The same outfit attempted to create a disturbance at Ingham, but the Rank and 
File at that centre had had experience of the mischievous antics of the self-styled 
militants during the 1934 with the result that they point-blank refused to have 
anything to do with them.\footnote{Annual Delegates Meeting, 1936.}

With these thoughts in mind, Fallon and his acolytes could do nothing but crush the 
strike, whatever the risks to the cutters. The involvement of the CPA meant that the 
AWU officials in Brisbane viewed the strike as a struggle for control rather than the 
actions of workers genuinely fearful of the conditions under which they worked.

For the Communists the strike served to vindicate their claims of AWU autocracy 
and the Union's willingness to conspire with the dreaded employers. As such Jack Henry 
was able to tell strikers at Tully that they had not been defeated but had only changed 
tactics. The strike gave the CPA the opportunity to work closely with disaffected 
communities of workers and many would not forget the efforts of CPA officials to 
organise soup kitchens and relief committees nor the personal attributes of people such as 
Paterson who donated his legal skills to the strikers. The strike was also notable from the 
way in which the CPA actively sought the involvement of both the Italians and women, 
both groups being largely ignored by the AWU. Thus despite the eventual resignation of 
the workers to the authority of the AWU and the Industrial Court there was still enough 
bitterness towards the Union in some centres with Tully strikers moving:
We repudiate the slanders of the AWU officials that our leaders are disruptors who led us into defeat. We affirm our unbroken confidence in the strike committee. We the sugar workers of the Tully area, declare the AWU officials to be strike breakers, organisers of scabs, and agents of the bosses.

Regardless of this bitterness the Forgan-Smith Government confidently went to the people in 1938. The 1938 Labor-in-Politics Convention had been noticeably free of debate with the traditional motion from the Left invoking the Socialist Objective swiftly dispatched and Forgan-Smith and Hynes deftly avoiding a potentially divisive motion in support of the 40-hour week. Both argued that with no other state in the Commonwealth pursuing this goal that Queensland's workers and prosperity would be placed 'at the mercy' of a hostile Federal Arbitration Court. However, to appease the Convention, the Premier moved an amendment whereby the Convention endorsed the 40-hour week 'in principle' and offered the Federal Labor Party its support if the issue was made the focus of a nation-wide campaign. As well, Hynes moved a motion in support of arbitration which was strongly seconded by the Premier:

I support the motion and ask what is wrong with Convention re-affirming a principle? ... If I remember rightly, the Trade Union Congress has been re-affirming a principle for a period of years. There is nothing wrong with this Convention declaring that it stands for the policy of Arbitration.

There was no dissent. The triumph of the AWU-PLP clique was complete.

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At the election on 2 April 1938 the Government was returned with a handsome majority of 20 winning 44 of the 62 seats in the House, an overwhelming endorsement of the Forgan-Smith Government despite the loss of two seats. The Government was assisted by the turmoil that prevailed within the Opposition. In April 1936 the CPNP was officially dissolved with the Country Party standing alone from the Nationalists. Those Nationalists then formed themselves into the Queensland Branch of the United Australia Party (UAP). These three members under the leadership H.M. Russell formed no more than a ‘rump’ on the cross benches. The only success for the conservatives was the return of East Toowoomba that did little more than correct the aberration of 1935.

The other seat lost by the Government was to the Protestant Labor Party. The Protestant Labor Party was formed in late 1937 in reaction to the alleged Catholic domination of the Labor Party and the Public Service. Brisbane barrister George Webb led the Protestant Labor Party, with much of its support emanating from the capital. The party also used the Catholicism of Italian immigrants to the sugar districts as a thinly-veiled reason to racially vilify the migrants and call for greater restraints on immigration to Queensland. The campaign was dominated by spurious sectarian and racial propaganda not seen in Queensland politics since the conscription referenda. With its narrow anti-Catholic platform the Party had little success although it gained enough support in the Brisbane seat of Kelvin Grove for G.A. Morris to defeat Labor’s incumbent, F.J. Waters. Interestingly enough, Waters had an uneasy relationship with the

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AWU which had censured him for his willingness to become involved in industrial disputes involving AWU members. By 1941 the party had virtually ceased to exist.\(^{59}\)

Despite its optimism and triumphant rhetoric, the CPA fared poorly in the election. Although its support in the North had grown, its biggest success was Fred Paterson who polled about 30 per cent of the vote in Bowen. In Herbert, the electorate which encompassed Tully, Innisfail, Goondi and South Johnstone, the CPA candidate Jim Henderson secured 17 per cent.\(^ {60}\) These were respectable results for the CPA, but much work was required before it could hope to seriously challenge the AWU. In what has been romanticised by some as the 'Red North,' the seven Northern electorates all returned Labor candidates in 1938 and all were AWU candidates! Nevertheless, there was enough votes for the CPA to suggest that the AWU-PLP needed to keep a close eye on the northern electorates and take any chance available to thwart the organising efforts of the CPA both industrially and politically.

The new Ministry was largely unchanged apart from Thos. Foley inheriting Mines from the late Jim Stopford. As usual, the AWU dominated. For Fallon, the post-Depression years had been ones of dominance for himself and his Union. On the eve of the Second World War, the AWU had expanded its coverage and increased its membership to 57,856. This figure was 50,000 more than the nearest trade unions in Queensland—the Federated Clerks, the Clothing and Allied Trades, and the ARU.\(^ {61}\) The

\(^{59}\) Ibid., pp. 441-442.

\(^{60}\) Menghetti, D., 'Appendix A: Percentage of the formal vote polled by Communist candidates in North Queensland at state elections held between 1935 and 1944,' in Menghetti, D., op. cit. 1981, pp. 169-178. Significantly, Paterson's biographer makes no mention of this result.

\(^{61}\) Figures obtained from Queensland Year Book 1939 and various reports of Delegates Meetings in the Worker 1938 and 1939. Beris Penrose makes the point that AWU membership totals were sometimes difficult to assess as some of the reports quoted conflicting figures. The point is well made but the
AWU and its politicians dominated the QCE, the Executive Committee and the Labor-in-Politics Conventions. At the national level the Queensland Branch was also beginning to flex its muscles and by 1936 could send thirteen delegates to the Annual AWU Convention compared with nine from all of the other states combined.

By the end of 1938 following Demaine's death, Clarrie Fallon was President of the QCE, Queensland Secretary of the AWU and Secretary of the Queensland Branch of the ALP. He had begun to assert himself over the ailing General Secretary, Ted Grayndler and was poised to assume a position of prominence in the Federal Labor Party. The AWU in Queensland had positioned itself to exert an enormous influence over the National Executive of the AWU and the State and Federal Labor Parties. In the hostilities that were to come the AWU would need to be closely consulted to ensure that the industrial peace necessary for the war effort was maintained and Fallon would use the situation to benefit his members and their officials. The AWU's ascendancy seemed almost complete and it appeared that the only likely threat to the AWU's authority was the CPA and the militant trade unions it had infiltrated. However, there was no lack of desire on the part of Fallon and his Executive to ruthlessly crush any dissent that may arise.

The significance of these figures within the scope of this work is that the AWU was still significantly larger than any other trade union in Queensland. See Penrose, B., 'Communist Opposition to AWU Leadership in Queensland in the 1930s', in Ferrier, C. and Pelan, R., The Point of Change, St. Lucia, 1998.