Trade Unions and the Depression

A Study of Victoria, 1930-1932

L. J. Louis
The traumatic experience of the depression of the early 1930s has excited the attention of remarkably few historians in Australia. This close study of the Victorian trade union movement is a pioneering investigation which, it is hoped, may encourage scholars to review conditions in other States during the time of economic crisis.

For some readers the work will revive bitter or humiliating memories. Later generations of the affluent society may find here a meaningful commentary on the gulf of suffering that separates them from their elders.

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L. J. Louis

Australian National University Press
Canberra 1968
Foreword

It has become trite to say that the depression of the 1930s was one of the watersheds in Australian history. The notion that the middle-aged and the old are still obsessed with the agonising experience of the depression is often used to explain certain tendencies in the contemporary labour movement. More broadly, in the explanation of the gap between the generations, the depression vies with World War I as being the experience which separates the young from their elders. Such assertions are made with confidence, but so far there has been very little serious study of the impact of the depression on Australian society.

Les Louis has set out to discover how a section of the Australian trade union movement responded to the depression. In answering this question he has given us the most detailed study that has yet been written about any aspect of the depression in Australia. He has restricted himself to the policies and actions of the unions in one State over the short period of three years. However, he is aware, and this is evident from what he says and what he implies, that the Victorian unions were not an island. They were influenced by what happened in the Labor Party in Victoria and in the labour movement throughout Australia. Further afield, what was thought and what was done in Sydney, Canberra, London, and New York, was relevant to the problems faced by the Victorian unions and their responses to them. In sticking closely to his chosen place and time the writer has been able to deal in certainties; to have ranged more widely, at least until he or others have researched the broader field in the same depth, would have meant moving into the area of insufficiently supported generalisation.

The story told here is a record of the failure of the unions to cope with the depression as it affected both the individual worker and the unions as institutions. In this it did not differ in kind from the experience of unions throughout the world: any difference may have been in degree. The unions failed because they were not equipped, either theoretically or practically, to defend their members against the play of economic forces and the decisions taken by employers and governments.
Foreword

This book is an important contribution in itself. It is to be hoped that it is only the first of the many similar studies which are needed if we are to know in depth about the great depression in Australia.

Robin Gobillan

Canberra 1967
Preface

The economic depression which overwhelmed most of the world in the early 1930s was of unprecedented magnitude and intensity. Australia, involved in the cataclysm, was to be wracked by the most profound crisis in its history. With the core of life touched, this ordeal was to have lasting consequences for Australian society. It would be difficult to overestimate the significance of the depression for the Australian labour movement, which proved unable to cope with the formidable challenges it encountered. Workers' interests were not successfully defended by either the trade unions or the Labor governments which were in office in the Commonwealth and three States. Under the impact of the crisis, the effectiveness of the unions as the basic economic organisations of the working class crumbled, and the political labour movement was shattered. On the other hand, the Communist Party was to become a real force in trade union life.

Part of the story of the challenges faced by the unions and how they responded is told in this study of the Victorian trade union movement during the early depression years to mid-1932. Originally this study was a thesis submitted in late 1964 to the University of Melbourne for the degree of Master of Arts. In that form it was heavily documented, to the extent that it included a volume of footnotes. Necessarily, the paraphernalia appropriate to a thesis has had to be dismantled, so that this version retains comparatively few references. The sources originally cited were chiefly newspapers and trade union journals, and to a lesser extent trade union minute books; a reader requiring access to more detailed documentation might consult the thesis now in the Baillieu Library, University of Melbourne.

While it is hoped that this monograph has a relevance extending beyond the Victorian trade union movement, it is, nevertheless, an inquiry of limited scope. It ignores organisations outside the labour movement which could claim the allegiances of many workers. The trade union movement itself was in no sense an isolated entity, especially in view of its links with the Labor Party; and, in fact, much of this study is necessarily concerned with the political labour movement. A further difficulty is that many unions in Victoria, including the most powerful, were state branches of federal organisations, so that the determination of their policy did not lie exclusively in the hands of
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Victorians. The Victorian movement at this time, furthermore, was not matching the dramatic responses of New South Wales. The Labor split, Langism, support for a general strike, communist influence, and the New Guard, had but pale reflections in Victoria. Yet this was itself significant and vital to any explanation of the outcome in Australia.

This inquiry is concerned with the period from late 1929 to mid-1932, years which constitute a definite phase of the depression in Australia, with the latter date marking a turning point. By that time unemployment was at its worst, and the principal measures of readjustment had been implemented. For the labour movement, the nadir of fortune seemed to have been reached. The high hopes bred by electoral victory in 1929 had been shattered: within two and a half years the movement had been split and thrown into confusion, and the unions were in full retreat. It is with this process, as it manifested itself in Victoria, that the following study is concerned. After 1932 the economy began its slow recovery, and the labour movement hesitantly gathered momentum again. But that is another story.
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**Abbreviations**

A.C.T.U.  Australian Council of Trade Unions
A.E.U.  Amalgamated Engineering Union
A.F.U.L.E.  Australian Federated Union of Locomotive Enginemen
A.L.P.  Australian Labor Party
A.M.I.E.U.  Australian Meat Industry Employees' Union
A.P.S.A.  Australian Public Servants' Association
A.R.U.  Australian Railways Union
A.W.U.  Australian Workers' Union
C.I.  Communist International
C.P.  Communist Party
C.P.P.  Country Progressive Party
C.U.C.  Central Unemployment Committee
F.P.L.P.  Federal Parliamentary Labor Party
I.C.W.P.A.  International Class War Prisoners' Aid
I.L.O.  International Labour Organisation
I.W.W.  Industrial Workers of the World
M.M.  Militant Minority Movement
P.I.E.U.A.  Printing Industry Employees' Union of Australia
R.I.L.U.  Red International of Labor Unions
S.I.U.C.  State Instrumentalities Unions' Committee
S.P.L.P.  State Parliamentary Labor Party
T.H.C.  Trades Hall Council (Melbourne)
Tramway Union  Australian Tramway Employees' Association
T.U. movement  Trade union movement
U.W.M.  Unemployed Workers' Movement
V.T.U.  Victorian Teachers' Union
W.W.F.  Waterside Workers’ Federation
1 Trade Unionism in Victoria at the Onset of the Depression

Membership, Organisation, and Resources
The Victorian trade unions entered 1930 blind to the likelihood of crisis and ill-equipped to master the situation which developed. As the organised industrial wing of the labour movement in Victoria, the unions, despite a sharp drop in 1928, possessed impressive numerical strength with a total membership of 240,809 at the end of 1929 (see Appendix I). But these numbers were no real guide to the effectiveness of the Trade Union (T.U.) movement, which was beset by serious weaknesses.

While the unions covering many of the 'key' industries were fairly strong, the degree to which the different sections of workers were organised varied considerably: some unions - for example the Australian Federated Union of Locomotive Enginemen (A.F.U.L.E.) - could claim that almost a hundred per cent of those eligible were within their ranks, while others embraced only a fraction of those engaged in the industry or occupation concerned. Generally speaking, rural workers were not well organised and young workers and women were less likely to be union conscious.1 But women workers were playing an increasingly important role in industry, so that between 1923-4 and 1932-3, while the number of males employed in Victorian factories decreased by 15,679 or 14.6 per cent, the number of females increased by 3,945 or 8.1 per cent. At the same time, many unions complained that juniors were displacing adult workers.

The large-scale immigration of the twenties probably had some effect on the T.U. movement, though it seems unlikely that it had resulted in any serious weakening of the unions. Nevertheless, migration was important in creating antagonism within the working class and in reinforcing the chauvinistic outlook of many unionists; for it was widely believed in the unions that the Nationalist government's immigration policy had been designed partly to enable employers to use foreign workers to break down working conditions. And

1 See Census of the Commonwealth of Australia, 30 June 1933, Vol. II, pp.1667-8, for a complete breakdown of the age groups of wage and salary earners in Victoria. The A.L.P. had made no serious attempt to organise young workers, and until the latter part of 1932 - when the Young Labor Leagues were first organised - there was only the small Young Communist League.
for many this suspicion had grown into certainty when they noted the nationality of many of the 'scabs' during the 1928 waterside strike. The 'foreigner' was to be an easy scapegoat in the crisis ahead.

While the majority of Victorian unionists were members of branches of federal unions, there was a variety of types of unions, ranging from small, independent associations to large interstate organisations. Industrial unionism, except in such partially successful instances as the Australian Railways Union (A.R.U.) and the Printing Industry Employees' Union of Australia (P.I.E.U.A.), had made little progress, and rank-and-file organisations, such as shop and job committees, were practically non-existent. At the end of 1929 there were 151 separate unions in Victoria and the craft unions played a dominant role. Craft unionism encouraged craft prejudice and parochialism, which in turn tended to inhibit closer organisation and the emergence of a coherent working-class ideology.

In practically every industry a number of unions operated; so that men working side by side in the one enterprise for the same employer might be members of any one of a number of different unions, each with its own award prescribing conditions of employment for its members. This was not only uneconomical as it involved wasteful duplication and the overlapping of functions, but was also inimical to solidarity as friction developed between unions. 'Body-snatching' was a fruitful source of conflict, and 'demarcation' disputes were frequent. Further, this fragmentation meant the dispersal of the potential resources of the workers as a class. Where several unions were involved, it was difficult to arrive at a common policy: even on major issues there was often more disagreement than unanimity. This seriously hampered the conduct of disputes and facilitated piecemeal inroads into conditions and wages. In an attempt to overcome some of these organisational disadvantages, unions operating in the same industry were often affiliated with a federation — for example...

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2 There were in Australia 111 federated unions which embraced 83 per cent of the total number of unionists (Commonwealth Bureau of Census and Statistics Labour Report 1929, Canberra, p.120). The headquarters of the A.C.T.U. and the great majority of federal unions were in Melbourne; and many federal officials of a union were also officials of the Victorian branch.

3 E.g., there were about thirty unions with members in the Victorian Railways, and there were about twenty-one separate organisations catering for federal public servants, their membership varying from about 120 to 10,000.
the Building Trades' Federation which embraced twelve unions. But these bodies, loose in structure and with no real power, were largely ineffective and proved no substitute for industrial unionism. As the depression deepened, support increased for the long-standing aim of closer organisation. Thinking in terms of one union for each industry, union congresses - for example the All-Australian Trade Union Congress in February 1930 - declared in favour of transforming the Australian T.U. movement so that it would have an industrial rather than a craft basis. In fact, however, little was achieved in this direction.

Organisational weakness was accentuated by the stratification that existed within the T.U. movement. The unskilled worker, the skilled tradesman, the 'white collar' worker, and the well-paid professional usually did not recognise any immediate common interests. The considerable number of wage and salary earners in the public service also contributed to the lack of homogeneity among employees as a whole. Working under totally different conditions and in a different environment, public servants were not disposed to regard workers in industry as proletarian brothers. Indeed, there appears to have been even some latent hostility between the two sections which was exacerbated by the press and Opposition as they crusaded against government 'extravagance' and depicted the public servant riding on the worker's back. Most of the important white collar organisations, such as the Australian Public Servants' Association (A.P.S.A.), with nearly three thousand Victorian members, and the Victorian Teachers' Union (V.T.U.), with six thousand members from a total of ten thousand State teachers, were not affiliated with the T.H.C. or the A.L.P. But the V.T.U. and the A.P.S.A. were affiliated with the State Instrumentalities Unions' Committee of which A.A. Calwell, the President of the A.P.S.A., was the secretary. And, while their organisations eschewed party politics, some public servants, such as Calwell, J. McKellar (Secretary of the A.P.S.A.) and H.M. Cremean (A.P.S.A. organiser until his election to the Assembly in 1929) were prominent members of the A.L.P.

Sectionalism was also encouraged by the existence of different categories of employers, and the variety of methods and authorities for determining conditions of employment tended to militate further against unity of organisation, outlook, and purpose.
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The Melbourne Trades Hall Council (T.H.C.), as the central delegate body of Victorian unionism, was faced with the responsible task of co-ordinating and giving direction to the activities of the numerous unions in the State. Effective leadership by the Council was made the more imperative by the absence of strong national organisation; for the A.C.T.U. (formed only in 1927) was still in the embryonic stage of development, and the Australian Workers' Union (A.W.U.), with about 110,000 members, continued to see itself as a potential rival, relations between them being at best uneasy and fluctuating. Although delegates were sent to such bodies as the I.L.O. Australian unions generally were not favourably inclined towards international affiliations. Passionate commitment to a White Australia overwhelmed what little interest there was in international working-class solidarity.

The T.U. movement possessed scanty material resources. Arbitration proceedings were a costly financial drain, and very few unions had substantial credit balances or fighting funds, so that finance for extraordinary purposes had to be raised by levies. Some union funds were tied up in labour enterprises, such as the Industrial Printing and Publicity Co. Ltd, the Industrial Insurance Company, and Labor Papers Ltd; but the unions generally were not burdened by such commitments, and the co-operative movement in Victoria exercised little appeal. Members' contributions were usually fairly low, often around 26s a year, though the A.R.U. rate was only 20s while painters paid 44s. The A.C.T.U. Congress in early 1930 pointed to 'inadequate finance' as the movement's 'chief difficulty', and recommended a minimum rate of 36s. But, as in the case of the A.R.U., attempts to raise contributions had to be abandoned with the depression when, indeed, union incomes were to decline disastrously and members clamour for economy. Lacking finance, the unions tended to be restricted in their activities and wary of becoming involved in disputes. Staff had to be kept down to a minimum and many unions were handicapped by an inadequate number of full-time officials.

The organs available to the T.U. movement for propaganda and education were inadequate to the task of combating anti-labour ideas or cultivating a working-class ideology, and the position was aggravated

4 Although it did not carry out the policies of that body, the N.S.W. Labor Council was affiliated with the R.I.L.U. The A.C.T.U. was affiliated with the Pan-Pacific Trade Union Secretariat - a connection vehemently denounced by the Australian Worker (Aust. Worker). The A.C.T.U. Congress in February 1930 resolved to sever the connection, and also to affirm its allegiance to the White Australia policy.
by the customs ban on revolutionary literature. A Victorian Labor daily, mooted for so long, was as far away as ever from publication, and the Labor Call and the couple of other weekly papers, also with small circulations, did not fill the gap. Only a handful of unions published regular journals and of these only a few, like the Australian Worker (weekly) and the Railways Union Gazette (with a monthly circulation of 20,800) were of a size that offered much possibility for the discussion of issues of general importance beyond the day-to-day affairs of the union itself. Not that they were vitally concerned to arouse interest in militant action or ideas; the content and approach of the journals and official Labor papers in no way resembled that of the inflammatory Workers' Weekly. Nor did the journals provide a real forum for rank-and-file opinion. It seemed at times that much of their content was designed to enhance the prestige of officials.

For the rest, the pages were often full of long unexciting reports of arbitration proceedings. No doubt the Victorian Labor College performed a valuable service, but in July 1930 only forty-six unions were affiliated, and its classes were not well attended. Later, the establishment of the radio station 3KZ by the Industrial Printing and Publicity Company provided a further medium for propagating Labor views; but throughout the period public meetings remained of first-rate importance for the communication of ideas.

The Victorian T.U. movement met the depression with its strength gravely impaired. Unemployment was already taking its toll: during 1929 the figures for unemployment in Victoria rose from 8.6 per cent to 13.5 per cent, and by November 18,322 members of unions affiliated with the T.H.C. were without work. The industrial upheavals of the late twenties, and especially the timber workers' dispute in 1929, had taxed its resources and had left the movement in a parlous condition financially. Several strong militant unions which had been the spearhead of the industrial movement were reduced to impotence. The Timber Workers' Union had received a paralysing blow, and the Seamen's Union, beset by internal faction fighting, had

5 The Labor Call (L.Call), a weekly, was the A.L.P. - T.H.C. paper. The Workers' Weekly (W. Weekly), published in Sydney, was the organ of the Communist Party. The Industrial Herald (Indust. Herald), a weekly, was a Labor paper in Geelong with little influence. The Union Voice, a monthly, had a literary and intellectual socialist bias, deriving from the near defunct Victorian Socialist Party.

The leading articles in the Tramway Record (Tram. Record) by Don Cameron (its editor) usually appeared about a month later in the Union Voice. Cameron was, in fact, with R.S. Ross, a key figure in Victorian union journalism. He was writing for the L.Call, too, in 1931, when he also took over from Bob Rose the Victorian Page in the Aust. Worker.
not completely recovered from its defeat several years previously. Following its unsuccessful strike against the Beeby Award in 1928, the once powerful Waterside Workers' Federation (W.W.F.) had by now almost disintegrated, and the remnants often expended much energy in conflict with the 'scabs' who had taken over the jobs of many members of the union. The situation on the waterfront was a running sore for years, and the collapse of union organisation in such an important 'key' industry weakened the whole movement. Furthermore, the series of defeats sustained by workers in the late twenties seems to have led to widespread defeatism within the movement.

Ideology and Policy
The Victorian trade unions - in common with the Australian labour movement generally - were not well-equipped ideologically to deal with the problems thrust on them by the depression. Coherent doctrine of the kind that animated some European movements had always been lacking in Australia. The various streams of thought - ranging from utopianism to revolutionary socialism - which had influenced the early labour movement had never been reduced to a systematic guiding theory. Traditionally, intellectuals had played a minor role in the Australian labour movement; down-to-earth leaders, particularly in the unions, looked askance at theorists, except perhaps to snatch fragments of doctrine from a medley of sources to justify practical policies. Practicality was the keynote of labour thinking, and union policies were for the most part dictated by expediency and opportunism, with the maintenance of high wages as a principal aim. Also remaining basic to their thinking was that nationalism which had been expressed in the 1905 A.L.P. Objective, in the traditional support for White Australia, and in the continuing insistence on the need to encourage and protect Australian industries.

The avowed ultimate objective of the A.L.P. and the T.U. movement was the socialisation of industry (production, distribution, and exchange). But there was no generally accepted body of socialist doctrine, or an agreed interpretation of the movement's Objective. For the union leadership, socialism was a vague distant goal to be achieved through piecemeal reforms and which would be legislated into existence by a Labor government when the electorate had been educated to a sufficient level of enlightenment. The excitement of unionists over the Russian Revolution had subsided, and, long since, official labour leaders had loudly denied that the Russian experience
had any relevance for the local situation. The social order in Australia would be transformed by parliamentary and reformist methods; and in 1927 the A.L.P. had reaffirmed its adherence to gradualism by revising the 1921 'red objective'. For such socialists the process of change involved an extension of the functions of the state; so when Labor at the 1929 State elections promised to extend the activities of the State Insurance Department this was hailed by the Labor Call (14 November 1929) 'as part of the process of steps towards Socialisation'.

In 1929 the Objective commanded little enthusiasm. It was regarded as an electoral embarrassment, appropriate certainly as a slogan on such occasions as May Day, but having little relevance in matters of practical politics. So labour leaders intermittently attacked capitalism and the evils of exploitation, sometimes spoke vaguely of the class struggle, and pointed occasionally to socialism as the ultimate mode of winning social justice and the emancipation of the workers. But these outbursts tended to be expressions of moral indignation rather than statements of a firmly-held, coherent faith. In fact very few unionists were class-conscious, militant socialists, and union perspectives were limited to the possibility of winning reforms and modifying industrial relations within capitalism.

Most unionists regarded industrial peace as highly desirable, and disinclination for direct action was buttressed by defeatism following the strikes of the later twenties and by the severe penal legislation enacted by the Bruce-Page government in its determination to discipline militant unions and deter workers from repudiating Arbitration Court awards. Official union policies reflected a dependence on industrial arbitration and on political action through the A.L.P. A generation of unionists had been reared under the arbitration system and they had been taught to accept arbitration as an essential part of the labour creed. Nevertheless, as the raison d'etre of the unions was to preserve and improve the standard of living of their members, their strong attachment to arbitration did not mean that they were prepared to relinquish the right to repudiate an adverse award or to employ the traditional techniques of industrial warfare when they felt justice was not being done. The T.U. movement's attitude was dramatically illustrated during 1929 when, without experiencing any sense of inconsistency, the movement, simultaneously and with equal energy, attacked the Arbitration Court, supported the timberworkers in their defiance of an 'unjust' award of the Court, reaffirmed its
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support for arbitration, and fought the proposal to abolish the Court. Despite the intense debates of 1929 the movement was not equipped with a theoretical analysis of the fundamentals of industrial arbitration. Its leaders were not concerned to examine closely issues such as whether (or to what extent) state organs were per se impartial or the judges were possessed of legislative as well as judicial functions. Generally it was taken for granted that the Court, 'properly administered', dispensed even-handed justice - which in practice meant concessions to workers. The T.U. movement was extremely hostile to the arbitration system as constituted, maintaining that it had been perverted by the Bruce-Page government and transformed into a coercive instrument to bludgeon workers into acceptance of worsened conditions. But only a small minority to the left of the movement attacked the principle of arbitration itself. To the majority, it seemed not that arbitration itself had been discredited, but that, through the 'class biased' administration and legislation of Bruce and Latham, its purposes had been distorted. This was why the Court - as in the Lukin Award - was cutting wages. Only remove the culprits, secure a Labor government, and the true impartiality of the system would be restored - together with its usefulness to the workers.

Federal trade union organisations, for the most part, had grown up in response to the Federal Arbitration Court, and many unions had been created as part of the arbitration machinery of the state, having registered in order to secure an award; that is they had not been built up on the basis of conscious, active membership and struggle. Many workers joined a union to enjoy the benefits of an award: such members might well be called 'ticket unionists'. During the years of prosperity, little more was required of the unionist than that he pay his dues and then sit back while officials attempted to win concessions before some arbitration tribunal. He regarded his union as a slot machine, for he paid dues at one end and conditions dropped out at the other. Thus the 'ticket unionist' was not accustomed to assert his initiative or to participate actively in the affairs of his union, which often involved protracted legal entanglements and specialised arbitration proceedings. After years of dependence on arbitration tribunals and on his officials for remedying grievances, the 'ticket unionist' adopted a 'leave-it-to-the-officials' attitude. Also, he harboured the illusion that his award, and not the strength of his union, was the secure bulwark against inroads into his working conditions, and he believed that any gains were due to the justice of the tribunal and the superior debating powers of his
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officials. If such unionists became embroiled in an industrial dispute, they were handicapped by inexperience and by their unfamiliarity with tactical problems. By being registered in the Court, a union was assured of its income to the extent that it could prosecute members for arrears of contributions; but while the officials could applaud the advantage of such a procedure, especially during a depression, it is highly unlikely that good unionists could be produced by the threat of legal coercion.

It should also be noted that arbitration and the multiplicity of awards stemming from individual treatment of the various unions helped to preserve the fragmentation already noted. Commitment to arbitration also meant a certain loss of union independence and freedom of action, and, in the event of their refusing to accept an award, unions came into conflict with the State.

Victorian unions by this time retained few traces of I.W.W. influence, though during the depression there was some interest in the One Big Union idea. They looked mainly to politics for the attainment of their objectives, and more than seventy unions, including most of the important ones, were affiliated with the A.L.P., which was regarded as the political wing of the labour movement. Theoretically, the unions could dominate the political machine, for they could muster a majority of the delegates to the State conference of the party (169 of 224 in 1929) and had the numbers to determine the outcome of selection ballots; but in practice the relations between the two wings of the movement were not so simple. With characteristic indifference to theory, the unions made few attempts to analyse the elements of political power or to define their own possible relationship with a Labor government. Their ideological equipment, here, consisted of a few simple articles of faith: the A.L.P. was the political expression of the industrial labour movement; the A.L.P. laid down the policies to be implemented by Labor governments; Labor governments could legislate for the regulation of industrial relations.

Such was their faith in the efficacy of legislation that unionists implicitly accepted a view of governmental power that almost elevated it to the realm of omnipotence, and they assumed that a Labor government could, and would, ensure a high standard of living. They took it for granted that a Labor government could administer the capitalist

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A scheme to amalgamate the industrial and political wings of the labour movement was being discussed by representatives of the T.H.C. and A.L.P. Negotiations continued in early 1930, but no agreement could be reached.
state in the interests of the workers, and they did not concern themselves with the possibility that the interests of labour might not coincide with 'national interests', or that Labor governments might regard the latter as their prime responsibility. Although they felt that achievements of Labor governments in the past had fallen short of their expectations, the unions did not analyse seriously Labor's previous shortcomings in order to prevent their recurrence. If explanations were offered, they tended to be in such simple terms as personal failings or apostasy.

Workers for their part had not given undivided support to Labor, as the long reign of the Bruce-Page government made clear. Nevertheless at the end of 1929 the A.L.P. faced little competition for the formal allegiance of the trade unions. On the left the young Communist Party of Australia had only a few hundred members and was handicapped by a divided leadership. Having very few members in the unions, it was a propaganda sect rather than an active 'vanguard'. And the political insignificance of the Communist Party was not as marked as that of the Socialist Party of Australia, which was kept alive by the energy of a few enthusiasts such as W. Clarke (Seamen's Union), and J. Coull. The demise of the Victorian Socialist Party was close at hand and was being staved off temporarily by a few stalwarts such as Don Cameron and R.S. Ross who were also prominent in the A.L.P.

Leadership
It was a significant feature of the Victorian T.U. movement that the numerically strong unions were rarely an aggressive driving force in the counsels of labour, and that at the same time the majority of the most influential officials represented unions of lesser industrial importance. The effective leadership of the Victorian T.U. movement was in the hands of a relatively small group of what might be designated 'professional trade union officials', and though they came under fire as the depression deepened, these moderate and right-wing leaders managed to retain control. As their critics discovered, they were well entrenched. There was a core of 'old hands' who had helped build the labour movement and secure conditions and awards. Some officials had been instrumental in founding their union and many

\footnote{Communists were debarred from membership of the A.L.P. and the A.W.U. The C.P. did not run candidates in a State election in Victoria until November 1929, when it could afford the deposit of only one candidate who secured 1,869 votes.}
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could claim a lengthy tenure of office (see Appendix II).

The officials of the unions and delegates to the T.H.C. and the
various labour conferences were, with few exceptions, reformists to
whom revolutionary ideas were repugnant. This union leadership
believed that the struggle between capital and labour was to be fought
in Parliament, in the wages board room, or before an Arbitration
Court judge. They looked to political action and Labor governments,
rather than to mass working-class struggles or industrial action, for
the advancement of their members' interests. As W.J. Duggan (a
top union leader and President of the Victorian A.L.P.) declared in
his address to the 1929 Conference of the A.L.P., 'The economic
power of the worker on the industrial field is nebulous compared with
his economic power at the ballot box'. A number of the most promin­
ent union leaders had received their earlier training in the Victorian
Socialist Party and were professed socialists and unswerving
advocates of the ballot box.

The great majority of officials were active A.L.P. supporters
and some had helped to build the political labour movement. Many
were on the executive of their local A.L.P. branch, and in 1929 more
than half of the Victorian Central Executive were union officials, some
of whom were also federal delegates. Few union officials had not on
some occasion contested a preselection ballot, and some of these
aspiring Labor politicians graduated to Parliament or were success­
ful in municipal elections. There was therefore a significant degree
of interlocking between the trade union and A.L.P. leadership
(see Appendix II).

Many Victorian officials had commended the proposal in 1929 for
an Industrial Peace Conference on the Mond-Turner model. In
dealing with industrial problems, union officials favoured the tactics
of negotiation and compromise, and they were supporters of arbitra­
tion and conciliation. Indeed, the arbitration policy of the unions
 tended to create a caste of officials who did not function as agitators
and organisers but as Arbitration Court lawyers. If a strike did
occur, the union leadership usually assumed the role of mediator and
was concerned to work for terms of settlement in order to restore
industrial peace.

8 Scullin, on becoming Prime Minister, revived the proposal; but, though some leading
officials approved, the scheme was abandoned, as the Trades Hall Councils in most of
the States refused to participate.
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The labour movement traditionally paid little attention to the recruitment and training of leaders; and, in any case, the easy years of prosperity offered opportunities for the entry of careerists into leading union positions. Nevertheless, it seems that most union officials, though alert for opportunities for personal advancement, were efficient administrators who ran the office, negotiated with employers, acted as Arbitration Court advocates, and had at their finger-tips the details of awards, industrial legislation, arbitration procedures and so on. Being absorbed in technical and administrative questions, these leaders did little to mobilise the potential strength of the workers or develop the initiative of the rank and file, and they rarely found the time or the incentive to inquire into profounder problems beyond their specialised daily tasks. Their policies and their conception of leadership seemed adequate and appropriate enough during the prosperous years, but were not to prove so satisfactory during a period of depression.

On the Eve
During the boom years when Australian workers enjoyed a relatively high standard of living, there had been a withering of the roots of the anti-capitalist sentiment that had previously animated large sections of the labour movement, and in 1929 unions generally did not regard capitalism as necessarily a barrier to the advancement of their interests. The stability and expansion of the economy had fostered a widespread expectation that, to the advantage of both worker and employer, the system would, with a little tinkering, go on gradually improving; and in some quarters of trade unionism it was believed that 'Fordism' had rendered the socialist ideal obsolete. The unions had done little to equip their members with a critical understanding of capitalism or Labor's Objective, and the younger generation was to some extent unfamiliar with trade union traditions and ideals.

Since 1928 there had been a series of inroads into the wages and working conditions of sections of the workers, and the waterside workers, timber workers, and coal miners had offered fierce resistance to such reductions. Believing that the timber workers were fighting a battle on behalf of all workers, the labour movement had rallied to their support with finance and encouragement. Thus the

9 Until recently the Railways Union Gazette had been unusual for its persistent and militant propaganda for socialism, and had stood out in 1927 in objecting to the revision of the 1921 A.L.P. Objective (R.U. Gazette, 31 August 1927).
end of the decade saw large-scale industrial conflicts which were accompanied by extraordinary bitterness and violence, and intensified by the use of the coercive powers of the state against unions and their leaders. Unions regarded the timber and coal disputes as evidence of a general attack by employers on the workers' standard of living. But they did not attribute this drive to any basic economic cause; rather, they sought an explanation in terms of avaricious employers taking advantage of an anti-working class government and a biased Arbitration Court. The situation, they believed, urgently demanded the election of a Labor government.

Towards the end of 1929, there were unmistakable signs that all was far from well with the Australian economy and, with unemployment becoming increasingly serious, Victorian trade unions were beginning to feel the pinch. Along with the rest of the community, however, they were unaware of the impending crisis. In addition, the unions were, in a sense, caught on the wrong foot, for the campaign against the Maritime Industries Bill as well as the federal and Victorian parliamentary elections all served powerfully to reinforce both their misconceptions about the Arbitration Court and the Labor Party, and their faith in the efficacy of legislation to ensure prosperity.

Industrial and political labour together with the white collar organisations had been practically unanimous in their opposition to the Bruce-Page government's proposal that the federal authority should vacate the field of arbitration except for the maritime industries, and that the States should assume full responsibility. Only the small minority which opposed the whole policy of arbitration did not see the Bill as a calamity. From the end of May until polling day on 12 October 1929, union leaders reiterated almost daily the claim that the government's proposal was designed to smash wages and conditions, and the equation

retention of the Arbitration Court = preservation of the standard of living

was tirelessly repeated and instilled into unionists. The Victorian T.U. movement participated fully in the remarkable campaign mounted by Labor against the Bill, and with similar enthusiasm and energy the movement worked to secure the election of a Labor government.10

10 Victorian unions donated a total of £4,339 9s 11d to Labor Party election funds. About sixteen unions donated £100 or more and among the large contributors were the Boot Trades Union (£450), Postal Workers (£554), P.I.E.U.A. (£250), A.F.U.L.E. (£269), A.R.U. (£250) (L. Call, 1 May 1930). Cf. the much smaller amount donated in 1928 (ibid., 3 January 1929).
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From mid-1929 the Prime Minister and other Government members had warned that Australia was confronted with grave and urgent economic problems; but the Labor Opposition had rejected their estimate of the situation. Ironically, the future Federal Treasurer (E.G. Theodore) claimed that Bruce's picture of the economy was to a large extent imaginative. Throughout the federal election campaign Labor spokesmen revealed no real appreciation of the economic danger signals or any awareness of the difficulties associated with a dependent economy; and they did not direct the attention of unionists towards such problems as the failure of the London money market. Financial difficulties and unemployment, workers were told, were due to the mismanagement and reckless extravagance of the Bruce-Page government - an indictment pressed, too, by the Age. A Labor government would scotch the 'plot' to slash their standard of living and would set the country on the road to progress and prosperity by 'a return to sane finance'. It would provide employment by expanding public works, halt the flood of imports and encourage local industry by raising the tariff, open the way for peace in industry by amending the Arbitration Act, and it would withdraw the proposed amusement tax. Trade union propaganda advocating the return of a Labor government read like the advertisements for quack patent medicines:

Before (Bruce-Page Government) - slump;
After (Labor Government) - prosperity.

Thus at this crucial moment, when the country was entering the depression, Victorian unionists had drummed into them the simple formula that a Labor government meant retention of the Arbitration Court and preservation of the standard of living. Such was the intensity of the issues, that many of the non-political white collar and public service organisations took the extraordinary step of appealing to their members to 'vote for the retention of arbitration', that is for Labor. The Communist Party, too, advocated the return of a Labor government which it believed would afford workers 'a short breathing space' in their resistance to employers' attacks.

Labor's overwhelming victory exceeded the expectations of even the most optimistic. In Victoria, the eight retiring members were returned and five additional seats were captured by Labor candidates, amongst whom were the prominent union leaders R.V. Keane (General

11 For other Labor promises and proposals, see the speeches of Scullin and Theodore (Age, 20, 24, and 28 September 1929; Aust. Worker, 25 September 1929).
Trade Unionism in Victoria

Secretary of the A.R.U.) and A. Lewis (Secretary of the Carters' and Drivers' Union). Great jubilation swept through the T.U. movement, and it was heightened still further by the final result in Flinders. Here, the defeat of the Prime Minister by E.J. Holloway (who as secretary of the T.H.C. had been fined for his part in the timber workers' dispute) seemed to the movement to be the perfect consummation of Labor's electoral victory and its triumph over reaction and the attempt to lower living standards. Scullin (the Prime Minister elect) reassured cheering T.H.C. delegates about the future, and there were 'remarkable scenes of enthusiasm' at Spencer Street Station as a large crowd gave him a rousing send-off on his way to Canberra where, according to the Labor Call (24 October 1929), Victorian Labor members were 'to make employment - and history'.

The Victorian State election campaign followed in November 1929. Again, the Nationalists were held responsible for straitened circumstances, and Labor propagandists and candidates sought to make as much political capital as possible out of unemployment and the acute financial embarrassment of the McPherson government. A Labor government, they promised, would 'restore the State finances to a sound basis', encourage Australian industries, and initiate developmental works, and by such steps lead Victoria back towards progress and prosperity. It would deal with unemployment, and would promote the interests of workers, primary producers, and other sections of the community.

Labor spokesmen, however, in throwing the onus for the State's difficulties on to the 'incompetent and extravagant' McPherson government, glossed over the fact that loan funds to the States had been severely reduced. Moreover, they did not re-examine the situation or hesitate to repeat the party's undertakings to workers and the unemployed after 11 November, when the Loan Council (with Theodore, the new Federal Treasurer, as chairman) unanimously agreed that, because of the difficult monetary conditions prevailing, it would be 'quite impracticable' to raise loan moneys to permit any increase in the loan programs of the various governments.

The Hogan minority Labor government which had lost office a year previously had been a grave disappointment to many in the movement, and it had incurred union displeasure, mounting in some cases to hostility. The Ministry's stand during the 1928 waterside workers' strike and then the police protection afforded the strike breakers in the turbulent aftermath had provoked intense resentment which had
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blazed into fury when police fired on demonstrating stevedores; four were wounded, one of whom later died. Meanwhile its railways policy, especially regarding retrenchment, had brought the government into sharp conflict with the A.R.U., which fiercely denounced it as 'anti-Working Class'. At the selection ballots in April 1929 the A.R.U. sought the defeat of those members 'who serve Capitalism in the name of Labor'. A few days later, however, the annual conference of the union decided 'that the incident should be closed' and that members should work for the return of a Labor government. Thus in November 1929, A.R.U. officials joined with the trade union leadership to present the election of a Labor government as being vital to the interests of workers and particularly of the unemployed.

R.S. Ross (in the Australian Worker, 13 November 1929) insisted, 'Those who want the depression banished must put State Labor in so that it shall co-operate with Federal Labor and set prosperity flooding the land like rays from the sun.' With Labor governing in both spheres, other propagandists urged, 'The outcome must be splendid achievements for the welfare of the workers.' They did not mention either the explosive waterfront situation or the dissatisfaction which the previous Hogan government had aroused, and indeed Labor candidates extolled at length the record of that government. Dissent was confined to the small handful of communist speakers whose revolutionary polemics caused little stir. It would appear, however, that the support for Labor within the T.U. movement was not as vigorous and enthusiastic as it had been at the federal elections, and public service organisations had returned to their accustomed stance. But it might be noted that fourteen sitting Labor members were returned unopposed, and the campaign had been shaped by the need to capture country seats. Certainly there was a swing to Labor, but the party's strength was only increased from twenty-eight to thirty in the House of sixty-five. Thus the balance of power was again held by the two Liberals and the four members of the Country Progressive Party (C.P.P.).

During the federal and Victorian election campaigns, while unionists were encouraged to regard it as their party, the Labor Party was presented to electors generally as the people's party and not an interest party. Seeking maximum electoral support, Labor put forward policies which were designed to appeal to the widest possible variety of groups and interests. Labor's program offered no

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12 See R.U. Gazette, March, April 1928, March, May 1929, for comments.
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tangible threat to the private enterprise system, and, though there was some declamation about the intentions of rapacious capitalists, Labor candidates in public dropped the word 'socialism' from their vocabulary. Pressed at a meeting, E.G. Theodore said that he believed in socialisation, but it was too remote to look forward to at the expense of the people's immediate needs. The Age had thrown its weight behind Labor in the federal elections, and, as the Australasian Manufacturer remarked (26 October 1929), Scullin's speeches were intensely patriotic and devoid of bitterness: 'They contained no references to class warfare; they were national in their outlook and atmosphere'. Opponents had not raked up Scullin's resolution of the previous May Day, and the General Secretary of the A.W.U. was grateful that 'the old Socialistic tiger was allowed to sleep peacefully throughout the campaign'.

Unionists had not been warned that the Senate might prove to be a serious obstacle to a Labor government, and they were only informed later of the constitutional limitations which were to hamper the Scullin government. In Victoria, despite its notoriously anti-Labor record, the likelihood that the Legislative Council would frustrate the policy of a Labor government received scant acknowledgment. Candidates did not qualify their promises to give effect to Labor's proposals, including those such as unemployment insurance which the Council had previously rejected. The general attitude seems to have been that if Labor secured a majority in the Assembly, then the Council 'can be brought to heel'.

After the elections, the McPherson Ministry decided to carry on and prepared to meet Parliament. The Age thundered against its 'audacity' and Hogan against its 'unparalleled effrontery', both insisting that this 'defeated and discredited' ministry had to go. The Labor Call conceded that there were weighty arguments against a minority Labor government, and it sounded a prophetic note: 'Particularly in the case of Labor does government by consent of a non-Labor faction operate detrimentally to morale and principle.' Nevertheless, it demanded, 'Labor must govern.'

The propriety of a minority Labor government does not seem to have been seriously debated within the T.U. movement. The matter had received attention earlier in the year, however, at the Easter

13 L. Call, 5, 12 December 1929. Maintaining that 'the "No Money" cry is all criminal nonsense', it argued, 'there is money', but 'only a Labor Government can get it for the unemployed'.

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Trade Unions and the Depression

A.L.P. Conference. As a consequence of the 'great dissatisfaction' which the Hogan government had aroused, Conference was urged to declare that Labor should not form a government unless it had a majority in the Assembly. The motion, however, had not been accepted.

When Parliament opened on 11 December, Hogan lost no time in moving a no-confidence motion. As the C.P.P. and the two Liberals voted with Labor, the McPherson Ministry was defeated (36-28) and the Premier immediately resigned. The next day the second Hogan minority government took office. The new ministry was almost identical with the one which had been defeated just over a year previously when the C.P.P. had withdrawn its support. The Labor Call (19 December 1929) strongly supported Labor's action in taking office; and, though it now cautioned Labor supporters that they 'have not the right to expect more than the Government can do', it, together with the Australian Worker, expressed high hopes of the possible achievements of this government. It was the Argus (13 December 1929) and not a union journal which insisted that 'there is in office a Labour Ministry which cannot give effect to a Labour programme'.

Events demonstrated almost immediately that the Ministry possessed only limited power. Increased revenue was necessary if the government was to meet its obligations; so on 18 December, Hogan brought down a hurriedly prepared budget which provided for increased taxation. The Legislative Council refused to accept the tax proposals and a deadlock between the Houses ensued. Finally the Ministry gave way and agreed to lower rates of taxation.
The Coming of the Depression: Problems of Theory and Policy

'Thus is the winter of our discontent made glorious summer', was a typical reaction by a union official to the federal election triumph. But while the T.U. movement was still jubilantly welcoming Labor's victory, Australia was passing over the threshold of the depression. In the following months, high expectations and confidence in the Labor governments received rude shocks, as the conditions of the twenties, which had provided a basis for reformism and the winning of concessions, collapsed under the feet of the labour movement.

The price of Australian exports fell steeply, while overseas long-term loans had become a thing of the past. The national income contracted alarmingly and governments were increasingly embarrassed by mounting budgetary deficits and serious disequilibrium in the balance of overseas payments. As 1930 progressed, the economy deteriorated rapidly while unemployment soared, and as the wheels of industry slowed down and the threat of financial crisis loomed more menacingly, powerful pressures for economic readjustment came into play. The Victorian T.U. movement, buffeted and perplexed, retreated, its ranks thinned and in increasing disarray. Ideological confusion was widespread, inroads began to be made into wages and working conditions, and the worst fears of more and more workers were realised as they joined the dole queues.

The Unions and the Depression
Trade unions generally, early in 1930, did not realise that Australia was soon to be engulfed in catastrophe. At first there was little concern to analyse the situation and, indeed, some union journals throughout the whole year offered few general comments and made noendeavour to educate their members regarding economic developments. A liquor referendum was the focus of considerable attention, and more energy was expended in promoting rival views on prohibition than in deep consideration of economic problems. For some time there was a general inclination to regard the country's difficulties as merely temporary, and some spokesmen condemned 'panic talk' of depression as detrimental to workers. The Australian Worker and

1 Printing Trades Journal, November 1929. See also Aust. Worker, 16, 23 October 1929.
the *Industrial Herald* warned against 'calamity howlers', who would stampede workers into accepting reduced wages, and the *Railways Union Gazette* (March, April 1930) advised railwaymen to repudiate 'depression talk', for any panic would lead to hoarding and consequent decreased circulation of money, with unemployment following as a result.

Most union officials held that there was an intimate connection between tariff policy and the standard of living, and they were ardent advocates of high protection. So unions expectantly awaited the most beneficial results which were to follow the Scullin tariff;\(^2\) they confidently predicted that, given a little time, the Labor governments would clear up the 'mess' they had inherited and prosperity would be restored. If they had doubts that this was but wishful thinking, they could have been reassured by the optimistic statements of the Scullin government, for, as the Prime Minister asserted in February, the outlook was 'filled with promise, and a return to normal conditions may be expected at no distant date'.

As the year progressed and prosperity was not restored, some of the optimism vanished, but there was still no realisation that the nation was entering a prolonged and unprecedented crisis, and unions usually did not diagnose the trouble as anything much more serious than a temporary recession which unscrupulous employers were turning to their own advantage. That they did not anticipate where the trend of events was leading is undoubtedly of great importance for any explanation of the unions' behaviour. Had they sensed what the future had in store, they may have been constrained to formulate, and throw their weight behind, effective long-range plans, rather than to have drifted, Micawber-like, from week to week. As it was, workers were made more susceptible to the influence of those propagandists who preached that prosperity was just around the corner and thus were probably more open to persuasion that some temporary sacrifice on their part would contribute to Australia's rehabilitation.

As the unemployment problem became urgent and standards of living were increasingly threatened, the unions were led to reflect more seriously on general economic issues. But their past indiffer-

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2 The sharp decline in imports meant further unemployment in certain industries, and maritime unions expressed anxiety about the tariff (*Aust. Worker*, 30 April 1930). On 22 April, two deputations interviewed Scullin: the Iron Trades Council to urge a prohibitive tariff to create more employment, and maritime unions to complain that the existing tariff was causing unemployment (*Argus*, 23 April 1930).
The Coming of the Depression

ence to theory and neglect of the ideological education of their members, together with the absence of any accepted body of economic doctrine, had serious consequences for their understanding of the depression. A medley of theories, solutions, nostrums and panaceas were advocated in increasing profusion.

There were some propositions, however, that received fairly general assent and, at the risk of importing into the unions' thinking a coherence that was lacking, it is important to attempt a general exposition of the stance they tended to adopt towards the problems that assailed them. Union propagandists reacted sharply against the heavy pressure on all sides for deflationary policies. Whatever other differences they had, they all felt that deflation must make the depression worse and lead the country to ruin. Recovery could not be achieved and must not be attempted - as they said was being done - by sacrificing the workers' standards of living. Lower wages and longer hours, in their view, must inevitably result in more unemployment and worsening of the depression. From this fundamental position they moved forward to arguments based on a belief that in fact increased wages and a shorter working week were keys to recovery.

Usually, the starting point of any analysis was the 'paradox' of want in the midst of plenty, and descriptions were provided of the irrational and tragic features of a world in which unemployment and starvation existed side by side with wealth and storehouses overflowing with commodities. This anomalous state of affairs, unions held, was due to the disparity between production and consumption, and, maintaining that the productive capacity of the country was never greater, they reasoned that the cause of dislocation must be in the sphere of consumption. Australia was suffering from depression not because the people did not produce sufficient wealth, but because their purchasing power was too limited and they could not buy the commodities produced. Thus unions arrived at their basic argument that there was a disproportion between production and purchasing power, and that to revive industry it was necessary to restore equilibrium by making good the deficiency of purchasing power.

During these years, union discussions of remedial measures usually centred around purchasing power, though there were some differences as to how the desired increase was to be achieved. Some propagandists, especially those influenced by Social Credit theories, contended that in order to correct the deficiency of purchasing power and thus bring consumption into line with production, a sufficient
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supply of currency would have to be made available. With scant regard for the niceties of terminology, however, most union spokesmen referred vaguely to 'the shortage of money', or occasionally even more vaguely to the shortage of 'meal tickets', and their major line of reasoning was developed from the observation that the pay they received enabled the workers to purchase only a portion of the commodities produced. Thus for most propagandists, increased purchasing power meant higher wages and an income for those at present unemployed. They argued that an increase in purchasing power would stimulate demand and this would lead to a revival of industry and more employment. In direct contradiction to deflationary theorists, union spokesmen were convinced that prosperity and high wages went hand in hand; but they rarely endeavoured to explore very far the ramifications of the purchasing power argument. When they sought to clinch their point, ardent proponents of the argument, such as the Australian Worker (e.g. 16 July 1930), made such assertions as, 'Economic conditions do not precede wages; they are the result of wages'.

Associated with these ideas about purchasing power there were usually strong opinions on monetary and banking reform. Observing masses of unemployed capital and labour on the one hand and idle factories on the other, unions concluded that the sluggish wheels of industry required lubricating with credit; so 'release of credits' was for the unions a principal means to recovery which they urged on every possible occasion. That the wheels lacked this lubricant was no accident: the crisis had been precipitated by the calculated action of financial institutions in suddenly restricting credit. The belief was widespread that the depression was 'artificial', the result of a 'conspiracy' of the Money Power to smash the Australian standard of living. The Money Lords, it was claimed, had a 'stranglehold' on industry, for money 'is issued in accordance with the demands of financial capitalists', and 'when the supply of money is restricted or held up, industry and the workers are also held up'. So unions urged the federal government to break this 'stranglehold' and issue a volume of credit that would be sufficient to enable industry to get on its feet again and also finance public works to absorb the unemployed. In bitter assaults on Money Power, union spokesmen argued that it was a glaring injustice that the control of monetary policy and credit should

3 For some acute observations on these aspects of labour thinking, see L. Ross, 'Australian Labour and the Crisis', Economic Record, December 1932, pp. 217-19.
be vested in private hands, for this power was exploited for profit regardless of the people's welfare; and, especially after mid-1930, unions were increasingly insistent that banking and credit be nationalised. Soon the slogan was 'socialisation of credit'.

In reply to their horrified critics, union propagandists denied that credit expansion meant inflation, but very few of them attempted to probe deeply into the mechanism of the financial system. They dismissed out of hand 'the precepts of financial orthodoxy, invented to delude and defraud the people', and they denounced the experts who made banking 'a more or less mysterious and baffling hocus-pocus'. The gold standard should be abandoned, for it was a 'trick', which 'enables financial capitalists to regulate the supply of money' for their vast enrichment. It was claimed that in his pamphlet Facts and Theories of Finance Frank Anstey had demolished 'the quantity theory of money' and had demonstrated that increased bank credits would not necessarily result in price rises. 'The limit of credit is the volume of actual wealth available', propagandists asserted, and if the 'gold basis' were to be replaced by a 'wealth basis', then through a Commonwealth-owned banking system sufficient money could be made available for the revival of industry and the advancement of the interests of Australian workers.

The unions were not perturbed that their ideas ran counter to orthodox economics in this pre-Keynesian era, regarding orthodox economists - Professor Giblin, for instance - as spokesmen for the employers and as pedants who misled the workers. In enunciating its policies, the T.U. movement did not endeavour to justify them in the terms of any corpus of economic thought. Unimpressed by the constant demand that Australia would have to observe economic laws regarding wage levels, the Australian Worker (14 May 1930) replied that 'the greatest of all economic laws is, that a man should enjoy the full results of his industry'. Invariably, spokesmen fell back on appeals to justice, protesting that it was grossly unfair that workers should be forced to bear sacrifices when the crisis was entirely the work of capitalists. Although on occasions, and with suitable care to ignore those propositions which were at variance with Labor proposals, some quasi-Marxist ideas were employed, there was

Among the more consistent expositions of Marxist economics was a series of articles by 'Verax' in the L. Call, 11 September-2 October 1930. Without much justification, the L. Call, 9 October 1930, referred to Anstey's pamphlet as 'credit interpreted in the Marxist method'. Anstey, however, did go some way towards providing the movement with theoretical arguments.
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practically no attempt to relate official policy to any body of socialist economics. Rather, Henry Ford was a favourite authority for the demand for higher wages, and non-socialist economists like Cassel and, later, the Macmillan Committee Report, were quoted as proof of the soundness of the program for monetary reform. In fact, spokesmen were prepared to quote, in defence of their ideas, any critic of deflation, whatever the general principles from which he reasoned.

Statements of official policy, as formulated by union and A.L.P. conferences, began with a preamble which declared that 'unemployment arises from and is inherent in the Capitalist system, which is based on production for profit and not on human needs. Only the socialisation of industry (i.e. means of production, distribution and exchange) can remove the cause of unemployment.' Then the conferences went on to lay down measures designed to secure relief and advocated a series of palliatives which included credit expansion, nationalisation of banking, reduction of interest rates, readjustment of oversea debts, tariff protection, public works, unemployment insurance, and higher wages and a shorter working week.

At this point we should note some of the implications of the attitudes we have been discussing, observing in particular the contradictions implicit in union policies, as these have a bearing on the events that took place after 1929. There is, however, an important qualification to bear in mind during any discussion of these matters. Inconsistencies may at times have been more apparent than real: in considering them we must remember the dilemma involved in the need to attempt to reconcile short-term demands with ultimate programs; and we must also take account of the fact that looseness of language was often inevitable when theorists had to present difficult concepts for popular consumption.

It was characteristic of the unions that they should speak in the same breath of socialism and of a higher standard of living under capitalism. They asserted that capitalism was in decline and, later, as the crisis deepened, they pronounced that the system was 'sick unto death'; but they denied that wage reductions were unavoidable and, indeed, held out the prospect of increased wages and a shorter working week. At the same time as they accepted the dependence of labour on capital as an axiom of industrial life, unions could not but conclude that no profits meant no employment and that a return to prosperity was contingent on the rehabilitation of industry by such stimulants as credit releases and higher tariffs. Thus it was that in practice the T.U. movement would prop up capitalism, which it maintained was
responsible for workers' miseries, and secure a future for the system, though its abolition was the objective of the movement.

Union spokesmen oscillated between a belief that the occurrence of crises was inherent in the capitalist system and the view that the prevailing crisis was a transient maladjustment due to factors accidental to capitalism. Usually, the strong implication behind the continually repeated phrase 'a return to prosperity' was that the twenties had witnessed the normal functioning of the system and that the disequilibrium of 1930 was an aberration. Industrial life had been running smoothly until a spanner had been deliberately thrown into the works, and the culprits, according to the unions, were the Money Lords who had entered into the conspiracy to bring about the artificial depression. Also, their frequent references to the disturbing consequences of the war, and especially the heavy burden of debt bequeathed to Australia, indicated the unions' predisposition towards an explanation in terms of fortuitous causes.

Some of the propagandists who were most insistent that unemployment was the inevitable accompaniment of the capitalist system also often declared that the crisis was the outcome of grave deficiencies on the part of the capitalists - such as their 'gross incompetence', 'greed' and 'unintelligent selfishness'. Maintaining that their proposals must inevitably worsen the depression, union spokesmen frequently denounced the 'stupidity' of the capitalist class and, when they put forward their counter measures to re-establish stability, one gains the impression that the representatives of labour, in effect, were making claim to an ability to run capitalism more effectively than the capitalists. Of course, it is quite possible that there was no confusion on this matter in the minds of such propagandists themselves, and that what was involved was imprecise methods of expression. Nevertheless, the point remains that there was a blurring of the issue of whether crises were associated with the essential features of a capitalist economy per se.

Although 'Fat' and capitalists generally were often bitterly attacked, and although unions usually recognised the existence of a conflict between labour and capital, with few exceptions they did not preach class war; and further, their preoccupation with monetary reform and high protection to some extent cut across any conception of a class struggle. Because Australian industry was being attacked, and although unions usually recognised the existence of a conflict between labour and capital, with few exceptions they did not preach class war; and further, their preoccupation with monetary reform and high protection to some extent cut across any conception of a class struggle. Because Australian industry was being

Note particularly the attitude of the champions of Douglas Social Credit who insisted that the struggle was not between employer and employee, or between labour and capital,
strangled by the banks and by foreign Shylocks, both employers and workers were suffering, and so it would be to the advantage of both if the unions' financial proposals were put into effect. In the eyes of many spokesmen there was no clear-cut alignment of worker versus employer. They pointed, for example, to acute antagonism between overseas and home capitalists, and between industrial and financial capitalists, and some propagandists, like Gordon Massey of the A.R.U., urgently appealed for an alliance between Australian workers and employers so that the plans of London financiers to destroy Australian industries might be frustrated.

Prominent in union thinking was the ideal of a self-sufficient Australia which would not be dependent on overseas financiers and manufacturers, and one of the principal instruments for achieving this independence was to be the tariff. Working in harness behind a high tariff wall, workers and employers could build up flourishing industries and a high standard of living. Now, with large numbers of their members out of work, unions held that it was imperative that local industries be encouraged so that more employment opportunities might be made available. At interviews with Labor Ministers, officials strenuously sought to induce the governments to grant contracts to local manufacturers and to erect high tariff barriers. In some industries union officials and employers made joint endeavours to secure such ends and co-operated closely.

In advocating increased purchasing power and protection, union propagandists stressed the importance of the home market and they sought to persuade employers that prosperity was dependent on high wages, for workers were the best customers of their products. But they had to note with regret that, unlike Henry Ford, Australian employers pursued policies destructive of their own vital interests, and their demand for wage reductions was deplored as short-sighted folly. As the *Industrial Herald* (18 September 1930) complained, the 'strangest part' of events was that manufacturers and retailers wanted wage cuts, though such cuts were 'suicidal to business interests'. Later too, as we shall see, unions expressed angry dis-
appointment as employers who benefited from the tariff imposed wage cuts.\footnote{See the conditions which the A.C.T.U. Congress in early 1930 had wanted attached to the granting of bounties and tariff protection (\textit{L. Call}, 6 March 1930).}

The T.U. movement insisted that it was self-evident nonsense to attempt to overcome a glut by reducing purchasing power, and its spokesmen continually repeated in unsophisticated terms the contention that the simple and obvious way to dispose of the accumulated goods was to increase the people's purchasing power. But, however plausible its negative point, the movement had not solved the paradox of want and plenty, and, further, it flouted certain of its own basic assumptions regarding capitalism. In any abstract analysis, it was acknowledged that the economic system was based on production for profit and not for use, that production only took place when it was profitable, so that any renewal of investment was contingent on the restoration of an adequate rate of profit. Yet the unions advocated policies that, in their immediate effects at least, would accentuate the decline in the profitability of production, and they thought of a revival of industrial activity primarily in terms of an unrestricted flow of commodities resulting from increased purchasing power.

The T.U. movement took the practicability of its proposals for granted, and union spokesmen raised few doubts that it was little more than a matter of persuading the Labor governments to take resolute action and impose the necessary remedial measures. But considering the conditions of the time, the movement was hardly being realistic. There was even a sense in which the intrinsic correctness or otherwise of the specifics they put forward was irrelevant. Employers were obsessed by the need for reduced costs and there was already a near-panic loss of confidence among businessmen, most of whom were horrified by the mere mention of monetary reform. Had increased wages and a shorter working week been forced on industry and the unions' financial proposals been put into effect, it was, in the circumstances, scarcely reasonable to suppose that recovery would have ensued as union propagandists predicted.

So far we have been concerned with the official policies of the T.U. movement; but, like the rest of the community, the movement was besieged by self-appointed economists seeking converts for what each
regarded as the real solution to the crisis. Workers were inundated by the babble of would-be saviours, and there were very few journals to which they could turn for enlightenment or a strong consistent exposition of Labor policy. As the official Labor paper, the Labor Call might have been expected to give a lead in the direction of ideological coherence; but despite its efforts in some editorials to face the issues of the time, its contents tended rather to be an inconsistent hotch-potch. At the same time one has to bear in mind that the paper was understaffed. In providing a forum for the expression of all varieties of opinion, the Call's liberalism was laudable, but the net result must surely have been to sow further confusion. Even early in the year, on 20 March 1930, a perplexed 'Mulga' pointed to the many different proposals put forward in its pages and complained that in reading the Call he was 'getting a bit mixed over the darned economic question'.

The Call did render service to the movement, for in most issues there were letters and articles advocating Labor policy, especially the banking and credit proposals. Also, it carried reports (usually selectively edited) of conferences and of the meetings of the T.H.C. and A.L.P. branches. Particularly in the latter part of 1930, the editorials endeavoured to promote an understanding of Labor's proposals, though they added little to what the Australian Worker and Tramway Record had been saying about the depression all the year. At the same time, the Call was also a boon for those with a pet theory to expound. Thus it contained many of the different ideas about the depression which were circulating in the labour movement and which can also be found in the Union Voice and in the couple of journals which printed contributions.

The various schemes for monetary reform were put forward in the Labor Call, which enabled the champions of Social Credit to air their views at length. Followers of Henry George had their letters published, and anarchist theories were advanced by Will Craig who denounced government and civilisation and expounded the principles of the Labor Army. In addition, there were proponents of various forms of co-operative societies, and the elderly but indefatigable H.E.

7 One such contributor was R. Proctor, who in 1930 wrote the booklet The New Evangel Way in which he sought to combine Christian ethics with the economics of credit control.

8 John McKellar (Secretary A.P.S.A.), for example, was an ardent and prolific champion of the theories of Major Douglas.
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Langridge frequently filled a column in the *Call* on 'Laborism' and 'free bread'. Another very prolific correspondent was G.D. Meudell who turned up with a different proposal almost every week. Radiating much more heat than light, W. Wallis in his front-page articles culminated against the 'cockeyed world' and the state of affairs in Australia. His sincerity was unquestionable, though an unkind critic would have claimed that he was more of a windbag than a social analyst. He managed to lend support to many of the different ideas that were current in the labour movement and sometimes his articles resembled the *Call* in miniature.

Socialisation, but...

Before the depression the labour movement lacked any generally accepted body of socialist doctrine, or any burning zeal to achieve its socialist objective. In Victoria, while most union leaders professed to be socialists, they, like others in the wider movement, saw socialism as a vague and distant goal, the realisation of which was as yet scarcely a matter for practical planning. The depression, however, brought conditions in which it was inevitable that even the mildest socialist should wonder whether the capitalist system had a future. Communist insistence that socialism was now an immediate issue helped stress the point, and haltingly in 1930, and more distinctly in 1931, union propagandists paid some attention to the contemporary relevance of the socialist objective. But quickening interest and discussion did not yield coherent theory; rather, they underlined the ideological uncertainty that was the legacy of an established pragmatist tradition. Confusion about socialism thus in a sense symbolised one of the crucial dilemmas with which the depression confronted the unions, and so it merits brief discussion.

While the T.U. movement maintained that 'socialisation of industry' was the ultimate solution for the workers' problems, it cannot be said that during 1930 the union leadership mounted anything like a serious campaign to stir enthusiasm for the transformation of society or to advance the rank and file's understanding of the Objective. True, Don Cameron in the *Tramway Record* and H.E. Boote, his booklet *Free Bread* also appeared in 1930.

9 Bearing in mind the high proportion of Roman Catholics in the A.L.P. leadership, note the Papal Encyclical issued in 1931, which included a denunciation of communism and the statement that 'no one can be a good Catholic and at the same time a true socialist' (*Argus*, 18, 25 May 1931).
editor of the *Australian Worker*, passionately condemned capitalism as a social order that must eventually be replaced; and Percy Laidler in the *Shop Assistant* argued in simple, general terms for working-class control of industry. But such efforts stood in contrast to the occasional article that was the contribution of most journals. Some writers in the *Labor Call* also sought to popularise the Objective and urged Labor politicians to take it more seriously. At the same time, the *Call* editorially (as on 28 August 1930) was apt to excuse the Labor governments' neglect of the Objective, by pointing to obstacles such as 'second Chambers and outworn Constitutions' and declaring that 'only with the advent of unification... will we be so situated as to be able to really test the apparatus of the Party as a socialising medium'.

Union expressions on the subject were often negative; more anti-capitalist than positively pro-socialist. And rather than elucidations of socialism, articles were often diatribes against the injustice, the moral deficiencies and the irrationality of a system in which riches and starvation coexisted. On one of the very few occasions when it accorded the Objective more than passing attention, the *Labor Call* (29 May 1930) claimed that 'in the department of theory Australian Labor's creative contribution to the world's working class is its objective'. Self-congratulation was not, however, enlightenment, and the spasmodic treatment afforded to the subject in the journals did not amount to a systematic analysis of the Objective or of the timing and method of its achievement.

In most discussions, the inevitability of the end of capitalism and its replacement by socialism were asserted rather than argued; and there was fairly general agreement that capitalism was breaking down. But when and how was the transition to take place? Given the absence of more than superficial analyses of the mechanism of social change it was hard to find any precise, agreed answer. Most assumed with the *Labor Call* (17 April 1930) that in some way it was 'the Labor Party's historic mission to bridge the transition ... between the old and the New Order', and they usually took for granted the idea of 'legislating' socialism into existence, though exactly what this meant in practice few attempted to say. While the evils of exploitation were condemned and there was an occasional reference to the class struggle, the latter was not regarded by official spokesmen as a lever for

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11 The Easter 1930 Conference of the Victorian A.L.P. discussed a motion that the party revert to its 1921 Objective; but the voting was 98 for and 84 against, and this did not constitute a statutory majority in favour of the motion, which had been strongly opposed by the politicians who were present (*L. Call*, 1 May 1930; *Argus*, 21 April 1930).
change. Increasing disillusionment with governments and the functioning of parliaments did not visibly shake their avowed faith in parliamentary politics and legal processes. Revolution was strongly abjured: although capitalism might be in crisis and more rapid change a reasonable expectation, that change must still be orderly. There was no short, spectacular road to socialism. As Bob Ross, a leading socialist propagandist, maintained in the Labor Call (4 December 1930), 'Socialisation of industry was a process, and not an insurrection'; capitalism would not come to a sudden end; instead, 'evolutionary adaptation and modification' would occur. This view merged with that expressed by the Labor Call (28 August 1930) when it spoke of how 'Capitalism has to be mended' and 'the Labor movement's mending must have in view the system's ending'. Urgent reforms necessary as palliatives for the workers in their distressed conditions were to be seen in this context as part of the process by which, apparently, capitalism would be reformed out of existence. Hence, aims ranging from nationalisation of banking and 'socialisation of credit' to raising of wages gained their justification. Whatever their immediate repercussions for capitalism, they were, from a longer-term viewpoint, steps along the road to socialism.

In addition to such ideas, a few propagandists (notably Don Cameron) advanced the argument that a 'social process' was 'literally driving the workers' and 'actually bludgeoning them ... towards Labor's objective'. 'The average worker', Cameron held, was 'a creature of the driving force of economic conditions and his environment generally' and he would not go 'any faster or farther forward' than he was compelled to. Thus, 'more compelling economic conditions and a more stimulating environment generally, are needed before further progress will be made...!' and before workers 'go all the way necessary to control industry...'. Cameron and other propagandists also laid stress on the power of ideas, claiming that capitalism was able to carry on and that progress towards the Objective was necessarily so slow because workers were imbued with capitalist ideas. So, for them, one of the crucial avenues for further advance lay in 'education' of the workers.

12 Tram. Record, December 1929, November 1930, January 1931. Similar ideas were developed by the L. Call during 1931; and on 8 October 1931, in explaining why 'there is no new state of affairs to be born, at least not within the immediate future', it argued that capitalism 'has yet to reach its excess development, or unworkable state, before it will disappear. It can neither be saved nor wrecked within a year; it is destined to go through every phase of its possibilities...until it can no longer be carried on...'.

31
Trade Unions and the Depression

Conferences and Policies
The decisions of the All-Australian Trade Union Congress (24 February to 6 March 1930), having been adopted by the Melbourne T.H.C., became the official policy of the Victorian T.U. movement. The resolutions on unemployment declared in a preamble:

Unemployment arises from and is inherent in the Capitalist system, which is based on production for profit and not on human needs. Only the socialisation of industry ... can remove the cause of unemployment. Nevertheless, the nature and degree of unemployment are determinable to a considerable extent by factors within the present economic system that are controllable.

Unless production and the peoples' purchasing power are made to balance there must be progressively increasing unemployment ... .

In Australia, preventable unemployment has been aggravated by the restriction of credit, by immigration and by a careless disregard of the position generally.

... the primary duty of the Australian Governments ... is the provision of adequate food, clothing and shelter in default of remunerative employment....

The federal government was requested 'to proceed immediately with a scheme of national insurance against unemployment' framed in detail by the Congress. The resolutions also urged a series of measures which included the greatest possible protection to Australian industries, the nationalisation of banking, the expansion of credits, extensive public works, 'settlements of unemployed workers', and 'primary production to be systematically fostered'.

At the annual conference of the Victorian branch of the A.L.P., during Easter 1930, union delegates had a large hand in laying down the party's policy to meet the deteriorating economic situation. The report on unemployment was drawn up by a committee composed mainly of union officials. A few weeks earlier they had attended the A.C.T.U. Congress, and Don Cameron had been a member of the Congress

13 The Congress urged 'that to carry out the policy of work or maintenance, those in the community who have possessions and income above the basic wage be made to contribute by taxation or tribute in a graduated scale'. Note also the resolutions on arbitration and industrial organisation adopted by the Congress.
The Coming of the Depression

Unemployment Committee. Like the Congress, the A.L.P. Conference held that 'unemployment arises from, and is inherent in the Capitalist system, ... only Socialisation of industry can remove the cause of unemployment'. The State and federal governments should immediately discharge their 'primary duty' of providing for the unemployed 'adequate food, clothing and shelter in default of remunerative employment...'. The Conference declared 'that the diminution of work in government enterprises does not excuse the dismissal or regression of workers...', and it called 'upon the State government in the railways and other State enterprises to reduce hours without reducing wages...' in order to provide more employment. It was also decided 'that a vigorous campaign for the progressive improvement of the standard of living concurrent with the reduction of hours of labor be immediately undertaken by the Movement'. Further, the Conference resolved that it 'expresses its approval of the A.C.T.U. (1930) Unemployment Policy and recommends it to the State and Federal Governments'.

If during 1930 the labour movement seemed to drift without a strong sense of direction, it was certainly not because there was a lack of authoritative pronouncements. In May 1930 the supreme policy-making body of the A.L.P., the Triennial Federal Conference, adopted a report on unemployment submitted by a committee whose chairman was the leading Victorian union official, W.J. Duggan. The Conference was of the opinion that 'in Australia preventable unemployment has been aggravated by the restriction of credit due to present banking practice'. 'The provision of work depends almost entirely on freeing the credit resources of the country. As a first contribution in this direction ... the Federal Parliament should find £20,000,000 ...'. This Conference, too, affirmed 'the primary duty of Australian Governments... is the provision of adequate food, clothing and shelter' for those unable to secure employment, and it proposed several measures, such as a 'rent moratorium law', which the State governments should put into effect. The delegates were mindful of the purchasing power argument and while they applauded the possibilities of the government's fiscal policy, they pointed out that 'until the

Duggan had been chairman of the committee which had drawn up the report on unemployment at the Victorian A.L.P. Conference. The other Victorian delegates to the Federal Conference were: Prime Minister Scullin, D. McNamara (M.L.C. and Secretary, A.L.P.), A.S. Drakeford (M.L.A., General President, A.F.U.L.E., and member of the A.L.P. Central Executive), A.A. Calwell (President A.P.S.A. and Vice-President Victorian A.L.P.), R.S. Ross (prominent unionist and Vice-President, Victorian A.L.P.). Ross had been a member of the committee which had submitted the report on unemployment to the A.C.T.U. Congress.
unemployed are reabsorbed in industry, and thereby become consumers of Australian products, the shutting out of imports will benefit local manufacturers very little. Tacked to the end of the report was the statement that 'the general problem is inherent in the existing economic system, the remedy for which is the realisation of the policy set out in the objects and platform of the Australian Labor Party'.

The Communist Party, Social Fascism, and Revolution

At the Ninth Annual Conference of the Communist Party of Australia in January 1930, the 'right opportunist' leaders of the party were defeated and the Conference adopted the 'new line' as laid down by the Communist International (C.I.) and the Red International of Labor Unions (R.I.L.U.). In 1930 the Communist Party set out to popularise these policies and 'to win the masses for the proletarian revolution' under its leadership. There was a marked tendency to apply mechanically the policies of the C.I. and R.I.L.U. without much serious regard to the actual conditions prevailing in Australia, and in changing course the party swung away from 'right opportunism' only to land on the rocks of 'left sectarianism'.

According to the communist analysis of the world situation, the period was the 'third phase' in the development of post-war capitalism. Features of this phase were the 'crumbling of capitalist stabilisation', the accentuation of international and internal contradictions, and the new 'social fascist' role of Social Democracy whereby reformists became the foremost defenders of threatened capitalism. The economic crisis was not due to financial stringency engineered by the banks, as Labor spokesmen maintained, and their claim that there was a conspiracy of London Shylocks was a 'myth' designed to divert workers' anger away from Australian capitalists. Similarly, high tariffs and the expansion of credit advocated by the A.L.P. were expedients to assist the capitalist class at the expense of the workers. The crisis was the outcome of the fundamental contradictions inherent in the capitalist system which were to be explained in terms of Marxist economics. The employing class was making a 'frantic attempt' to place 'the whole burden of the crisis upon the shoulders of the working

15 For statements of Communist Party policy, of which a very brief summary is given in the text, see: resolutions of the Ninth Annual Conference of the Communist Party of Australia (W. Weekly, 10 January-7 March 1930); theses of the Plenum of the Central Committee of the C.P. of A. (ibid., 15, 22 August 1930); instructions of the Executive Committee of the C.I. (ibid., 6 December 1929, 10 January 1930); theses of the R.I.L.U. (ibid., issues of April 1930).
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class' and to stabilise the system by smashing the workers' standard of living, especially by rationalisation. However, 'every effort of the capitalist class to overcome the irreconcilable contradictions of the system only intensifies these contradictions still more'. The crisis 'cannot be solved within the confines of capitalism, but will end with the destruction of the capitalist system itself'.

This 'third phase' would see ever sharper class conflicts and a widespread 'radicalisation' of the working class. The workers' struggles, however, were being betrayed by the A.L.P. and the union bureaucracy. They had deserted to 'social fascism' and now came forward to assist capitalism to weather the crisis at the workers' expense. In fact, the principal reason why the Scullin government was 'called to power' was because the Bruce-Page government of avowed capitalists was unable to carry out the offensive of the capitalist class that had been begun. The offensive was now being ruthlessly directed by the Labor governments with the assistance of the union leadership. This leadership and the A.L.P. had 'become interlocked with the bourgeois State apparatus' and they were endeavouring 'to convert the trade unions into mere appendages to the Capitalist State'.

From this appraisal of the situation, the Communist Party believed it was essential that it should assert its independence and become 'the leader of the working class and the principal driving force in its economic and political struggles'. Also, it would 'have to fight ... two camps of enemies - the openly avowed capitalist parties ... and the Labor Party ...!'. But, in fact, communists seem to have been mainly concerned to expose the 'treacherous social fascist role' of the A.L.P. and the union leadership and to sharpen the struggle against the 'anti-working class Labor Governments'. At every opportunity, they vociferously and indiscriminately denounced these 'agents of the master class'; and workers were exhorted to repudiate this leadership and unions were urged to disaffiliate from the A.L.P.

Every issue of the Workers' Weekly sought to convince workers that, providing they adopted R.I.L.U. tactics and strategy, 'mass action' would halt the offensive against wages and working conditions. It demanded the rejection of all forms of class collaboration: the class struggle had to be sharpened. Strongly inclined towards 'revolutionary romanticism', the Communist Party continually called for strike action to 'smash the capitalist offensive', and it sought to

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W. Weekly, 10 October 1930. For further statements that the government 'was called to power', see ibid., 21 March, 22 August 1930.
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incite workers to launch a 'counter-offensive' by means of a general strike. Economic struggles had to be lifted to a political level, and strikes broadened into a 'mass political strike' for the abolition of capitalism. Afire with urgency the Workers' Weekly exhorted the working class to unite and struggle for the revolutionary overthrow of capitalism and the establishment of a 'Revolutionary Workers' Government' - 'the first constructive step to Socialism'. The emancipation of the workers could never be achieved through Acts of Parliament, as 'left' Labor leaders were attempting to deceive them into believing.

Though the influence of the Communist Party was to become significant during the depression, it was a very small organisation in 1930 in Victoria, deriving the greater part of its support from the unemployed. The party was very immature, and the frequent arrest of its leaders was a grave handicap, as was to a lesser extent the customs ban on revolutionary literature. The content of the Workers' Weekly was doctrinaire, and included little news of Victorian unions, but a great deal on 'the workers' Fatherland'. The party's zeal and its forceful programs, which might have proved attractive, were offset by its 'left sectarianism'. Communists were often more concerned to attack union officials and their policies than to stress their own constructive proposals, so that they tended to adopt a negative policy of anti-officialdom. 'Ultra left' tendencies turned independence into isolation and the party failed to sink its roots into the T.U. movement.

Official Labor policy was also under fire from the feeble guns of the Socialist Party of Australia, which rejected palliatives and claimed that the only solution to the workers' problems was socialism. This would never even be attempted by the A.L.P., for it was a capitalist party and the Labor governments were little more than props of the system. However, like the A.L.P., the Socialist Party put its faith in the ballot box, and it contended that socialism would be attained by the election to Parliament of genuine socialists who would immediately proceed to usher in the new order. Members of the party who were delegates to the T.H.C. and union conferences tended to adopt a predominantly negative attitude, as they regularly moved amendments condemning the Labor governments and calling for disaffiliation from

17 See the advice of the W. Weekly (21 November 1930) that, 'If a number of young workers leave a trade union meeting, etc. together, they should march in closed ranks, sing revolutionary songs and cheer for the revolution, and if curious passers-by stop and join them, then one of the comrades should make a speech'.
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the A.L.P. At the same time, relations between them and the Communist Party were marked by mutual hostility.
Early Union Disappointments

We have seen that Victorian unions looked to the Labor governments to implement radical and drastic measures to maintain living standards and revive industry. They insisted that the political representatives of the labour movement were placed in Parliament to carry out the policies laid down by the movement. But the Scullin government was hampered by the constitution and a hostile Senate - there were only seven Labor members in the Upper House - and soon, also, by internal dissension. In Victoria the Hogan government precariously held office without power. It did not have a majority in the Assembly and there were only six Labor members in the ultra-conservative Council. Furthermore, labour spokesmen who depicted the Parliamentary Labor Parties as the workers' representatives and who referred to the interests of workers and national interests as though they were identical, soon had reason for deep reflection. Working for economic stability within the confines of capitalism, and seeking to promote what they regarded as the interests of the people as a whole, the Labor governments, in practice, when confronted by the necessity of choosing the path of duty, saw their responsibility to national interests as transcending any allegiance to sectional interests, however sympathetic they felt towards the workers.

But when the unions formulated their policies in early 1930, they were confident of a sympathetic response from the Labor governments. The movement had yet to be made aware of the limited possibilities available to these governments for the regulation of economic affairs, and it was buoyed up by a sanguine belief that now, with Labor in

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1 The state of the Assembly was:

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control, the future was full of promise for workers. When the
difficulties confronting the Labor governments began to be realised,
it was taken for granted that they would be dealt with in accordance
with Labor policy. Labor leaders appealed to the movement to
appreciate the difficulties they were facing and from time to time
pleaded – as Scullin did at the Eight Hour Day Social and the Victorian
A.L.P. Conference – for time to deal with the mess they had in-
erited. Like many other union officials, Fred Sear (Secretary
A.R.U.) was later to hold contrary views, but in early 1930, in
commenting on the Hogan government, he was voicing a widespread
sentiment when he asserted, 'I have great faith in the Labor
Government, and believe they will do the right thing, even though
they may fall by the wayside'.

Initial misgivings were raised in the minds of some unionists as
the Labor governments got off to an inauspicious start by not dealing
decisively with the burning industrial issues which had caused the
T.U. movement such grave disquiet. A lock-out on the northern
coalfields of New South Wales had dragged on since early 1929, im-
posing great sufferings on the miners. During the federal election
campaign, Labor candidates had taken up the miners' cause, and
Theodore had promised that a Labor government would reopen the
mines within a fortnight and take firm action against 'Baron' Brown
and other employers. When Labor assumed office, therefore,
Victorian unionists looked forward to an early settlement of the dispute.
But months later Theodore's promises were still unfulfilled, federal
Labor leaders having unhesitatingly rejected pressures to take drastic
steps that would have run counter to their express determination to
adhere to constitutional methods. The Victorian T.U. movement
afforded the miners some financial and moral support and was eager
to see them back at work. However, the attitude of the movement
was almost casual by comparison with the bitter indignation of N.S.W.
unions. Though disappointed and sometimes critical, few Victorian
spokesmen took the Scullin government to task, and its abortive efforts
were defended in some quarters, notably by the Australian Worker.
When police fired on and wounded miners at Rothbury, the Communist
Party intensified its attack on the Scullin government and won some

2 R.U. Gazette, January 1930. But see the totally different views expressed by the
General President of the A.R.U. in an article in the same issue.
sympathy for a general strike. But in Victoria, while the affray drew protests from a few unions, the movement evinced no overwhelming concern.

So the miners staggered on to defeat; and meanwhile the Labor governments did not fulfil expectations regarding another urgent industrial problem: the presence on the wharves of 'scabs' who had displaced unionists during the 1928 strike. This was a cause of anxiety for the whole T.U. movement and frequent appeals were made for government action. The Transport Workers Act was not repealed, however, and hesitant moves by the federal ministry led neither to the reinstatement of members of the W.W.F. nor to the ending of preference for 'scabs'. The already deplorable working conditions on the wharves deteriorated further, and the fierce antagonism between 'scabs' and members of the W.W.F. periodically led to violence. For many years, the situation on the waterfront was to be a constant source of weakness and a troublesome problem for the T.U. movement.

On the few occasions when the Labor governments did attempt to legislate to satisfy the unions' urgent requests, the upper Houses proved to be stumbling blocks. Disappointment was also occasioned by their failure to make full use of their administrative powers at union promptings, even, for example, in the modest matter of lifting the customs ban on an extensive range of literature. The federal Ministry did take steps to give partial effect to the important labour principle of 'preference to unionists'; but, to the dissatisfaction of unions, the Ministry bowed before the storm of protest and quickly reversed its stand. Characteristically, the Labor Call (15, 22 May 1930) held forth on 'Preference to Unionists, The Whence and the Why of It', but did not comment directly on the Ministry's actions.

Government employees had been gratified, as the federal and Victorian governments had not proceeded with the proposals for retrenchment mooted by their predecessors. However, as the governments' finances deteriorated, public servants were given more and more cause to be apprehensive about the future. His government's difficulties led Scullin to summon a conference of represent-

3 Note that Premier Hogan gave an assurance that he would stand by preference to returned men, and also that several Victorian Labor members (including McNeill and Paul Jones) had publicly opposed the federal Ministry's original decision (Argus, 6, 7 May 1930).
atives of federal public service organisations, and he was able to persuade them to agree that their 'Organisations should refrain from initiating... claims which would involve the Commonwealth Government in any substantial expenditure'. Meanwhile, Victorian Labor Ministers were already indicating their readiness to apply the orthodox remedy of retrenchment.

Despite the Scullin government's emergency measures, Australia slipped deeper into the depression, so that as the months passed it became increasingly apparent that the government could not, or would not, do much in the way of redeeming its election promises; and the hostile Senate, together with the considerable body of moderate and right-wing opinion in the Federal Parliamentary Labor Party (F.P.L.P.), reduced the drastic proposals of the unions to something like wishful thinking. The Prime Minister bluntly dismissed the unemployment insurance scheme drawn up by the A.C.T.U. Congress as 'financially impracticable', and at the Victorian A.L.P. Annual Conference Scullin did not offer any prospect that workers' interests would be advanced. Even the Labor Call (19 June 1930), in applauding the work of the A.L.P. Federal Conference, was obliged to confess that 'on appearances Twenty Millions and Moratorium have no chance but Buckley's'. Nevertheless, though the government's record and pronouncements were hardly the basis for optimism, the trade unions throughout 1930 continued to assert that determined action on the part of the federal government would check the depression.

In Victoria, the unemployed, whose numbers mounted rapidly, were increasingly restless and dissatisfied with the Hogan government (see Chapter 7). Unionists, too, became more and more critical about unemployment relief and about such matters as the waterfront position and the government's failure to give effect to Labor Party policies and decisions. However, the Labor Call and the Australian Worker attempted to present the intentions and efforts of the Labor governments in a favourable light, and, while continually asking for more radical policies, generally sought to apologise for the governments' shortcomings. A little later, the Labor Call (12 June 1930), in defending the Victorian government's achievements, maintained with some asperity that 'you cannot put labor government on trial until you give it a majority in the assembly and mandate it to give battle to the upper house'.

Discontent with the Hogan government mounted and came to a head over the waterfront issue, for unionists were incensed that a Labor government should run special trains and provide police protection for
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'scabs' - a violation of labour principles that was apparently too much even for some of the officials who argued for a Labor government at any price. A proposal to condemn the government was considered at the weekly meetings of the T.H.C. from 24 April to 22 May, and during this time Council officials conferred on the matter with Labor Party and government representatives. In this month also the Arbitration Court rejected the W.W.F.'s application for preference to its members, and on 15 May the Senate disallowed the federal Ministry's regulations which unionists had hoped would assist to break down the preference accorded to the volunteers by shipowners. In early May union dissatisfaction with the Hogan Ministry rose sharply when it proceeded with legislation for unemployment relief taxation which involved a breach of the Labor platform. The Ministry refused to comply with the Council's wishes concerning the waterfront, and on 22 May the T.H.C. finally resolved that 'the Hogan Government no longer possesses the confidence of our people and calls upon the Premier to immediately tender the resignation of the Government'.

The Premier, unperturbed, rejected a request that he come to a T.H.C. meeting, and instead attended the annual dinner of the Melbourne Chamber of Commerce. So the issue dragged on amid recriminations, as a motion before the Council to endorse the demand for Hogan's resignation was adjourned on several occasions. But while the Trade Union Salaried Officers' Association thrashed out the matter, the rank and file were not involved. On 19 June the Council accepted an amendment (70–49) which sought 'a Conference of the T.H.C. and the A.L.P. Executives and the Parliamentary Labor Party to decide on the various questions involved'. Conferences were held and on 16 July agreement was reached. In future the State government would 'confer and co-operate' with the T.H.C. Executive on industrial bills, the administration of unemployment relief, and future unemployment legislation. A committee was appointed 'to inquire into the facts of the Waterside trouble and to make recommendations...'. Thus the first breach between the Trades Hall and the Hogan Ministry was temporarily patched up, and the Labor Call (31 July 1930) contended that the agreement was 'a magnificent gain for Labor plans and ideals'.

John Smith, Shylock, and More Conferences
As the federal government's measures did not lead to the expected improvement in the Australian economy and the deterioration of public finance became more alarming, the advocates of deflation and
wage reductions became increasingly vocal after mid-1930. The clamour grew louder and took on a more authoritative tone when the country's leading economists began to take an active interest. In June 1930 they issued a statement which pointed out that 'the community is faced with a serious loss of real income' and, in putting forward proposals regarding this 'loss', they expressed the opinion 'that some fall in profits and real salaries and wages is inevitable'. In the following months the press widely publicised deflationary views, and, seeking to convince people of the necessity for economic readjustment, including wage reductions, Professor Giblin wrote his 'Letters to John Smith' which reached the hands of many readers. In July Sir Otto Niemeyer arrived on the scene, and there came into prominence a name that was to be permanently engraved on the minds of every Laborite of the time. With the air filled with doleful prophecies of imminent disaster, the Premiers' Conference met in August and was sternly informed by Niemeyer that the Australian standard of living was 'too high'. Persuaded that the community would have to make 'substantial sacrifices', the conference unanimously adopted the Melbourne Agreement by which the governments declared 'their fixed determination to balance their respective budgets for the financial year 1930-31...'. Then, immediately after the conference, a special meeting of the Loan Council decided to reduce the loan programs for the current year for the Commonwealth and the States from £24 million to £15 million. (In June it had already been reduced from £44 million.) For Victoria this meant a reduction to about £3 million, whereas during the last ten years the Victorian share had averaged about £8 million.

Union spokesmen and several journals repeated their contention that wage reductions and the balancing of budgets by retrenchment would worsen the depression, and they attempted to refute the arguments advanced by advocates of deflation; but in the battle to mould public opinion the advantage lay with their opponents. Union propagandists, by comparison, wielded puny weapons in their efforts to combat the determined campaign waged by the daily press and the powerful sallies in the form of weighty pronouncements delivered by employers, economists, churchmen, and politicians. The labour

4 Archbishop Head was outspoken on the need for the adjustment of wage levels, and Archbishop Mannix held that there must be sacrifices all round (L. Call, 11 September 1930).
movement did not present a united, solidly-based ideological front. There was a body of fairly consistent arguments which made up official policy, but in addition there were the voices of those who grasped the opportunity to expound their pet theories, such as monetary reform, Social Credit, and single tax. The union leadership was undoubtedly handicapped; even so, it did not utilise to the full every possible means to advance its cause, and there was no strenuous concerted drive to arouse the rank and file. The T.H.C. on 17 July warned 'all workers against the anti-working class propaganda contained in Professor Giblin's letters to Mr. Smith'; and 'in reply to this moribund apologist of Capitalism', the Council decided to issue a pamphlet which would set out 'the ulterior motives behind his mournful dirge of false economics', expose his 'lying statements and half-truths', and explain 'the true causes of unemployment, poverty and destitution which is found only among members of the working class'. The Executive, however, did not carry out this decision, as it claimed that the Council could not afford the £100 which the pamphlet would cost. Instead, the Executive accepted an offer by the Herald to publish the Council's views and it appointed President Cameron to prepare a reply to Professor Giblin.

The Council's 'case in rebuttal' stated in these seven articles in the Herald constitutes one of the fuller expositions of the official union attitude, and a brief summary of the major propositions put forward will further elucidate the unions' ideas. Pointing to the existence of 'poverty amidst plenty', the articles maintained that 'an increase in wages and a reduction in the hours of working are both possible and necessary'. 'The real cause of our troubles', they asserted, 'is that while we are most efficient in production, we are most inefficient in consumption'; and if periodic slumps were to be avoided, 'the producing and consuming power of the workers must approximate a balance'. 'We cannot maintain high production without high consumption. If we do not have high consumption, we shall have unemployment'. Declaring that wages 'are the life blood of industry', Cameron argued that Giblin's proposals would lead to more unemployment, for 'reduced wages is reduced spending power, a reduced

5 Some delegates opposed the resolution on the ground that it denied the right of free speech (Herald, 18 July 1930).
6 1-7, 21 August 1930.
demand for commodities and industrial stagnation'. Instead of making matters worse by reducing wages, 'surpluses of rent, interest and profit should carry the baby of debit and depression'. Interest was a "rake off" from industry and if the interest charges of overseas bondholders were reduced, then budgets could be balanced and 'industry could go ahead again'. Sooner or later there would have to be a 'reorganisation of our credit system', and one way of meeting present difficulties was 'to issue our own credit based on our own securities through medium of our Commonwealth Bank'. Finally, Cameron referred to 'the obvious break-down of capitalist economics', and commended to his readers the views of the T.H.C. which, unlike many economists, was not 'soaked in the exploded theories of the Manchester School'. The concept of surplus value was a basic element in his analysis, but Cameron did not seek to base the 'dynamic and progressive' economics of the T.H.C. on socialist writings, and when he enlisted the support of authoritative opinion he followed the practice of many union propagandists and quoted Ford and other American employers to substantiate the soundness of 'the economy of high wages'.

Union spokesmen condemned the Melbourne Agreement as an attempt to place more burdens on the workers in order to enhance the profits and power of financiers. If 'sacrifice' was unavoidable, they maintained, it should be made by the wealthy, through high taxation, or by the bondholders, but not by the workers. And they argued for a reduction in interest rates and obligations as an answer to the country's financial difficulties. At the same time, however, in contrast to their counterparts in New South Wales, Victorian officials hastened to give an assurance that they did not have 'repudiation' in mind, and Duffy (Secretary, T.H.C.) and several others spoke out strongly against any such course, affirming that Australia must honour its debts. Duffy and Duggan interviewed Niemeyer, to whom they put the union view on interest rates, and expressed resentment regarding the threat to the workers' standard of living. Those journals which took an interest in the matter condemned Sir Otto as a Shylock representing English financiers who had come to claim his pound of Australian flesh. There were vociferous tirades against the London Money Lords who were attempting to smash the Australian standard of living. Warning that the country's independence was endangered, union spokesmen urged that the nation should finance itself independently of the Money Power.
so that sufficient money might be issued to revive the economy.

It is interesting to note that some of the union views on the financial crisis were also held by certain sections of employers. These views were voiced by such journals as the Australasian Manufacturer and they were embodied in a pamphlet which W.M. Hughes wrote at this time. Hughes's Bond or Free was welcomed by union propagandists as 'a fitting reply to Sir Otto Niemeyer' and they quoted extracts from it as confirmation of their own ideas. The Clothing Trades' Union was moved to purchase one hundred copies of the pamphlet. According to Hughes, Niemeyer represented 'great financial interests' and 'the real purpose' of his visit was that he 'wants us to scrap our policy of building up Australian industries and to confine ourselves to producing raw materials'. 'We must produce greater quantities of raw materials at... lower prices, and to do this we must work harder and reduce our standard of living.' Such a policy, Hughes asserted, would make things worse rather than better. He argued that 'depression in trade and unemployment are caused by exhaustion of consumption power' and so lower wages would be disastrous. On the other hand, 'the higher the standard of living, the greater the demand for goods and the demand for labour to produce these goods'. Hughes, in addition, maintained, 'What Australia wants very badly is cheaper money. An improved, a rationalised system of credit is essential.'

The Australasian Manufacturer during September also contended that English interests were out to destroy Australian secondary industries and that, instead of following the Niemeyer policy, Australia should cut out imports and build up its industries. Voicing views similar to those held by the unions on the relation between prosperity and purchasing power, it, too, maintained that wholesale wage cuts would accentuate the depression, though it certainly did not hold that wages should be raised, and its constant demand was for a much greater output from workers. It called for a liberal credit policy, complaining that the Scullin tariff was being nullified by credit restrictions; and it insisted that co-operation between labour and capital was essential for achieving prosperity.

In connection with this question of similarity of views, some consideration of the ideas of Gordon Massey is instructive. Massey was a prominent member of the A.R.U. and had some influence in the labour movement in which he was active, though its extent is difficult to gauge. He seized every opportunity to propagate his ideas
which he expounded in a series of articles published in the Railways Union Gazette from September 1930. With few alterations, most of these articles were also published as a pamphlet, The Last Shilling, for which Professor Copland 'gladly' wrote an introduction. Massey made explicit and developed certain propositions and assumptions which many other union propagandists often only implied. Thus he was unambiguous about nationalism and class co-operation, and his objective was the rehabilitation of capitalist industry. As one of his critics declared, after reading Massey's article 'The Birth of a Nation', one would think the Gazette was 'the manufacturers' journal or some such patriotic advocate of capitalism'.

Massey was preoccupied with what he regarded as national interests and, for him, the 'one and only issue' was to 'revive at all hazards our internal trade, our commerce and our industry'. The nation would have to work and plan as one harmonious whole and the intrusion of sectional interests and mistrust would be detrimental. Massey took into account the fundamental importance of the profit motive, and his plan for recovery was designed to create conditions that would revive the employer's incentive to build up his business. But he lamented that one of the major tragedies of the situation at that time was the attitude and shortcomings of business leaders, for there was too little faith in individual effort and 'not enough punch' or 'sturdy aggressive control'. Massey warned that Australia, socially and economically, was being shaken to pieces: he noted with alarm that 'class is being rapidly divided from class... in a manner that is full of foreboding and unhappy possibility' for the future of the existing form of society.

Massey maintained that the gold standard was the immediate cause of the economic depression. 'In all ways the unemployment problem is interlocked with... an unprecedented slump in money values' and 'the cause of the whole of this widespread loss and misery... is the maladjustment of the world's gold supply'. He also advanced the argument - which was to become increasingly common among Labor propagandists - that the monetary system had failed. 'Money, which should at all times be the servant of industry, no longer serves - it is the master...'. The ordinary man was paying

However, Copland did not agree with all of Massey's arguments, and he used the occasion to repeat his contention that a 'decline in the standard of living and a reduction in public expenditure is for the moment inevitable'.

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the penalty for his ignorance of the basic facts of money. 8 To save Australia from the 'extremists', Massey advanced 'a practical plan' which was 'a middle course of safety'. This plan, he assured readers, had been endorsed and advocated by eminent economists and monetary experts such as Professor Copland, Sir Josiah Stamp, Sir Henry Strakosch, and J.M. Keynes. In essence, 'the remedy is an immediate and official severance of the gold standard from the moneys of Australia, with necessarily a free exchange rate; 9 and, further, an immediate and drastic revision of our monetary system.'

While deploring the 'wild personal attacks' on Niemeyer, whom he thought a man of great and profound wisdom in banking matters, Massey agreed with those who felt that for 'our national ills... Sir Otto's treatment has all the appearance of sawing off the patient's legs and arms'. He warned that every principle and aspiration for which Australia stood was in grave danger. He declared that there was an inner ring within the international money market of London, and that those associated with it dominated Australian pastoral and financial affairs. 'This powerful group and its associates regards as anathema all and every expression of Australian national spirit...'. If they had their way, wages would be reduced, Australian industrial life destroyed and the country would become an exporter of cheap raw materials. In order to defeat this threat, the Australian employer and wage earner had to be united for mutual defence; and, furthermore, a nation-wide spirit of co-operation between all classes was essential if success was to be attained in 'policies of reconstruction'. But, 'Unhappily', lamented Massey, 'business and employing interests in Australia are unable to recognise that their own immediate and intimate welfare is completely interlocked with that of the Australian wage-earner'; and he deplored the fact that 'today trade and commerce is making common cause with the wool-grower against the wage-earner'.

8 According to Massey, 'Money is not wealth', but merely a means of exchange. The price level is determined 'by one factor only. That factor is the quantity of goods or business to be done in a community taken in relation to the quantity of money in circulation in the same community.'

9 It occasioned Massey some satisfaction to point out that the need for 'a true and uncontrolled exchange rate between London and Melbourne' was beginning to be realised by the Bank of New South Wales.
Following the August conference, Labor ministers set about the task of carrying out the Melbourne Agreement and imposing the 'sacrifices' it entailed. That Labor politicians should abandon Labor policy in favour of orthodox financial measures and undertake to lower the standard of living aroused bitter resentment in the T.U. movement and provoked hostile criticism of those Labor members who repeated 'capitalistic claptrap' and put the interests of bondholders before those of the workers. Moreover, in Victoria at this time, relations between the Trades Hall and the Hogan Ministry had again become strained. As inroads were made into the standard of living, economies were effected in the public service and inadequate relief was provided for the rapidly increasing number of unemployed, the discontent of unions mounted, and their criticism of the Hogan government rose to a high pitch. Voicing the intense dissatisfaction which was becoming increasingly widespread, the Carters' and Drivers' Union initiated a campaign to secure a special conference of the Victorian A.L.P. to deal with unemployment. As other unions lent their support to the demand, the Central Executive of the A.L.P., 'believing that the growing discontent menaced the solidarity of the Movement', agreed to convene such a conference. Thus it was that the A.C.T.U. and Victorian A.L.P. both held special conferences in September 1930 in response to the ominous rumblings within the labour movement.

The T.H.C. had declared on 10 July that 'the efforts of the Federal and State Parliaments to deal with Unemployment are feeble and inadequate', but to no effect. The Hogan government's continued failure to meet repeated requests for greatly improved relief measures led to bitter criticism, and the increasing distress of the jobless was a cause for grave disquiet in the movement. Also at this time, there was rising exasperation as the burning grievances of waterside workers were still not relieved. The Melbourne branch of the W.W.F. condemned the 'hesitant cowardice of the so-called Labor Ministries', and the matter was again considered by the T.H.C. on 21 August. Although the federal government had been appealed to in similar terms so often before, the Council again requested it 'to re-instate waterside workers on the job, which rightly belongs to them...'. In early September, with violence at Port Adelaide and communist agitation for a general stoppage, the issue was prominent and was the subject of further discussions with representatives of
the State Parliamentary Labor Party and other bodies. But a solution was not found and the matter was again to be discussed at the forthcoming Key Unions Conference.

Prior to the September conferences, the Hogan government had also fallen into disfavour in other quarters. Railwaymen had been gratified by the decisions of the Easter A.L.P. Conference which had declared against 'the dismissal or regression of workers' in State enterprises and had directed the government 'to reduce hours without reducing wages'. A.R.U. officials and the Railways Union Gazette had encouraged the expectation that as a result the last had been heard of retrenchment in the service, and Labor ministers, and especially Cain, were regarded as champions of railwaymen's interests. But, as railway revenues declined, the Commissioners applied to the Arbitration Court for drastic wage cuts and took steps to carry out a program of dismissals and regressions. Railwaymen protested angrily and their officials repeatedly interviewed ministers, and finally laid their case before the Central Executive. The T.H.C., on 4 September, passed resolutions viewing 'with alarm the action of the Railway Commissioners', and demanding that the Central Executive 'immediately put into effect the declared policy of the Movement on this question...'. But despite a sympathetic response by the Central Executive to these appeals, cabinet refused to restrain the Commissioners. Cain, Minister for Railways, informed the unions concerned that, unless the wages bill was reduced, large-scale dismissals were unavoidable, and at several conferences in early September he sought to persuade them to accept a scheme of rationing. The A.R.U. and A.F.U.L.E. were unyielding, though the Railway Professional Officers Association with only three hundred members was agreeable. A.R.U. officials pinned their hopes on the forthcoming special A.L.P. Conference where the union's delegates were to oppose rationing and regressions. In addition to railwaymen and other industrial workers, Victorian public servants also had cause to interest themselves in the conference, for severe government retrenchment was clearly imminent.

The Labor Call and Australian Worker remained champions of the Labor governments, and union journals generally did not reflect for a time the critical spirit that was welling up within the T.U. movement.

10 The words 'or regression' had been included in the resolution on the insistence of the A.R.U. delegates.
As one of the first letters published in the Labor Call which expressed this spirit complained on 26 June, criticism of Labor politicians was being suppressed, and, with Labor in office, 'Labor journals become in a measure protective buffers functioning between the politicians and their creators and critics, the working-class voters'. However, despite the attitude of the journals, the seriousness of Labor's predicament had become unquestionable when such prominent union leaders as W.J. Duggan began to inveigh against the Labor governments. Duggan's views placed him right of centre and he had been a friend of the Labor governments, but now he was a hostile critic. Duggan's attitude is also worth noting as a pointer to the future, for he rejected the suggestion that 'industrialists' should form a separate party and urged them to become active members of the A.L.P. and gain control of pre-selection ballots, so that Labor politicians who had let the unions down might be replaced.

The A.C.T.U. and A.L.P. conferences afforded unions an opportunity to exert a powerful influence regarding the future of the labour movement; or, as the Labor Call (4 September 1930) declared, 'History is in the making'. The question was whether delegates would deal decisively with the crucial issues, and be guided by an appreciation of the long-term interests of the labour movement. The Labor Call (14 August 1930) appealed to delegates to heal the breach caused by 'the partial revolt of the trades unions' and insisted that there must be unity. But something far more than formal unity was required. The movement's policies had already been laid down by previous conferences, but they had not been put into effect. Moreover, in recent weeks the essential justification for the very existence of labour in politics had been undermined. Hogan had taken a tentative step in the direction of securing a political truce to seek party cooperation in Victoria, and, in the Melbourne Agreement, Labor ministers had affirmed that: 'Their decisions have been arrived at apart from party or political considerations...'. Would the conferences take an unequivocal stand regarding the implementation of Labor policy? In terms of popular support, time was fast running out for Labor, and the severe setback it suffered in the August municipal elections probably weighed heavily on the minds of many delegates to the Conferences.11

11 Retiring Labor councillors who were defeated included the leading union officials W.J. Duggan and G. McPherson.
The Executive of the A.C.T.U., representatives of the State Trades and Labor Councils, and two delegates from fifteen 'key' industry unions met in conference from 9 to 15 September, and after deliberation formulated a series of proposals. Declaring that 'the provision of work depends almost entirely on freeing the credit resources of the country', the Conference urged that the federal government should find £20 million, and that an Economic Council be set up to determine the allocation of the credit. The federal and State Labor governments were called upon 'to repudiate the decision of the Premiers' Conference' attended by Niemeyer which called for a reduction of wages, and to amend the financial agreement and dissolve the Loan Council which 'is merely an instrument in the hands of the financial capitalists'. Also, negotiations should be entered into with the British government 'with a view to readjusting the burden of war indebtedness now borne by the Australian people...'.

The Conference asserted, 'an outstanding fact today is that money is too dear. Legislation should be introduced immediately to bring about a reduction in all interest rates in order to make available to industry cheaper money.' 'To reduce costs of production, we urge the Federal and State Governments to introduce legislation to provide for - (a) the de-watering of the "bonus" shares issued by companies... (b) a limitation of dividends paid by companies... (c) the excess of returns to be pooled to be utilised as the basis of further credits in reducing prices and costs.' The resolutions continued with the recommendations that federal cabinet should establish control of the whole resources of the country, that State Parliaments be abolished, and that the Commonwealth government should declare the existence of a state of national emergency, nationalise banking and the means of exchange, establish a maximum 40-hour working week, and increase the basic wage by 25 per cent. The delegates maintained that any reduction of wages or increase in the working week would cause greater unemployment, and the Conference declared its strong resentment at 'the intrusion of the Church in a campaign for the reduction of the standard of living...'.

The report on unemployment was submitted to the union conference on Friday, 12 September, and over the week-end 13-14 September, with one or two exceptions, the Victorian delegates, all prominent officials, attended the Special Victorian A.L.P. Conference. Although a few union delegates at the Conference endeavoured to apologise for
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the shortcomings of the Hogan government, the majority expressed such bitter criticism of its efforts on behalf of workers that the Premier challenged the Conference to demand the resignation of his government. However, despite the vehemence with which they assailed its record, the government's critics denied that they even wished to censure it and maintained that they merely sought to offer advice. As the Labor Call (25 September 1930) explained later, 'the delegates insisted that they did not wish the Government to resign. What they want is that the Government do what it is asked to do.' Many speakers made a forceful, though vague, appeal for a stronger stand against the Legislative Council, and a few - including M. Considine and F. Sear - urged that if the standard of living had to be reduced, then it should be done by the anti-Labor parties. But most delegates held that it was in the workers' interests that Labor should continue in office, and some unionists argued for a Labor government at any price. As no one called 'resign', the Labor Call (25 September 1930) drew the conclusion that 'the Conference thus endorsed the principle of office being held...'.

Union delegates demanded more of the Conference than a mere reaffirmation of previous decisions on unemployment, so a special committee was set up to draft proposals. This committee was composed of a majority of union officials, including Duggan (President, A.C.T.U.), Sear (Secretary, A.R.U.), and Roberts (A.E.U.), who were delegates to the Key Unions Conference. Thus a Majority Report was presented which advocated drastic measures regarding unemployment. Although the Premier pooh-poohed the idea that there was a 'conspiracy' of financial interests, the Conference declared 'that the financial stringency is deliberately created for the purpose of reducing the living standards of the workers, thereby creating a social condition intensifying unemployment...'.

Ministers and their supporters condemned the Majority Report as 'impracticable' and 'an exhibition of heroics', and while Duggan claimed that it 'would consolidate the two wings of the party', the Premier maintained that this would 'wreck' it. When the clause dealing with the government's unemployment policy came up for consideration, ministers dug in their heels and made the issue a trial of strength. As seasoned tacticians they insisted that the motion was

Cf. the Minority Report introduced by J. Kean (Organising Secretary A.L.P.).

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virtually one of no confidence in the government, and the voting on an amendment by Drakeford (M.L.A. and General President, A.F.U.L.E.) was regarded as a test vote. The motion was supported by moderate union officials who strongly denied the interpretation placed on it. Nevertheless, the amendment was carried (88-72), and this was seen as a victory for the government over its detractors. It was a manoeuvre, incidentally, that had succeeded in similar circumstances at the 1928 conference. The 'sting was taken out of the motion' as the Conference declared, 'notwithstanding the resolution of the Easter (1930) Conference, the Labor Governments have not completely discharged and are not discharging, their primary duty, and should go further in the direction of providing work or the necessities of life for the people'.

Despite this initial setback, the advocates of the Majority Report went on to secure the adoption of the proposals:

This Conference instructs the Victorian Federal and State Members to take immediate steps to see that that resolution [of the Easter 1930 Conference] is complied with...;

That no rationing shall be introduced in any Government employment except with the consent of the unions affected.

The Report also included the proposals which had been submitted to the Union Conference. The A.L.P. Conference adopted the clauses which called for the release of £20 million of credits, the establishment of an Economic Council, and the abolition of the Loan Council. Despite an all-night sitting, however, time expired before the Conference could deal with the balance of the Majority Report, so the remaining proposals were referred to the Central Executive.

The critics of the Labor governments were particularly incensed that previous instructions had not been put into effect, and, as W. Turner (Carters' and Drivers' Union) asserted at the beginning of the Conference, they believed it was only a waste of time, 'reaffirming

13 That is only 160 delegates voted. It was in the early hours of Monday morning and the other delegates had retired.
14 The motion had read 'the Labor Governments have not discharged and are not discharging their primary duty of providing work or the necessities of life for the people'.
15 An amendment by A.R.U. delegates to delete all the words after 'employment' was defeated. Note that there were sharp differences of opinion among union officials regarding rationing.
pious resolutions'. Now another series of instructions had been issued, would they also prove to be no more than 'pious resolutions'? Apparently hoping to prevent a recurrence of this remissness on the part of Labor members, at least in so far as their obligation to maintain present standards was concerned, the Conference demanded 'that the Federal and State Parliamentary Parties give an assurance that they will comply with these resolutions, and that they will not support, or enforce, or advocate dismissals or reductions of wages or extension of hours, and that the Executive be instructed to obtain such assurance'. However, the attitude of Labor members at the Conference afforded few grounds for optimism, and the Premier had declared that the resolution was 'ridiculous'.

A few days later the Key Unions Conference concluded after having adopted, with only slight amendments, the proposals indicated above. It is difficult to understand how the unions could genuinely believe that the Labor governments could be induced to put these proposals into effect, for the records of these governments indicated beyond doubt that they would not interfere with private property or step a hair's breadth outside the constitution. Furthermore, Scullin and Hogan had made it quite clear that budgets would be balanced and that for them 'national honour' was a prime consideration. Delegates were not unaware of such obstacles, for they discussed possible steps that might be taken if the Conference's decisions were ignored. Finally, a motion for a general strike was rejected in favour of the amendment:

That in the event of the Federal Government failing to recognise a crisis and to take the necessary action on the lines suggested by this Conference... the Emergency Committee shall be empowered to call together all unions to take action to demonstrate that a crisis exists.

The Melbourne T.H.C. adopted the conference decisions to the cries of 'treachery' from communists, who branded proceedings as futile and as a deliberate stratagem to lead workers into a blind alley.

In October 1930 a special meeting of the A.L.P. Federal Executive (which included W.J. Duggan) declared itself 'emphatically opposed' to the Niemeyer policy and urged Labor governments to resist the attacks being made on the workers by unscrupulous employers who were taking advantage of 'a temporary derangement of the economic system'. It recommended that industry should be stimul-
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ated by making credits available immediately, that interest on bank credits advanced to industry should be reduced, and that negotiations should be commenced for a revision of the war debt.

'Sane' Politicians and 'Extremists'
Any hopes that the Labor governments would proceed to deal with the depression in accordance with the policies laid down by the September 1930 conferences soon proved illusory. Acting Prime Minister Fenton had already remarked that the resolutions of the Victorian A.L.P. Conference were 'not practical politics' and Premier Hogan had decried the Majority Report as 'moonshine and nonsense'. These early reactions had been auguries for the future: political leaders, both State and federal, remained firm in their resolve to carry out the Melbourne Agreement, and did not waver in their conviction that to maintain national solvency and honour was their prime duty. The Victorian Premier sided with the Lyons group against the 'extremists' in the federal caucus, adding his voice to the outcry against the 'wild men' who advocated 'repudiation and inflation'. Meantime the depression deepened, unemployment increased further, and hardship became more intense and widespread. Far from implementing the demand of the unions for action to improve or at least preserve the workers' standard of living, the Victorian Ministry allowed railwaymen's wages to be cut (Chapter 4) and itself reduced public service salaries. In these ways, at a time when all workers' standards of living were in jeopardy, a Labor government seemed to be offering a dangerous example to private employers and arbitration tribunals.

Tension and momentary doubt as to whether the Hogan Ministry would carry on after the decisions of the Victorian A.L.P. Conference receded after a cabinet meeting on 16 September, and the Premier resumed the task of preparing a balanced budget. A week later, on 24 September, Hogan brought his budget down. To meet the deficit, he proposed extensive economies in State departments, and additional taxation. Public servants' salaries were to be subject to a special tax, but this did not satisfy the strong demand for substantial reductions in the public service wages bill, and press, employers, and the Opposition denounced the budget. On 30 September, Argyle (Leader of the Opposition) foreshadowed a motion of no confidence, on the ground that the budget was unacceptable. Hogan promptly retreated, announcing the next day an imminent review of the budget to include
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a general percentage reduction of public service salaries. The way for this move had been opened by the Public Service Association whose officials - alarmed by Argyle's challenge to Hogan - had intimated their willingness to accept sacrifices rather than see the Labor Ministry overthrown (see pp.75-6).

The Opposition threat was indeed a real one. The extent of the waning of popular support for the Government was driven home by the steep decline in the A.L.P. vote on 27 September at the Hawthorn by-election. More serious, an alteration in the parliamentary balance seemed inevitable as a result of a tentative amalgamation agreement reached on 23 September by representatives of the Country Party and Country Progressive Party. If effective, this agreement could have robbed the minority Hogan government of the conditional support of the splinter C.P.P. on which it had depended. As it happened, the vote on the censure motion took place on 14 October, before the amalgamation of the Country parties had been completed, and a week after Hogan had produced definite plans for public service salary reductions. In these circumstances, the Government survived by the grace of the four C.P.P. members who voted in its favour. But on 28 October, the C.P. union being now complete, three of these men joined the United Country Party on the Opposition corner benches.

With his hold on office thus rendered even more precarious, Hogan was scarcely in a position to execute the directions of the September A.L.P. Conference. On 6 October the Central Executive of the A.L.P. had resolved to 'proceed to enforce the decisions of Conference and to demand the assurances [decided on by the Conference] from each... [Labor] member...'. This same meeting of the Central Executive, however; had accepted a ruling by President Keane, 'That the action of the... Parliamentary Labor Party, in accepting an agreement with the State Public Service organisation for percentage deductions above the basic wage in lieu of rationing' was not a contravention of Conference decisions. It was on the next day that Hogan explained his scheme of public service salary cuts.

But the votes of the two Liberals and McLachlan (Independent) went against the government.

The Opposition was further strengthened when at a by-election on 22 November the Nationalist Party captured Caulfield, previously held by a Liberal. There was no A.L.P. candidate.
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In practice, Labor could only hold office at the cost of moderation. In any case Hogan was willing to compromise and he gave the Opposition no reason to fear that he would embrace the radical policies being urged by the T.U. movement. The Opposition repeatedly offered to co-operate with the Government in carrying 'non party' measures to achieve financial readjustment, and it showed no eagerness to take power itself. Labor, in effect, remained in office on terms largely dictated by the Opposition.

But in December this unstable situation gave place to a serious political crisis. In the Assembly, the Opposition forced drastic amendments to a Government unemployment relief bill, and it appeared that the Ministry, unwilling to accept these changes, would go out of office. Then a compromise was reached, and the Bill went through, only to be held up by serious amendments in the Council. Meantime two bills to reduce public service salaries in accordance with Hogan's budget proposals were also blocked by Council amendments. On Christmas Eve these deadlocks between the two Houses were resolved by negotiation, but only after Hogan had made considerable concessions.18 These crises marked the beginning of an overt division in the S.P.L.P. Standing now on traditional Labor principles, almost a third of the Labor Party had voted against the ministerial bills to reduce public service salaries, which were passed, in fact, by virtue of Opposition support.19

This incipient split was the Victorian parallel to a threatening division in the federal caucus, where bitter faction fights were now in progress. The determination of Acting Federal Treasurer Lyons and Acting Prime Minister Fenton to carry out the Melbourne Agreement and to pursue orthodox financial policies had been unaffected by the September conferences. But then in the N.S.W. election campaign, under the vigorous leadership of Lang, Labor had furiously attacked 'Niemeyerism' and insisted that the workers' standard of

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18 Six months' supply was granted and Parliament went into recess. The Ministry had introduced several bills which were anxiously sought by the T.U. movement, but they were not dealt with before Parliament adjourned and so they lapsed.

19 Earlier in the year, some Labor members had been hostile to the Ministry's unemployment relief tax measures, though they had not actually voted against them. At the September A.L.P. Conference, Premier Hogan had charged Blackburn (M.L.A.) with having voted 32 times against the government. Blackburn replied that, if that were so, then it showed the government had acted 32 times against Labor policy.
living must be maintained. Lang's victory spurred on the anti-deflation wing of federal caucus, and a serious rift occurred at the end of October when a majority of caucus condemned the Niemeyer policy, rejected cabinet proposals for retrenchment, and demanded radical financial measures. Then, in early November, on the motion of Anstey, caucus resolved (22-16) that bondholders in internal loans shortly to mature be compelled, save in cases of hardship, to hold their bonds for a further twelve months. This precipitated a crisis in the F.P.L.P. Lyons defied the authority of caucus and threatened to resign. A complete split, however, was averted, as a compromise was reached and a showdown between the warring factions was postponed until Scullin returned from overseas. In the federal as in the state sphere, the agonising question was how to reconcile traditional principles and the needs of the movement with political circumstances which pushed Labor governments towards an implementation of Opposition depression policies. Divisions had begun which were to end in Labor's disintegration.

During the last quarter of 1930, union propagandists continued to denounce Niemeyer and the 'Money Lords' and their 'sinister plot' for the 'mass pauperisation of workers'. They became more insistent in their demand that it was the duty of the Scullin government to break the 'stranglehold' of the private banks and 'to control the issuing of money in the interests of the workers'. The orthodox policy of retrenchment and wage cuts, they urged, would only intensify the depression. The growing distress made it more essential than ever that standards of living be maintained and employment provided for the jobless, and for both purposes bold credit expansion was vital. Hence union spokesmen endorsed and defended the financial policy adopted by federal caucus, and Anstey's pamphlet, Facts and Theories of Finance, which appeared at this time, was received with warm approval. Anstey addressed A.L.P. branches and public meetings in support of his views, and typical of the response was the resolution of a Brunswick meeting, chaired by W.J. Duggan, calling on the federal government to nationalise banking.

Lang's electoral victory in New South Wales during October was hailed by Victorian union officials and journals as a signal Labor triumph. They saw Lang's 'great political programme' as foreshadowing the arrival of a Labor government which would at last take a firm stand against Niemeyer and the Money Lords to preserve the workers' standards of living. Lang's aggressiveness impressed as
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a welcome contrast to the supineness of other Labor politicians who appeared to 'have got the wind-up'.

Criticism was intensified and voiced too by A.L.P. branches as it became apparent that the Hogan and Scullin governments had little intention of meeting the demands made on them at the September conferences. The Liquor Trades Union favoured the removal of Hogan as leader of the S.P.L.P., and the Electrical Trades' Union withdrew its affiliation with the A.L.P. for six months, 'as an indication of its dissatisfaction with the administration of the Labor Ministries, and the failure of the Executive to compel the party to deal effectively with unemployment and the attacks on wages and working conditions'. In the Tramway Record and Union Voice, Don Cameron scolded Labor politicians who bowed before the 'High Priest of Finance' (Niemeyer), insisting that 'a Labor Government is responsible to the workers'. At the same time he lashed the workers' foolishness in allowing themselves to be persuaded that financial conditions made lower living standards necessary. In the Labor Call, letters and articles expressed keen disappointment with the Labor governments' efforts. Editorials in the same journal repeatedly appealed to Labor members for more energetic action to help workers, and exhorted the federal government to take 'immediate action' to put banking and credit under national control. The Australian Worker and some union leaders were also suggesting now that the Scullin government should take a firm stand against Senate obstruction of Labor's financial proposals and if necessary force a double dissolution.

Yet despite these criticisms and appeals, the union leadership and journals seemed at times ambivalent in their approach to the Labor governments, for, as the Labor Call (30 October and 18 December 1930) put it, 'Labor in office is infinitely a better proposition for the workers.' This was the often-used 'lesser evil' argument: however true it was - as the Call said - that the position of Victorian workers had not been improved and 'in many instances... has been worsened', the fact remained that 'had anti-Labor been in office the plight of the workers... would have been worsened to a far greater degree'. And Cameron, too (in the Tramway Record, December 1930), after weighing up the advantages and disadvantages of Labor's being in office, concluded that a Labor government was the 'less of two evils'. However, at times - as if in an effort to bolster morale - there were bursts of positive praise: witness, for
example, the Call's approval of the Hogan government's 'bold stand' on taxation proposals to balance the budget, and its claim that 'the Government's record in attempted legislation... was remarkably trade unionistic and Socialistic well-nigh throughout'.

During the year, union journals had not informed their readers of what was going on beneath the surface of federal Labor politics, and the rank and file had not been forewarned of the possible consequences of the wide divergences of opinion within the F.P.L.P. Thus, as an open rift threatened, it became all too likely that workers would receive their political education from the daily press, which, as details of acrimonious debates were leaked to it, depicted caucus as a bedlam where the Lyons group was gallantly battling to save Australia from the 'extremists'. To complicate the scene, the Communist Party had declared war on Lang and his followers whom it identified as 'left social fascists' and thus 'more dangerous to the working class than open right wingers like Scullin and Hogan'. Now the chief commentator in the Workers Weekly (7, 28 November) rejected the 'fantastic assertion... that there would be a repetition of the "conscription split" in the Labor Party. In response to the demands of its 'real political leader', the Chamber of Manufactures, he argued, the federal Labor Party was preparing for a double dissolution to pave the way for inflation of the currency and wage reductions.

The Labor Call's reaction to daily press reports was to bewail the fact that differences within federal caucus had been made public, and to fulminate against the 'anti-Labor ink slingers' who grossly misrepresented Labor's policy and magnified 'the natural and very necessary differences of opinion' within caucus in order to confuse the workers and split the movement. It championed the cause of radical finance and at the same time fervently sought to impress on workers and Labor members that 'solidarity spells success' and that 'a "split" is the very devil'. Similarly, the Australian Worker (12 November 1930) called for the defeat of 'pawnbroker interests' in their machinations to split the party.

Thus, while developing criticisms which in practice ranged them on the side of the wing of caucus which demanded a radical financial policy, union spokesmen in Victoria had not been inclined to come to grips with the political implications of such a position, though Cameron in the Tramway Record (November 1930) foresaw the possibility of a split. It could not be said that they failed to take sides in the stormy monetary controversies that the depres-
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sion had generated in the movement; nor even that they did not offer some leadership to the rank and file. But, in reality, they failed to mobilise the T.U. movement to intervene decisively to influence the outcome of the controversies within the Parliamentary Labor Parties. They seemed neutralised by the horror of a split, and were perhaps also aware, however dimly, that the surge of events was already too much for them.

In explaining the attitude of the unions to these crucial questions of policy, it is important to remember that at this time such matters did not in fact dominate union attention. They caused great concern, but it was the current basic wage case that was absorbing most of the energies of the union leadership.
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Reformism and the Communist Alternative

As we have seen, the direction of the course of events in 1930 was irresistibly against that prescribed by union policies. While unions were urging increased wages and a shorter working week, and pressing for reforms to raise purchasing power, in fact a series of piece-meal reductions of wages and working conditions occurred, and these turned out to be a prelude to the 10 per cent cut in the basic wage and the Premiers' Plan of 1931. In the face of these threats, the Victorian unions - preoccupied chiefly with their domestic affairs and immediate interests - made no united stand, but began a disorderly retreat.

Inroads into the conditions of sections of the workers had provoked violent resistance in the late twenties. In coming to their support, the T.U. movement generally had felt that timber workers and coal miners were resisting, on behalf of all workers, an alliance of employers, biased Arbitration Court, and anti-Labor Bruce-Page government. These upheavals, together with rising unemployment, had seriously weakened the movement, and Victorian unions were only too ready to believe at the end of 1929 that the new Labor governments would check the offensive against wages and conditions. But the offensive continued despite the changes of government, and on a widening scale as the depression deepened. Stern challenges now brought to light the weaknesses in union organisation, policy and leadership, to which reference was made at the beginning of this study. It became painfully apparent how ill-equipped the movement was to defend the workers' interests.

We saw earlier that there was much agitation by union spokesmen against wage cuts, as being unjust and calculated only to intensify the depression. But the pressure for cuts was too great to be halted by mere propaganda, whether couched in terms of the purchasing power argument, or expressed in bitter denunciations of 'Fat', the evils of exploitation, or the Money Power's 'plot' to reduce workers to a 'coolie level'. Voices were not lacking to warn unionists that they faced a concerted attack on their standard of living, or even to incite them to what Cameron (in the Tramway Record) called 'intelligent and sustained resistance'. But such calls to resistance tended to be
vague exhortations and there was little indication that the union leadership had in mind an alternative course to their reliance on the Labor governments and on a reformed arbitration system. Sometimes spokesmen complained of the workers' ignorance and apathy as the prime cause of inaction (in practically every issue of the Tramway Record Cameron decried the 'stupidity' and 'servile beliefs' of the workers) but in fact the leadership itself offered little inspiration to aggressiveness. There was practically no inclination to mobilise the workers' industrial strength for action outside the orbit of the arbitration system, and Victoria was almost free of strikes in 1930. Circumstance supported traditional principles here, for defeatism was widespread and union strength was disintegrating under the impact of unemployment.

The jubilation at the victory of the federal Labor Party in 1929 has already been stressed. Then it had seemed that the Bruce-Page 'perversion' of the arbitration system would soon be rectified, and the Arbitration Court would be able to fulfil its proper function: to conserve and improve workers' conditions. This expectation bolstered the attachment of the union leadership to legalism and to the belief that the problem of resisting attacks on wages was largely the problem of restoring the Court's real function. While unions were extremely hostile to the existing system and sought to have it amended drastically, only a small minority opposed arbitration itself. Early in 1930 the A.C.T.U. Congress had drawn up a comprehensive scheme for reforming the system. Its demands included abolition of the penalties upon strikes and lock outs, preference to unionists, and no award to prescribe hours exceeding a weekly maximum of forty-four hours or a basic wage which would not maintain at least the basic standard obtaining at 1928.

In May, the Scullin Ministry introduced a Bill to amend the Arbitration Act, and though it fell well short of their demands, the Bill was welcomed by the unions. At the same time it was denounced by employers, press, and the Opposition as 'partisan legislation' designed to extend 'Trades Hall tyranny'. In committee, the Ministry proved amenable to pressure, so that when the Bill passed the House of

1 The essentials of the scheme were to substitute for court procedures a system of conciliation committees and thus 'free the system from legalisms and technicality'. A series of deputations urged the federal government to implement the scheme.
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Representatives on 11 July it had been watered down. Then most of its vital clauses were removed by the Senate, and deadlock between the Houses seemed imminent early in August. But the Ministry compromised and in conferences with the Senate accepted many of the latter's amendments. The mutilated Bill, which was finally passed on 8 August, was far from embodying the full demands of the unions. Union spokesmen assailed the Senate, and the A.C.T.U. President criticised the government's 'surrender'. But the more general sentiment was expressed by Duffy (Secretary, Melbourne T.H.C.), who accepted the Act as an instalment towards the goal of the A.C.T.U. Congress, and far better than nothing. Further disappointment was in store for the unions, as later in the year the High Court declared invalid the important section of the new Act which dealt with conciliation committees.

The union leadership's continued support for arbitration while the Court cut wages was presented as deliberate treachery by the Communist Party. The 'new line' of the C.P. and its analysis of the depression have been outlined in Chapter 2. In accordance with the new line - which presumed that an international revolutionary situation was developing and the overthrow of capitalism an imminent possibility - the C.P. did its utmost to 'expose' and sharpen the struggle against the 'social fascist' A.L.P. and trade union bureaucracy, who were assisting the 'anti-working class' Labor governments to carry through 'the capitalist offensive' and place the burden of the crisis on the workers. Vituperative diatribes called for struggle against the 'social fascists' and urged workers to repudiate their 'traitorous' union officials.

At every opportunity, communists denounced arbitration - that 'wage-slashing instrument of the master class' so strongly supported by the 'social fascists'. In fierce and persistent propaganda they exhorted workers to repudiate arbitration, defy awards, abandon all forms of class collaboration, and instead 'sharpen the class struggle'. Their constant cry was for 'mass action', which, they insisted, was the only way 'to smash the capitalist offensive'. Loudly and continually they called for strikes and for 'all out' in the industries threatened with wage cuts, arguing that localised stoppages must lead to defeat. Workers were often also enjoined to launch 'a counter offensive' for higher wages, shorter hours and relief for the unemployed. At the same time, as noted previously, the C.P. aimed at extension of the economic struggles into mass political movements,
with a view to organising a mass political strike for the overthrow of capitalism.

In its campaign to mobilise the working class for militant struggle, the C.P. was equally concerned to convince workers that they could take effective action to resist cuts only if they set up rank-and-file organisations and fought under rank-and-file leadership. Communists constantly urged the formation of job committees, councils of action, and rank-and-file strike committees which would include the unorganised and the unemployed. Such organisations would unite all workers irrespective of craft and lead to the establishment of 'a united front from below'. Further, the workers had to elect their own rank-and-file leadership to control their struggles, which otherwise would be betrayed by the 'strike-breaking' union officials. The C.P. also required its members to take the initiative in building the Militant Minority Movement (M.M.). The M.M. was to be 'an auxiliary' to the party, and groups were to be formed 'within the unions and upon the jobs'. Some such groups were formed and published bulletins, for instance the Railway Rebel.

Criticising those who abandoned their union because it was reactionary, the party insisted that all militants must work in the reformist unions to win over the rank and file to a policy of militant struggle and replace the 'social fascist' officials with revolutionary fighters. It also warned erring militants that the rank-and-file committees 'must not be considered as a new form of trade union'. In fact, however, the Workers' Weekly tended to be vague at this stage about relations between the M.M. and the existing T.U. movement; and some of their activities lent point to the charge of the union leadership that communists would wreck the unions and disrupt the labour movement. The communist attitude was that respect for trade union rules and decisions aided the bureaucracy 'in their despicable work of assisting the employers'. Later, the C.P.'s policy was to build the M.M. as an alternative trade union centre. In any case in 1930 there were very few communists in the unions, and the party did not achieve its goal of winning mass support. If the rank and file had doubts about the effectiveness of official union policy, they showed little sign of reacting favourably to the alternative offered by the C.P. Measured in terms of their response to the party's wild calls for general strikes, the 'revolutionary upsurge' of workers in Victoria was not apparent.
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Early Retreats

During 1930, engineering fitters at the S.E.C. works at Yallourn were practically the only Victorian workers who took direct industrial action to resist reductions in their standard of living. In December 1929, Judge Beeby had issued the Metal Trades Award, which respondent unions had denounced as an unwarranted attack on their working conditions. Their members seething with discontent, the A.E.U. and other unions expressed strong opposition to the award and lodged their objections with the Arbitration Court. It seems reasonable to suppose that this discontent and hostility influenced Beeby, for in his final award on 25 March 1930 he made some concessions to the unions. The leadership of the A.E.U. regarded the award as a 'decided improvement', though it complained that there were still 'several objectionable provisions'. Officials of the union conferred with employers, but they were unable to persuade them not to put into effect the 'obnoxious' clauses. While communists campaigned for a general stoppage, the A.E.U. leadership did not seek to incite members to refuse to work under the award; but the fitters at Yallourn, apparently on their own initiative, struck on 9 May.

Control of the dispute was handed over to the Melbourne T.H.C. Disputes Committee which earned the compliments of the Age by pursuing a policy of confinement and peaceful negotiations. The Labor Ministry was anything but sympathetic, and it decided to leave the matter entirely in the hands of the Commissioners. The works were able to carry on, and on 7 July the fitters resumed, on the understanding that the Commission would consider the possibility of making an agreement. The strikers were afforded some financial assistance, receiving £2 10s a week strike pay, but generally other unionists exhibited no active interest in their isolated skirmish.

Similarly, Victorian unions passively watched the treatment meted out to the A.W.U. by the Arbitration Court. At the end of January 1930, the Court reduced the wages of workers covered by the A.W.U.'s Fruit Picking Award. The General Secretary (Grayndler) protested,

2 For the important implications of some of the provisions of the award, see Perlman, Judges in Industry, pp.97-101. However, Perlman (p.101) at least overlooks the Yallourn strike when he asserts that, 'the award was accepted without noticeable revolt...'.

3 The men were to suffer a wage cut of 10s 6d a week and an increase in their working week. A meeting of fitters' assistants decided to continue working, and the boilermakers resolved to work the increased hours imposed by the award under protest.
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and the Australian Worker, which had assured members that their officials were waging a sterling fight in the Court, now branded the judgment a 'scandalous award' which illustrated the urgent need to remodel the arbitration system. It did not offer a lead to the rank and file on how they might recover the lost wages, and the Annual Convention of the A.W.U. decided on more legal proceedings which proved unsuccessful.

On 2 June the Arbitration Court commenced hearing applications for drastic variations of the A.W.U.'s pastoral award. The union's officials were justifiably alarmed by the attitude of Chief Judge Dethridge who declared, 'I am faced with the disgusting job of adjusting conditions, wage conditions, in accordance with economic realities'. So on 4 June, General Secretary Grayndler withdrew from the Court, challenging the Bench to 'do its worst'. The case proceeded, and meanwhile the A.W.U. conducted no campaign, other than protests to the Scullin government, to prepare its members to meet the almost inevitable outcome.

On 14 July the judgment granting severe wage cuts was issued. Then almost a week passed before a special committee of A.W.U. officials met in Melbourne and entered into discussions, which in the upshot extended for more than another week. The Australian Worker denounced the Court's 'iniquitous decision', which it attributed to Dethridge's bias, especially his adherence to the 'pernicious principle' of adjusting wages to economic conditions. It demanded action by the Scullin government to restore the proper function of the Court, so that by 'sympathetic administration' it would fulfil its role of protecting and improving living standards. At the same time, the Australian Worker (23 July 1930) and officials 'strongly advised' all members to await the pronouncement of the Committee and warned that any hasty, ill-considered action would assuredly lead to serious trouble. The Melbourne office of the Victoria-Riverina branch of the union advised shearers to accept work under the new award. But while the leadership delayed to confer, unofficial strikes broke out against the award in New South Wales, where the shearing season was beginning, and several strikers were arrested. The Sydney Rank and File Pastoral Workers' Committee of Action urged a general stoppage and stepped up its agitation for 'all out'.

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4 The Sydney Rank and File Pastoral Workers' Committee of Action urged a general stoppage and stepped up its agitation for 'all out'.

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Secretary of the Graziers' Association expressed alarm that the A.W.U. officials were taking so long to reach a decision while 'red ruggers' were disrupting the industry.

At length, the officials issued a manifesto which stated, *inter alia*, 'any member who accepts employment in the terms of the Award is not offending against any principle of the Union', though members were allowed the right to bargain for higher rates. The *Argus*, that relentless advocate of wage reductions, hailed this decision as 'a triumph of good sense', and a similar opinion prevailed at the Melbourne Trades Hall. But militants regarded the manifesto as a recommendation to 'scab' and this led to the formation of the breakaway Pastoral Workers' Industrial Union of Australia. Stoppages against the new award continued for a time and summonses were issued against hundreds of strikers. Meanwhile the *Australian Worker* (6 August 1930) urged that members of the union 'trust their chosen leaders, who are doing their best for the great organisation...'. These leaders, after further consideration, retraced their steps to the Court to apply for a variation of the new award.

The *Argus* (16 July 1930) had reported predictions in Canberra that the new pastoral award would probably prove to be a preliminary to the greatest economic readjustment that had ever occurred in Australia. From the A.W.U.'s decision to accept the award, the *Argus* (29 July 1930) drew a lesson for all employers: the pastoralists had proved that the resistance of the trade unions was not as formidable 'as the bombast of many trade union leaders might lead the community to believe'. Certainly the capitulation of the A.W.U., the most powerful union in Australia, followed by the failure of the Miners' Union and the A.R.U. to prevent wage reductions, were not calculated to inspire a combative spirit in weaker organisations. While some unions offered resistance in the Arbitration Court to any worsening of working conditions, some workers agreed to accept wage cuts in the conviction that they would thereby help their employers to weather the storm; many others accepted a reduced income for reduced hours of work, hoping thus to keep dismissals at a minimum.

In the latter part of 1930, Wonthaggi miners suffered at the hands of the Court, as an award by Judge Beeby provided for a substantial wage cut at the State coal mine. Several stop-work meetings expressed hostility to the award, but the miners failed to preserve their standard of living, as negotiations with the Commissioners and
appeals to the Labor Ministry to prevent the Commissioners from imposing the cut proved abortive. On the very day on which the Beeby Award was brought down - 15 August 1930 - summonses were issued at the instance of the Victorian and N.S.W. Railways Commissioners seeking drastic variations of the existing railway awards. (In this they were joined later by the South Australian and Tasmanian Commissioners.) It had cost the A.R.U. £12,000 and much painstaking work to secure a new consolidated award in early 1930, and the Arbitration Court had been occupied for some time with a general log of claims by the Australian Federated Union of Locomotive Enginemen (A.F.U.L.E.).

The Victorian branches of the A.R.U. and A.F.U.L.E. were firmly tied to arbitration, and the Railways Union Gazette and the Footplate did not see industrial action as an alternative. Despite the increasing difficulties of railway finances and the powerful pressure on the government for retrenchment, officials and journals had in effect encouraged the rank and file to believe that their conditions were adequately safeguarded. The Commissioners' applications provoked protests and demands that the government take action to protect railwaymen and restrain the Commissioners. The Commonwealth government did intervene later, but the Hogan government took no action, though railwaymen had been repeatedly told that a Labor government represented their interests. The unions committed their future to the Court and became involved in protracted legal proceedings. During the next few months, the Gazette and Footplate carried long uninspiring reports of proceedings and emphasised the magnificent battle being waged by officials. The Workers' Weekly called in vain for mass action, and demands for a militant alternative were scarcely raised outside the Transportation Division of the A.R.U.

The Railways Union Gazette served notice that the A.R.U. was mobilising in defence, and issuing a call to arms, but railwaymen were expected to participate in the 'fight' only by providing finance for the Court case. The Secretary of the A.R.U. (Sear) deplored the 'astounding claim' of the Commissioners, and General Secretary

5 Differences over industrial policy had led to a split in the Australian Council of the A.R.U. and friction between the Victorian branch, which supported arbitration, and the militant New South Wales and Queensland branches.

6 However, later the Ministry did force the Commissioners to withdraw from the High Court case.
Chapple said that it was so drastic as to 'bewilder' him. Officials complained indignantly, but it cannot be said that railwaymen were offered inspiring leadership. Spearheaded by employing interests, a most determined campaign was being waged for a reduction of government expenditure, and the Railways Department was a primary target. Yet, after the Commissioners had declared war, the Railways Union Gazette (September 1930) preached the desirability of co-operation and appealed for 'mutual understanding and sympathy between the various classes'. It lamented the fact that destructive influences, such as a section of the metropolitan press, had worked 'to separate class from class where in fact no separation should exist'. It was at this time too that Gordon Massey's articles appeared each issue advocating monetary reform and the urgent need for class co-operation.  

After some preliminary legal skirmishing, the unions involved secured the appointment of Conciliation Committees (provided for in the amended Arbitration Act), with the result that the Arbitration Court was prevented from dealing further with the applications for variation of the awards. The Commissioners then applied to the Court for an order to set aside the railway awards on the grounds that the financial situation had created an emergency.

The trade union leadership had viewed events with consternation, fearing that if the attack on the basic wage in this industry succeeded, other unions would immediately be faced with a similar threat. It was their concern about the Commissioners' applications that prompted the Emergency Committee of the A.C.T.U. to meet on 18 August, when the decision was made to call the September Key Unions Conference discussed in Chapter 3. As noted there, this conference and the Special Victorian A.L.P. Conference held at the same time had emphatically declared their opposition to any reduction of the workers' living standards. The Labor governments had been required to prevent such reductions being imposed and, further, to pursue radical policies to increase the workers' purchasing power. But the course of events was not in fact affected by the outcome of either conference.

On 4 October the Arbitration Court set aside the existing railway
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awards, with the exception of the basic wage and standard hours. This meant in Victoria a reversion to rates and conditions fixed by the Railways Classification Board for those officers and employees covered by its jurisdiction. Railwaymen voiced ineffectual protests and, with as little success as previously, urged the government to ensure their standard of living. Meetings were addressed by officials who in effect did little more than inform the men how badly they had been treated. The General Secretary of the A.R.U. suggested that the Arbitration Court judges should be replaced, while Gordon Massey utilised the meetings as an opportunity to expound his monetary theories and advise railwaymen 'to study the facts of money'. The Railways Union Gazette (November 1930) eulogised the work of the union's officials and urged a halt to what it claimed was an 'attack on arbitration', which, it insisted, was A.R.U. policy. Making a plea for good will in industry, it asserted that 'a nation wide spirit of co-operation between all classes is essential', and it denounced those 'incredibly blind' men who were using the depression as an opportunity to attack the wage earner.

Trades Hall officials expressed alarm at the judgment, and the Labor governments came in for some criticism. W.J. Duggan blamed the federal Ministry which, he maintained, should have curbed the Court. He also declared that if the arbitration proposals of the A.C.T.U. had been dealt with in a proper manner the present crisis would not have arisen. But he and others who made similar comments did not suggest what railwaymen might do to protect their wages. Representatives of federal unions at a conference on 5 October discussed the judgment, and delegates contended that it was opposed to all principles of justice.

Officials of the rail unions persisted with legal methods and told railwaymen that there was a good possibility that their wages might yet be saved. They appealed to the High Court to quash the Arbitration Court decision, and thus became entangled in constitution-

8 The unions concerned were the A.R.U., A.F.U.L.E., Federation of Salaried Officers, and Railways Professional Officers' Association. The Victorian Commissioners proceeded to make reductions estimated to save the department £130,000 a year (Argus, 14 October 1930).
9 It appears that the Executive of the A.F.U.L.E. sent telegrams to branches advising members to take no action of 'a militant nature' until the State Annual Conference laid down a policy.
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al questions regarding the validity of the appointment of the conciliation committees and the constitutionality of the railway unions being before the Arbitration Court. On 1 December, the High Court ruled that the awards had been legally set aside, and the Commissioners proceeded with their claims for reduced wages before the Classification Board; towards the end of the month, therefore, the Board granted a 6\% per cent emergency cut to operate from 4 October. Sear expressed disappointment, though, as reported in the *Age*, 1 January 1931, he was able to discover some 'gratifying' aspects of the decision. The misfortunes of the railway unions produced a wave of consternation through the Trades Hall, and President Cameron protested that the Board 'had done a grievous wrong', as such a reduction in purchasing power must lead to further unemployment. But, within other unions, it seems that there were few expressions of vital concern; and while the *Australian Worker* (8 October 1930) regarded events as further confirmation of its belief that the judges were biased, and that the arbitration system must be reformed, a few other journals merely noted the decisions.

During 1930 the Arbitration Court provided the unions with a further cause for anxiety when cost of living adjustments led to a decline in the basic wage from 1 May. Wages Boards followed suit, and this led to unsuccessful requests for ministerial intervention. These reductions, of course, were not intended to affect real wages, but the unions were hostile, charging that the index was not a fair indication of what it cost a worker to live. On 14 August the T.H.C., with its penchant for committees of inquiry, set up a committee 'to make a thorough investigation into the methods adopted by the Commonwealth Statistician's Department in computing the Retail Price Index Numbers' used by the Court.

'Sacrifices' by Public Servants

The Labor governments, as we have seen, had not checked piece-meal attacks on the workers' standard of living. The Victorian government had allowed the wages of railwaymen to be cut and their conditions to deteriorate, and had not attempted to interfere when the Arbitration Court handed down adverse awards affecting employees of State instrumentalities. Further, at a time when the basic wage case gravely threatened the interests of all workers, the government itself cut the salaries of public servants.

The Victorian public service unions were quite inadequate to the task
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of preventing salary reductions at such a time. They were isolated in the main from the industrial and political labour movements and experienced no feeling of solidarity with industrial workers. To achieve their aims, they had to rely on the justice of their case influencing politicians and public opinion, and as a last resort they could only count on their electoral potential. Having very limited aims and a parochial outlook, the public service organisations were almost exclusively concerned with their own immediate interests. However, they were acutely aware of the rising clamour for reduced government expenditure, and were especially uneasy after the Ministry began an economy drive and set up a State Service Economies Committee. Then, with the adoption of the Melbourne Agreement, they had cause to fear that severe retrenchment was imminent.

Early in 1930, public service unions and the Victorian State Instrumentalities Unions' Committee had declared against retrenchment and protested against the Hogan Ministry's moves in this direction. In every issue of the Public Service Journal of Victoria from April to August, much space was devoted to publicising arguments against retrenchment. The A.P.S.A. declared that it was prepared to share an equal burden but felt that its members were being singled out for special reductions. The Association sent a spate of letters to the daily press and protested to members of Parliament. The Teachers' Journal seems to have been slower to take up the challenge, but the August and September issues strenuously repudiated the Ministry's retrenchment proposals. In July, the V.T.U. adopted the same stand as the A.P.S.A.: it did not oppose readjustment but it objected to any special burdens on public servants as 'class taxation'. The Union issued circulars and interviewed M.Ps. in an endeavour to ward off the threatening blows.

Hogan's undertaking to balance the budget in conformity with the Melbourne Agreement was formidable enough in itself, but it became practically impossible if he intended to abide by the September A.L.P. Conference decisions. Nevertheless, the Ministry proceeded with its preparations, with the knowledge that it faced almost certain defeat unless it met the adamant demand of the Opposition for an economy budget. On 18 September the executive of the Victorian A.P.S.A. met the Premier and the Minister for Public Works, who outlined the grave financial position confronting the government and invited the Association to accept retrenchment measures. The Association abruptly terminated its campaign against the economy drive, as the
executive was concerned to convince public servants that, unless they accepted salary cuts, the Hogan government would fall and they would suffer more serious reductions. A.A. Calwell, who was President of the A.P.S.A., Secretary of the State Instrumentalities Unions' Committee, and also Vice-President of the Victorian A.L.P., seemed especially anxious to save the government. On 22 September a special general meeting of the A.P.S.A., with a record attendance of over a thousand members, resolved, on the recommendation of the executive, that notwithstanding the fact that the Victorian Public Service had lost over £2 million in effective wages since 1908, 'it is prepared to assist the Government in its present serious financial difficulties and make sacrifices for the public benefit...'. The meeting committed the association, on prescribed conditions, to a scheme of rationing, if practicable, or, alternatively, to percentage reductions in salaries. The Public Service Journal of Victoria (September 1930) admitted that the decision ran counter to a primary object of the association, but defended the acceptance of reductions as a patriotic action to assist the State. The Premier, however, was not so successful in his dealings with other public service organisations. He made similar appeals to the V.T.U. and State Hospital Employees' Union, but the executives of both unions refused to comply.

Hogan brought down his 'balanced budget' on 24 September, with its provision for a special tax on public service salaries. To the dissatisfaction of the Opposition, press and employers, it did not provide for a reduction in the public service wages bill, despite the offer of sacrifices by the A.P.S.A. On 30 September, the Leader of the Opposition gave notice that he would move a motion of no confidence (see Chapter 3). The Premier anxiously looked to the A.P.S.A. to waive the conditions attached to its acceptance of percentage reductions. Immediately after the House adjourned, he discussed the matter with Calwell who agreed to make such a recommendation to his executive. On the next day, 1 October, the executive of the A.P.S.A., apparently bent on keeping the government in office at almost any price, fell in with the Premier's wishes, so that later the same day he promised to review the budget and include public service salary cuts. Branches of the Teachers' Union were divided on the

10 The S.I.U.C. had been very active in the latter part of 1929, but now was not heard of until early 1932.
issue, and prolonged heated debates took place at the V.T.U. Council meetings on 3 and 4 October. Finally, claiming that it had little choice, the Council resolved: 'we reluctantly feel compelled to acquiesce in such temporary reductions' on certain conditions. The Teachers' Journal, however, remained a bitter critic of the government's measures.

It seems reasonable to suppose that many public servants who had voted for the motion at the meeting on 22 September had been influenced by the expectation that reductions in salaries would be partially offset by benefits in other directions; as a result of the conditions they had laid down, they would give with one hand and receive something in the other. Nevertheless, on 6 October, the A.P.S.A. Council endorsed the Executive's proposal to withdraw the conditions, and rejected an amendment that there be no further negotiations with the government until the matter was referred to a further mass meeting of members. It was on this same night that the Central Executive of the A.L.P. accepted President Keane's ruling that the proposed salary reductions of members of the A.P.S.A. would not contravene the September conference resolutions. Hogan's announcement of his scheme for percentage salary reductions was made the next day, and the no-confidence motion defeated a week later. The rank and file of the A.P.S.A. were allowed to express their opinion at a meeting on 22 October. Only about 180 turned up and a majority ratified the Council decision. These events provoked disaffection within the A.P.S.A., and its long-standing feud with the Hospital Employees' Union flared as the latter charged that the rights of public servants had been sold out. The Ministry was grateful for the co-operation of the public service organisations, but the Public Service Payments Reduction Bill (which was passed at the end of the year) was not shaped primarily in the light of their objections and suggestions. During 1930

11 The Council refused to hold a referendum and at first resolved to ask members to assist the country in the present crisis by accepting, without protest, temporary reductions. This led President Cremor to threaten to resign, and the Council then agreed to this compromise resolution. The Victorian Women Teachers' Association remained firm in its opposition to retrenchment (Aust. Worker, 8 October 1930). See also the protests by members of the police force (Argus, 25, 26 November 1930).

12 The conditions included: that increments and superannuation be safeguarded; all reclassifications and promotions recommended by the Commission be given effect to immediately; and the government establish the Classification and Efficiency Board, which was so much sought after by public servants. The meeting also laid it down that the term of the reductions be definitely limited to 30 June 1931 and that the amount of reduction should not exceed £180,000.
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Victorian public servants not only suffered this salary reduction. Travelling allowances also were cut and many did not receive the promotion and increments to which they were entitled.

The T.U. movement had forcefully declared against retrenchment, but the unions exhibited no anxiety regarding the fate of the public servants, and the Labor Call (30 October 1930) extolled the government for its 'bold stand' on its taxation proposals to balance the budget. It was not the union leadership, but Blackburn (M.L.A.) who warned of the probable consequences of the salary reductions. In opposing the legislation, he argued that the reductions were an incentive and an encouragement to every private employer which would bring down the wage scale of every worker in the State.

The 'Sacrosanct' Basic Wage Threatened

The question of the basic wage in the railways industry had been remitted to the Full Arbitration Court by the conciliation committees, and on 20 October 1930 the Court began its momentous basic wage inquiry - the shibboleth of the 'sacrosanct' basic wage was about to be smashed.

Any Labor leader making a realistic appraisal of the situation might well have been expected to anticipate the outcome. The pressures for economic readjustment were growing more intense, more irresistible, every day. Orthodox economic analyses, which were widely publicised, invariably diagnosed the unemployment problem as symptomatic of a standard of living beyond the capacity of the Australian economy, and the business world and the daily press maintained a relentless clamour for reduced wages. And in Victoria, the Hogan government's public service cuts had already set a bad example. Moreover, during the year the Arbitration Court judges had repeatedly made ominous statements about the 'disgusting job' facing them. Frequently they had referred to the urgent need for readjustment to meet economic realities, and they had given out unmistakable hints concerning the necessity for reviewing the basic wage when 'everything may go into the melting pot'. 13 Chief Judge Dethridge had gone so far as to say, 'the basic wage question is simply this - What is the highest basic wage that the country can pay?'

13 In his fruit industry award in January Dethridge had eliminated the 'Powers 3s' from the basic wage.
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And when the railway awards were set aside, Judge Beeby maintained that 'an emergency had arisen which called for immediate readjustments in all directions...'. During the year, the Court had been more and more disposed to take into account evidence regarding the economic condition of the industry concerned, and it was such a consideration that led to the unanimous decision to set aside the railway awards. The pronouncements of the judges were indicative of a readiness to depart from the Higgins concept of the basic wage, and such an attitude on their part, taken in conjunction with the recent practice of the Court, strongly suggested that sooner or later the state of the economy would become, for the Court, a decisive criterion in the determination of wage levels. And observing the lack of any clear-cut threat of union revolt against wage cuts, the Court was unlikely to be deterred by fears of industrial turmoil.

Nevertheless, the unions had not been provoked to make any fundamental criticism of arbitration as such, and their dependence on the existing system had if anything been increased. As the industrial strength of the unions declined and the frightening prospect of the labour market immeasurably strengthened the bargaining power of employers, officials no doubt had justification for believing that it would be disastrous for the workers to leave the protection of the industrial tribunals. But the T.U. movement was acutely dissatisfied with the operation of the arbitration system, and there was considerable muttering about the bias of the judges. It was held that it was a perversion of the purpose of the system if it worked to the detriment of labour, for, as the Australian Worker (17 December 1930) maintained, the function of the Court was 'the gradual, continuous and peaceful promotion of working class betterment'. Throughout 1930, the Australian Worker bitterly decried the 'biased' outlook of the judges and repeatedly appealed to the federal government to remedy the defects of the arbitration system. Especially after the High Court judgment referred to above, the T.U. movement pressed for further amendment of the Arbitration Act.

The Federal Secretary of the A.R.U. said that, as a result of the Court's decision on 4 October, 'the faith of railwaymen in arbitration had been shattered'. However, though meetings of members of the railway unions were exceedingly critical of the arbitration

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14 See the references to the Railway Judgment in the basic wage decision (Shann and Copland, Crisis in Australian Finance, p.145).
system, few outside the militant Transportation Division of the A.R.U. and Central Branch of the A.F.U.L.E. urged that their organisation should withdraw from the Court. Commenting on the setting aside of the railway awards in the Tramway Record (30 October 1930), Don Cameron made the unusual analysis: 'The decision is exactly what could be expected. The court is an institution or instrument of the Capitalist State, and, as such, always acts strictly in accordance with instructions received, and the principles that are represented by the Capitalist State.' Nevertheless, neither the Australian Worker nor Cameron made a critical assessment of union policy when the fate of the basic wage was entrusted to a 'biased' Court and the eloquence of the union advocates. Communists who asserted that the Court was a wage cutting machine, and that the workers must organise and fight for the preservation of their wages outside the Court, were paid scant heed. Union officials, enmeshed in legalism and animated by a desire for industrial peace, held top-level conferences, addressed a few public meetings, and prepared for the wordy battle before the judges.

A conference of representatives of federal unions met in Melbourne on 7 October to consider the threat of the basic wage application, and referred the matter to the Emergency Committee of the A.C.T.U. with power to act. The Committee - Duggan, Crofts, Cameron, Duffy - met next day and decided to convene a conference of union executives on 19 October. The T.H.C. on 16 October entered 'a vigorous protest against any reduction of the standard Australian Basic Wage' which was already 'insufficient to provide the average family with their normal needs'. The Council endorsed the stand taken by the railway organisations in their opposition to wage reductions, and it called on all workers to participate actively in the campaign to prevent a lowering of the standard of living in Australia. Nearly five hundred members of union executives met at the Melbourne Trades Hall on 19 October. They resolved:

That this Conference declares that no effort be spared in defeating the attempt... to lower the standard of living of Australian workers by reducing the basic wage, and pledges its financial and moral support to the A.C.T.U. in whatever direction is considered necessary to preserve and improve our living standards; and that the view of this Conference on the basic wage and wage question generally be conveyed... to the Federal Government.
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The Conference also decided to convene special meetings of interested organisations to outline the policy of the A.C.T.U. against wage cuts. In the following months, while lengthy argument proceeded in the Court, Victorian unions passed resolutions opposing any reduction in the basic wage and voted finance to enable the A.C.T.U. to conduct the case. The Emergency Committee of the A.C.T.U. had proposed a public campaign to arouse the community to the danger of a cut in the basic wage, and some propaganda meetings were held, but nothing resembling an effective mass movement was generated.

The writing on the wall was fairly plain when, on 12 November, the Court issued an interim judgment that intimated:

The Court will... on Monday next [17 November], proceed to deal with the one and only issue which in its opinion is raised in this proceeding, namely, that the decline in the national income and the reduction in the spending power due to cessation of loans make necessary a reduction of the basic wage.

It decisively rejected the argument of union advocates that extensive investigations into a wide range of subjects by the Commonwealth Statistician were necessary, before it attempted to interfere with the basis upon which the basic wage was calculated. The following evening the T.H.C. voiced a 'vehement protest against the action of the... Court... in deciding to proceed... without giving the Trade Union Movement... adequate opportunity to present its case in rebuttal, or to permit a thorough investigation... into material factors upon which the Court considers its decision will be based'. On 18 November a conference of representatives of forty-five federal organisations deplored the limitations the Court had imposed on the inquiry, and urged the appointment of a royal commission to make the investigations the Court persisted in rejecting.

The federal government did not act as the unions desired, and though some initial steps were taken to set up a royal commission to inquire into questions affecting the basic wage, it never in fact came into existence. Meantime, the refusal of the Court to admit

15 When the Ministry announced its intention, Crofts asked the Court to stay its inquiry, but it refused (Argus, 27 November 1930). In any case, it was understood that the Royal Commission would not have the authority to override decisions made by the Court (ibid., 20, 22 December 1930). The leading Victorian union official, H.C. Gibson, had been named as a Commissioner.
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evidence he thought essential provoked heated exchanges between Crofts - who was in charge of the union case - and the judges. This issue came to a head on 18 December, when 'insults' were hurled at the Bench and the union advocates withdrew in protest against the scope of the evidence allowed. At a conference on 30 November, federal union officials had resolved that if the Court continued to refuse to hear relevant evidence, an application should be made to the High Court for a writ of mandamus. This action was now contemplated; but, legal opinion being unfavourable, Crofts returned to the hearing on 22 December.

The case dragged on for a record length of time, and a vast mass of data was submitted to the Court. Although during the course of the hearing the unions occasionally shifted their grounds, they based their defence on several major arguments with which we have become familiar in the preceding pages.16

As the case proceeded, however, the judges gave no sign that they found the union arguments convincing, and it was soon apparent that they had few doubts about the 'loss of national income' and the 'reduced spending power of the community' - over £100 million, they were to conclude. Moreover, their conception of relevant evidence and their remarks concerning wage fixing criteria indicated that the judges did not share the unions' belief in the sacrosanctity of the basic wage. Outside the Court there were complaints that the judges were not impartial, and signatures were collected on a union petition requesting their removal on account of their bias. The T.H.C. rejected a proposal that it call on the federal government to replace the judges with others more in sympathy with the workers; but the Council did contend that 'the action of the Court [on 12 November] ... will arouse grave suspicions among the workers and other sections of the community in the capacity of the judges to deal impartially with the merits of the Basic Wage case'. However, despite some apprehension regarding the possible outcome of the case, the rank and file were not prepared for the judgment, and the union leadership did not equip itself with a policy to meet the eventuality of an adverse decision.17

16 For a useful summary of the unions' arguments and the judges' replies, see the Court's award in Shann and Copland, Crisis in Australian Finance, pp.102-46.

17 Most journals carried reports of proceedings in the Court, but a few (e.g. the Shop Assistant) did not mention the case. The Aust. Worker (24 December 1930) again urged the federal government to intervene to preserve the standard of living.

81
On 22 January 1931, the Federal Arbitration Court gave its momentous decision in the basic wage case. Rejecting union arguments, the judges maintained that a general wage reduction 'would leave the spending power of the community in the aggregate unaltered in quantity' and would mean 'a transfer from them [wage earners in employment] to their employers of spending power to the extent of the reductions'. They anticipated that this transferred spending power would be used by employers in such a way that industrial activity would be stimulated and eventually more employment made available. The Court agreed that a wage reduction should be a 'last resort', but it found that great and increasing unemployment was strongly symptomatic of a wage level too high for capacity at that time; 'the conclusion is unavoidable that the present wage level is above that which can be supported by the marketable productivity of the Commonwealth and that a lowering of that level is one of the essential means of checking a further increase of unemployment, of gradually restoring employment and of restoring a proper economic balance'. Although the judges conceded that wage reduction alone would not materially alter the situation and asserted that there would have to be readjustment in all directions, they declared that a wage cut was unavoidable and an immediate necessity. Thus the Court handed down a judgment that meant a 10 per cent cut in the basic wage. Charlie Crofts (Secretary, A.C.T.U.), who was handling the union case, cried, 'to hell with these judges', and other unionists in the Court sang the 'Red Flag' and gave three cheers for the Revolution.

As suggested previously, there were good grounds for predicting that the Court would arrive at some such decision, and, just a few days before, eight leading economists had issued a statement in which they had asserted that the first condition for recovery was 'a pooling of the loss' and that one of the three primary steps which must be taken was 'a reduction in the rates of real wages of at least 10 per cent'. However, while union officials had been arguing for months before the Court, there had been no preparations in anticipation of an adverse decision; so that 22 January found the unions without any plan to meet the devastating blow, 18 and, while A.W.U. officials said

On 16 January, a meeting of the Emergency Committee of the A.C.T.U. postponed consideration of a request by the Tramway Union that a conference be held of representatives of unions likely to be affected by the Court's judgment (Age, 17 January 1931). The committee decided that a meeting of the full executive of the A.C.T.U. be held at the end of the month (Herald, 16 January 1931).
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that the judgment was 'fully expected', other leaders were reported
to have 'expressed surprise' at the magnitude of the cut. Perhaps
the Prime Minister had given many workers a false sense of security,
for on 13 January he had given an assurance that the last ditch the
Labor Party would fight would be the ditch of the basic wage. Union officials denounced the judgment, though some claimed it was
a partial victory in that the Court had refused to interfere with the
method of fixing the basic wage, and the President of the T.H.C. was
able to discern a 'saving quality' in the situation: neither the Court
nor employers would be masters in the absolute sense of the condi­
tions which would operate; neither could escape the effects of reduced
spending power. But indignation did not issue in decisive leader­
ship, and, rejecting out of hand suggestions for direct action,
Victorian union officials discussed the possibility of an appeal to the
High Court and looked for the intervention of the federal government.
On 1 February the government did apply to the Court for a postponment
of the operation of the 10 per cent cut, but a few days later the applica­
tion was rejected.

While the Court, economists, some church leaders, and a power­
ful press campaign sought to convince workers that the cut would
benefit them, as industry would be boosted and unemployment curbed,
union spokesmen and journals reiterated the purchasing power
argument and maintained that the depression would be worsened.
The judgment, union propagandists maintained, had been brought
down 'at the behest of the High Priests of Finance' who had decreed
that the workers' standard of living was to be destroyed. The
decision was also regarded as a further stage in 'the sinister cam­
paign' by English interests to reduce Australia to 'a slave state' and
to turn Australians into producers of cheap raw materials. That
Australian employers should also seek wage reductions was to some
spokesmen the height of folly, and the hope was expressed that 'If

19 Yet it was more than hindsight that led the General Secretary of the A.W.U. to report
after the event that 'from the very beginning the Court made it abundantly clear to all... 
that the basic wage would be reduced' (Aust. Worker, 11 February 1931).
20 Argus, 14 January 1931. See the heated exchanges in the Court the next day, when
Crofts, after attempting to refer to Scullin's speech, was threatened with removal (ibid.,
15 January 1931).
21 See also the similar ideas and the references to 'the inexorable law of action and
reaction' in the L. Call (29 January 1931).
employers in Australia could be brought to realise that the home market is their only market for manufactures they might cut adrift from the low-wage policy.

In Victoria talk of organising the working class for militant struggle was confined to a very small minority, chiefly communists who asserted that the cut confirmed their characterisation of the Court as a capitalist weapon and vindicated their anti-arbitration policy. The Workers' Weekly intemperately denounced union officials as traitors, claiming that they had participated in the arbitration case in order to deceive the workers and pave the way for the cut. The C.P. and the M.M. argued that only the organised power of the workers could check 'the capitalist offensive', and they agitated for a general strike and urged all workers to adopt R.I.L.U. tactics and set up effective organisational machinery. The Workers' Weekly (30 January 1931) predicted that if there was a general strike the capitalist class would capitulate in a few days, or else they would resist with all their might, and then the movement would go beyond mere resistance to wage cuts to a higher stage of political struggle. Probably the C.P. hoped for the latter eventuality, but it was a prospect that found no favour with Victorian union officials. While the campaign for a general strike aroused some response in New South Wales, very few Victorians were inclined to subscribe to such a drastic policy.

On Thursday night, 22 January, the N.S.W. Trades and Labor Council declared in favour of a general strike; but the Melbourne T.H.C. rejected proposals for direct action, and, though officials encouraged the expectation that the federal government would save the day, the Council would not discuss a motion that unless the Prime Minister prevented any reduction in the basic wage, unions be instructed to cancel their affiliation with the A.L.P. The T.H.C. expressed its alarm at the cut and urged 'that the A.C.T.U. immediately frame a policy having for its purpose the counter-acting of the Court's decision and restoration of the existing standard of living'. The delegates, however, did not suggest in the resolution how the A.C.T.U. might achieve such ends. Resentment was universal in the ranks of the Victorian unions, but its expression was generally confined to resolutions of protest. Looking to political action for redress, union meetings demanded that the federal government take extreme steps to nullify the Court's judgment. There were also appeals for the reconstruction of the arbitration system which had led to such a 'gross miscarriage of justice'. No union was prepared
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to take individual industrial action, and the T.H.C. refused to initiate action on a state basis; so all action was suspended until the A.C.T.U. should formulate a national policy.

The A.C.T.U. Executive met in Sydney from 29 to 31 January 1931. It decried the intentions of the Loan Council to sell the workers' birthrights to foreign bondholders and called for united resistance to 'the determined attempts of the big financial dictators to take advantage of the crisis, and degrade the standards of living of the Australian people'. It maintained that 'the situation is so grave that a state of emergency should be declared and measures adopted for the purpose of preserving the living standards of the people and providing sustenance for hundreds of thousands of starving men, women and children...'. The Executive decided to convene a special trade union congress for 16 February which would consider the general strike proposal of the N.S.W. Labor Council.

Although the deliberations of this Congress would be of the utmost significance for all Australian workers, the Melbourne T.H.C. did not give its delegates specific instructions - they were in the event, nevertheless, to vote against a general strike. On 5 February, it was moved 'That this Council censures the Federal Government... and we... endorse the action of the Sydney Trades and Labor Council in calling a General Strike, and further, that we immediately hold Factory and Mass Meetings... to set up rank and file committees to organise a General Strike...'. However, the Council adopted an amendment by Crofts, 'That all affiliated unions be urged to carry out the recommendations contained in the Report' of the A.C.T.U. Executive meeting. The Council also resolved, on the recommendation of its executive, 'that all affiliated unions be requested to convene special meetings of their members to urge the importance of representation at Congress, and to instruct their delegates how to vote on the business before Congress'.

But time was short, and it seems that few unions afforded their rank and file an opportunity to elect delegates or discuss the strike proposal, and these decisions were usually made by the state or federal executive. With few exceptions, Victorian union officials were solidly opposed to strike action, and their statements condemning such a course as ridiculous were given ample press publicity. The A.W.U. was an adamant opponent of a general strike, and its Annual Convention decided (19-7) to send delegates for the first time. The Victorian delegation to the congress was composed overwhelm-
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ingly of officials, though many unions were unable to send delegates to Sydney, and Trades Hall officials were initially concerned lest the Sydney unions dominate the congress - a fear removed, however, by the decision to allow proxy representation.

The congress was held from 16 to 22 February and proved little short of a fiasco. After several days of fruitless debate, despite vehement opposition by a minority, the Executive succeeded on the 19th in having the congress adjourned so that a deputation might proceed to Canberra to request the federal government to declare a state of national emergency. But the whole record of the Scullin government left no doubt that it would not entertain such a step, and the A.C.T.U. leadership, having already broached the subject with the government, must have realised the futility of the journey.

Immediately following the A.C.T.U. Executive meeting at the end of January, Secretary Crofts and Jock Garden had travelled to Canberra and interviewed federal ministers. They had warned that unless the government did something about the 10 per cent cut, there might be a general strike, and it would seem that the proposal for a state of emergency had been discussed. W.J. Duggan (President, A.C.T.U.) was a member of the Federal Executive of the A.L.P., and the top union officials at least were familiar with the opinions held by the majority of the Federal Executive and the F.P.L.P. Representatives of the federal government and the State Parliamentary Labor Parties attended meetings of the Federal Executive at Melbourne on 11 and 12 February when the economic situation was reviewed. There had been unofficial communications between the Executive and representatives of the A.C.T.U., and no doubt the 10 per cent cut was debated by the Labor Party leaders. The meeting had before it a protest by the Clothing Trades' Union against the smashing of the standard of living by the Arbitration Court, and before adjourning to Sydney on 13 February, the Federal Executive decided to consider the matter when it met a deputation from the

Some delegates to such union conferences can hardly be said to have been well qualified to speak on behalf of the unionists they represented. For example, 'Bunny' Batten (the Herald industrial reporter) represented the Victorian Bill Posters' Union at this congress. Certain of his actions in the past had been regarded as anti-working class, and, though he was supported by practically all the Victorian delegates, he was expelled from the congress (Herald, 18 February 1931). Batten attended Victorian A.L.P. Conferences as a delegate from the Pastrycooks' Union. At the 1929 Easter Conference, an unsuccessful attempt had been made to have his credentials rejected (L. Call, 11 April 1929).
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A.C.T.U. in Sydney. Then on 16 February, in Sydney, the Executive agreed to meet representatives of the A.C.T.U. with a view to 'joint consideration of the general economic position'. Two days later the Federal Executive protested against the basic wage cut and asked the government 'to do everything possible to prevent this drastic reduction...'. The motion and amendments before the A.C.T.U. Congress were public knowledge, and the F.P L.P. removed any shadow of doubt as to its attitude. On 18 February, at a meeting of federal caucus, Senator Rae introduced a proposal that the government proclaim a state of emergency, but it evoked practically no interest and was rejected out of hand (41-5) the next day, almost without discussion.

Despite their awareness of this whole situation, Duggan, Crofts, Garden, and other representatives of the congress went to Canberra to present their request. They interviewed Scullin on 20 February and received a categorical 'no', as the communists had predicted. The congress resumed on 21 February, and the deputation reported the failure of its mission. Stormy sessions followed, in which the executive recommendation and the numerous amendments were all rejected. The main general strike proposal was lost 104-41. Finally it was resolved to call upon each State Council 'to make preparation for holding mass meetings of all workers on the question of taking action to combat the onslaught of the employing class'. Such mass meetings were to be held on an industry basis, and no later than 6 March.

And so the congress ended by merely throwing back on the unions the onus of finding a method of combating the 10 per cent cut. Nevertheless, the rank and file were assured by one leading official and propagandist in the *Tramway Record* (March 1931) that the congress had been 'a wonderful success'. According to W.J. Duggan it had been 'valuable'; while the *Australian Worker* (25 February 1931) informed them that 'indecision was inevitable'.

After 22 January, employers had lost no time in applying for

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Union journals and the L. Call approved of the decision to reject a general strike, and the latter's conception of such a tactic is worth noting. On 26 February 1931 it maintained that a general strike, like a revolution, comes into being 'almost spontaneously' and independently of rules or formulae. It argued that if all workers were affected 'in the same way and in the same degree at the same time, then uniformity of action or reaction...would be possible'. Only then would a general strike have reasonable prospects of success.
variation of awards, and union officials were occupied in abortive appearances before industrial tribunals. Before long, the rates of wages in practically all awards of the Court had become subject to the 10 per cent reduction, and Victorian wages boards generally followed suit.

On 26 February, the Melbourne T.H.C. adopted the congress recommendation to hold meetings; but if affiliated unions expected the Council to offer positive leadership in the search for a policy to regain the 10 per cent cut, they were again disappointed. The T.H.C. Executive convened a meeting of executives of affiliated unions for 1 March. This meeting formed itself into a campaign council to give effect to the resolutions of the Union Congress whose purpose it was stated was 'the adoption of a policy to restore the living standards of Australian workers and for pressing forward the demand for work or for sustenance for unemployed workers'. All unions were urged to release their paid officials for the purpose of addressing midday and night meetings, and the Central Unemployment Committee (C.U.C.) was asked to co-operate. The T.H.C. was requested to set up a special organising committee to arrange and control all meetings. It was also decided to seek the appointment of a royal commission to inquire into the method whereby the Court had arrived at its basic wage decision. After debate on 5 and 12 March, the T.H.C. adopted the resolutions of this meeting of executives and set up an organising committee as requested.

Some unions were still considering an appeal to the High Court, while many complained that it was grossly unfair that employers who benefited by the tariff should reduce wages. The Prime Minister was requested to prevent such a practice and to provide protection only to those industries which gave a guarantee that they would not reduce wages below the equivalent of the Harvester Judgment.

There was now machinery to convene meetings, though some T.H.C. delegates felt mere meetings would be pointless unless an agreed policy on the cut could be put before them; and they warned that confusion would result if speakers advocated different policies.

24 Note that the A.C.T.U. Congress resolution would have involved the militant Unemployed Workers' Movement as well as the C.U.C.

25 T.H.C. Minutes, 5, 12 March 1931. Later this committee suggested that the federal government should appoint a royal commission on the basic wage, but the T.H.C. refused to adopt the recommendation (L. Call, 30 April 1931).
The majority, however, subscribed to the Executive's reply that the meetings would give the rank and file an opportunity to express their views, and that, as the congress had rejected the proposals of the A.C.T.U. Executive, each union must now formulate a policy of its own. The journals made little effort to arouse the enthusiasm of the rank and file, and in the circumstances it is hardly surprising that at the meetings that were held unionists rejected strike proposals and usually did little more than repeat the demand that the Labor governments should take steps to restore the standard of living. The Seamen's Union did entertain the idea of direct action, but finally decided against such a course - a decision the T.H.C. President applauded as wise. After a few months, the journals referred specifically to the matter only on rare occasions, though in mid-May the T.H.C. organising committee was still discussing proposals to begin agitation for the restoration of the cut. But by this time the labour movement was suffering from the effects of disastrous political divisions, and the attention of union officials was soon monopolised by the Premiers' Plan. The Victorian unions, having hammered out no effective policy of resistance, submitted to the 10 per cent cut.

The R.U. Gazette (March 1931) lamented that railwaymen were 'literally stunned by the blows of the wage cutters', and A.R.U. officials argued that they had done everything possible but could not go any further because of the attitude of the rank and file (ibid., April 1931). However, the Transportation Division of the A.R.U. protested emphatically against the statement of the Secretary of the A.R.U. that not 3 per cent of the membership would strike to regain wages and conditions. The division maintained that such statements by a leader tended to stifle the spirit of class consciousness that was so urgently needed (ibid., May 1931).
5 Unions, Labor, and the Premiers' Plan

The Labor Split and the 'Battle of the Plans'
Less than six months after the Basic Wage Judgment, the Labor governments adopted the Premiers' Plan. During those months the problems of the country and the difficulties of the T.U. movement became more and more critical. Events in the federal sphere assumed an increasingly ominous note and rose steadily to a climax, and the Scullin government was subjected to pressures and strains which it could not withstand. The bewildered T.U. movement floundered along, anxious about the trend of events, but making scarcely any effort to intervene decisively to influence the outcome.

Soon after the Prime Minister returned to Australia in early January 1931, the serious dissension within the ranks of the F.P.L.P. came to a head, and the political labour movement was dramatically shattered. When Theodore was reinstated as Treasurer, Lyons and Fenton resigned from the cabinet; and then some weeks later, on 13 March, by voting with the Opposition on a no-confidence motion against the Government, they and their followers placed themselves outside the Labor Party. A few days later they were joined by McGrath (member for Ballarat). Early in May, the United Australia Party was founded with Lyons as leader. Meanwhile the conflict between the federal Labor Party and the N.S.W. branch reached a climax in the East Sydney by-election, when E.J. Ward refused to follow instructions to conform to federal policy. Subsequently, when federal caucus refused to admit Ward (12 March), those N.S.W. Labor members in the federal Parliament who subscribed to the Lang Plan formed the separate Beasley group. At the end of March the N.S.W. A.L.P. Executive was expelled by a Special Interstate A.L.P. Conference, and soon there were to be two rival Labor Parties in New South Wales. In the House of Representatives the Ministry was now dependent on the uncertain support of the Beasley group, which held the balance of power.

1 The Victorian delegates were: Prime Minister Scullin, Drakeford (M.L.A.), McNamara (M.L.C.), A.A. Calwell, M.P. Considine, and W.J. Duggan (Secretary T.H.C. and President A.C.T.U.). Mick Considine was the only Victorian who voted against the expulsion of New South Wales.
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As the depression deepened, though the country was well on the way to a correction of the trade balance, there was a further deterioration in the public finances. Since the Scullin government did not rectify the worsening budgetary position, employers, bankers, and economists, together with the press and influential institutions and public figures, became increasingly insistent that there must be a drastic curtailment of government expenditure and that budgets must be balanced. Such a policy was recommended at the Premiers' Conference in February by a committee of experts, who contended that 'the severest sacrifices' were necessary to prevent disaster. Alternative proposals were submitted by Theodore, and a few days later the N.S.W. Premier startled the country by presenting his plan. The Lang Plan was summarily rejected by the Conference, which adopted 'a three-year plan to meet the national emergency and bring about an adjustment of burdens'. The Federal Executive of the A.L.P., and the F.P.L.P. a few days later (19 February), both approved of the Commonwealth government continuing negotiations with the banks 'on the lines laid down by the Prime Minister and Mr Theodore'. But the banks refused to give the required undertakings and were adamant that the first essential was restoration of confidence, something which could only commence when the governments had placed their finances in order by deflationary measures. 'The essence' of the Federal Treasurer's plan was 'the creation of additional bank credit concurrently with reductions in government expenditure, and a reduction of costs in industry'. In view of the attitude of the banks, Theodore proposed that there should be an issue of

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2 See, for example, documents in Shann and Copland, Crisis in Australian Finance. For later developments see documents in Battle of the Plans.

One of the major obstacles to the implementing of Labor's financial policy was the Commonwealth Bank Board, and especially its conservative chairman, Sir Robert Gibson. Yet, when Gibson's term had expired in the latter part of 1930, to the consternation of the labour movement, he had been reappointed by Scullin. The blow was softened a little by the appointment of M.B. Duffy (Secretary Melbourne T.H.C.) to the Bank Board.

3 Lang proposed:
1. That the Governments of Australia... pay no further interest to British bondholders until Britain has dealt with the Australian overseas debts in the same manner as she settled her own foreign debt with America.
2. That in Australia interest on all Government borrowings be reduced to 3 per cent.
3. That... the Commonwealth Government... abandon the gold standard..., replacing it with 'the goods standard'.
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fiduciary currency of £18 million. In March the government brought down a series of bills designed to give effect to its financial policy, but they were rejected by the Senate.

So an impasse was reached. The national finances drifted perilously. On 1 April Lang defaulted on interest payments to British bondholders; later in the month there was a run on the N.S.W. Savings Bank and it was forced to close its doors; meanwhile on 2 April the Commonwealth Bank Board advised the Loan Council 'that a point is being reached beyond which it would be impossible for the bank to provide further assistance for the Governments in the future'. There was passionate controversy regarding the steps that should be taken to rescue the economy, and, especially after Lang's default, Labor's policy aroused opposition that was sometimes almost frenzied. Labor's critics were in a position to exert a potent influence on public opinion, and they waged a massive campaign to convince people that Labor's proposals meant inflation and repudiation and would result in complete disaster. Australia could be saved only by a return to 'sane finance', and Lyons was hailed as the potential saviour of his country.

As mid-1931 approached, the federal government was faced with the prospect of imminent default. At the end of April, the Loan Council expressed the opinion that Australia should aim at securing a balanced budget by the end of June 1934, and it appointed a committee to investigate the budgetary position. J.P. Jones (a senior Victorian minister) was chairman of the three-man committee, which also included the Labor Premier of South Australia. It co-opted the services of economists and under-treasurers, and their report 'upon the possibilities of reaching Budgetary Equilibrium' was presented to the Premiers' Conference (25 May to 10 June). Early in the proceedings the federal Labor leaders revealed that they were going to abandon their former attitude and capitulate in the 'battle of the plans'.

During the first half of 1931, the advocates of Social Credit and other solutions and panaceas continued to seek converts among unionists, and with the clamour raised by its opponents it was difficult to hear the voice of official Labor. Workers were being informed by

4 The Special Interstate A.L.P. Conference at the end of March declared that the country was in its present grave position, 'mainly as a result of the breakdown of the monetary system'. Measures it proposed included: placing the control of the currency, credit-creating machinery, and interest and discount rates in the hands of a Commonwealth Central Bank; taxing interest on Commonwealth and State bonds; and putting in hand Commonwealth and State public works in order to stimulate industry to absorb the unemployed.
Scullin and other Labor leaders that the bottom had been reached, and, if most of the rank and file were not already at sixes and sevens, they would have been pushed in that direction by the bitter differences of opinion over financial policy that were convulsing the movement. As a correspondent in the Labor Call (30 April 1931) complained, 'Despite the desperate position of the nation and the sufferings of hundreds of thousands unemployed, half-a-dozen schools of thought within the Labor camp are broadcasting their opinion vehemently, bewildering most of their supporters, and rendering it almost impossible for the average elector to thread the maze of conflicting policies.'

However, there was a general line advanced by most union propagandists. The purchasing power argument remained basic, and they continued to call for a halt to the 'suicidal policy of deflation'. A generally held premise was that there had been a 'breakdown of the monetary system', and events made spokesmen still more insistent that only a revolutionary change in this system could save Australia from worse troubles. There were further tirades, more vehement than before, against the Money Power, which, through its stranglehold on finance, was allegedly responsible for the stagnation of industry and the colossal unemployment. Workers were warned that the High Priests of Finance had decreed that they were to be impoverished still further. The banks' attitude towards Theodore's proposals and their insistence on retrenchment and balanced budgets, and the Commonwealth Bank's action on 2 April, were regarded as clear evidence that the Money Power was attempting to defeat democracy and establish a complete financial dictatorship. The burning issue was, 'Shall the bankers rule the nation?' It was an urgent necessity that the tyranny of the Money Power be broken and that a 'sufficiency of currency and credit' should be made available, the 'gold fetish' abolished, and the interest burden lightened. Union propagandists continually urged that there should be national control of banking and credit. When the question of fundamental causes was broached, it was generally acknowledged that the capitalist system was ultimately responsible, and spokesmen who took this position maintained that the crisis had been made more acute by the 'nefarious operations' and 'selfish incompetence' of financiers. As workers - with their

5 Note especially Cameron's analysis in the Tram. Record (March 1931): 'While the periodic glut issuing in our economic crisis is inescapable while Capitalism lasts, its present severity might have been tempered by wise and disinterested control of credit and currency.'
'capitalistically conditioned beliefs' - were not ready to change the social system, palliatives to alleviate the position were necessary and desirable.

Union spokesmen responded hotly to the mounting pressures for deflation early in the new year, and the Expert Committee's Report to the February Premiers' Conference was vigorously condemned. Although federal Labor's financial policy was far less radical than the measures they had been advocating, union propagandists espoused the government's proposals, and thus some degree of coherence was introduced into the movement's outlook. The journals provided opportunities for Theodore and other federal leaders to expound and publicise their views, especially regarding the need for currency and banking reform. However, editorials pointed out that the government's proposals would not have miraculous effects and were merely a temporary but safe expedient. Being only a means to an end, they would not mean the abolition of capitalism; and several journals asserted that there would have to be accompanying measures to ensure that workers benefited. The Labour Call (5 March 1931) expressed the view that the most formidable obstacle in the way of Labor realising its policy was the 'absurd beliefs held by the workers' - for example, that wage cuts were necessary and that the capitalist class and the Parliaments were all-powerful. Their anti-Labor beliefs and 'the slavish acquiescence of workers in the policy of rulers', according to the Labour Call and also Cameron in the Tramway Record and Australian Worker, were largely responsible for the impoverishment of workers and made their subjection by anti-Labor possible.

The perplexed rank and file watched the F.P.L.P. disintegrate amid the bitter recriminations of the opposing factions, and union propagandists did little to assist them to thread their way through the maze of speculations, rumours and partisan reports of the press. Later, in reviewing the repeated 'treachery' of Labor leaders, a correspondent in the Labour Call (18 June 1931) complained that it had been the experience of Labor writers that 'legitimate criticism' of politicians was not permitted, and he was of the opinion that if they had been able to point out the 'incipient signs of apostasy in Labor rats', the movement would have suffered less damage. Seemingly, many labour spokesmen had high hopes early in the new year that the differences, which had appeared towards the end of 1930, would be ironed out. W.J. Duggan assured Scullin at a public reception on 13 January that there was no foundation for rumours of a split in the party; and
the *Australian Worker* (14 January 1931), in pointing to the efforts being made to detach certain Labor leaders from the movement, expressed the belief that 'it is not thinkable that such men as Scullin and Lyons will fail in their allegiance'.

The *Labor Call* (5 February 1931) defended the reappointment of Theodore as Treasurer and maintained that the resignations of Lyons and Fenton from the cabinet would certainly do no harm. The *Australian Worker* (28 January 1931) did not commit itself regarding Theodore's reappointment; in its view there were grounds for a 'legitimate difference of opinion'. Its major concern was that a 'deplorable' threat of a split had arisen, and throughout February it appealed for an end to dissension and urged that unity must be the overriding consideration. As the divisions within caucus became more acute a lone correspondent in the *Labor Call* (26 February 1931) warned that the rank and file were in a quandary because of the 'Gilbertian state' of federal Labor politics. The union leadership seems to have done little to assist in resolving this quandary, and, right on the eve of the formation of the breakaway groups, the *Labor Call* (12 March 1931) rejected the contention that the recent reconstruction of federal cabinet might be the cause of the movement being split into several warring factions. 'No matter what happens politically . . .', it held, 'the Labor Movement cannot be split so long as the necessity for its existence remains'; and then it went on to argue that the movement was being solidified. And, while the political split was actually taking place, readers of the *Tramway Record* (March 1931) were being told that 'the Labor Movement . . . is born of the necessity of the workers. As such it cannot be split by political weaklings' in the F.P.L.P. 'The acid test is being applied . . . ' and 'Labor is ridding itself of its excrescences. The operation will do good.'

With the disintegration of the F.P.L.P., Don Cameron, in the *Tramway Record* (April 1931), contended that workers should not be unnecessarily disturbed because Labor leaders were apparently hopelessly and bitterly divided, for such a state of affairs was inevitable. 'A Labor leader at all times', he argued, 'goes the way the majority of the workers are inclined to go, or he ceases to lead.' 'The workers must decide the issues that have divided their leaders . . .'. But the views of the majority of workers 'have yet to be expressed more emphatically'. Similar propositions were advanced by the *Labor Call*, which was also inclined to cast much of the responsibility for events on to the rank and file. It explained that
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Labor crises and setbacks were inevitable 'because of the workers' lack of resistance and because of their capitalistically conditioned beliefs in things...'. At the same time, on 26 March 1931, it maintained that, though they may appear to do so, such crises 'do not delay Labor's progress one single minute'.

Generally, however, in discussing the defection of the Lyons group, union spokesmen do not seem to have undertaken any thoroughgoing investigation of the root causes of the repeated apostasy of Labor leaders, and such discussions usually proceeded simply by denouncing the 'rats' who had perpetrated 'one of the most cynical betrayals of the working class'. The rank and file were now informed that the men who had so recently been Acting Prime Minister and Acting Treasurer had 'never truly belonged to the Labor Movement'. They had been accepted at their face value by the movement, which had raised them to the political heights only to be repaid by treachery. However, their desertion was not without its advantages, for without these 'renegades' in its ranks Labor would be strengthened politically. According to union journals, 'Judas Joe' Lyons had been adopted by the Money Power and was being idolised by Labor's enemies because they believed he would be better able than the Nationalist leaders to carry through their 'criminally insane policy' of wage reductions. Workers were warned that under the cloak of slogans like 'all for Australia' Lyons would lead a ruthless assault on their standard of living.

Lang's stand at the February Premiers' Conference won him the approbation of many members of the Victorian labour movement, and he was commended by several journals for defying the Money Power in its drive for a lower standard of living. As the breach developed, almost every issue of the Australian Worker appealed for solidarity and the acceptance of the authority of Federal Conference. It decried the split in New South Wales and warned that unless unity was restored, the Money Power would succeed in smashing the labour movement. Other Victorian journals devoted little attention to the controversy, and the Labor Call did not express a definite attitude until after Lang's default and the expulsion of the N.S.W. executive. The views it expressed were those of most official union propagandists. They

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6 The Melbourne T.H.C. cancelled the appointment of McGrath (one of the Lyons group) as the Council's representative on the Ballarat Trades and Labor Council (L. Call, 23 April 1931).
agreed that something must be done to relieve the country of the intolerable burden of debt, and in this Lang was right but, as the Labor Call (2 April 1931) insisted, 'Labor must accept liability' and default could not be condoned. At the same time the Labor Call held that anti-Labor was primarily responsible for the default, and it warned Labor against being divided on the issue of Lang's action. While deploiring the split and calling for recognition of the absolute necessity for solidarity, the Australian Worker (1 April 1931) and the A.W.U. declared their support for the decisions of the A.L.P. Federal Conference and came down emphatically on the side of the federal Labor Party and against the Langites. The union and its journal claimed that the blame for the split lay entirely with the A.L.P. Executive in New South Wales, and they denounced the Lang Plan in the strongest terms.

However, within three weeks the A.W.U. and the Australian Worker modified their attitude, as they became alarmed by the consolidation of anti-Labor forces, the ultimatum of the Commonwealth Bank, and the rejection of the Fiduciary Bill. Convinced that continuation of the split would inevitably result in wrecked Labor governments, they were appalled by the prospect of rival Labor parties contesting an election. Unless workers presented a united front to their enemies, they warned, Australia would become 'the helpless prey of a money-mongering despotism'. So the A.W.U. and its journal urged that a Unity Conference be held to formulate a plan for unity. They pointed out that, though the Lang Plan and the Theodore Plan differed radically so far as methods were concerned, both shared a fundamental identity of purpose, and this could form the nucleus of a common policy. But the A.W.U. was adamant that no compromise was possible regarding the paramountcy of the federal authority. The Emergency Committee of the A.C.T.U. was assailed by similar fears, and on 24 April it signified its willingness to co-operate with the A.W.U. in convening a unity conference. A few days later the interstate representatives of the A.C.T.U. decided to attempt to secure as soon as possible a conference of representatives of the political factions, the A.W.U. and the A.C.T.U. Approaches for such a conference, however, were rejected by the N.S.W. party Executive.

However, the Aust. Worker continued to publicise attacks on the Lang Party and Lang Plan, and to support the establishment of the Federal Party in New South Wales. Also, the A.W.U. decided to launch the World to counteract the Labor Daily.
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According to the Communist Party, 'the "conflict" between Scullin and Lang rages only in order to deceive the masses... In the attempt to crush the working class and carry out the common policies of the capitalist class there is no conflict of aims, but only a division of labor between Scullin and Lang...'. The leaders of the Lang faction were furiously attacked by communists as 'left social fascists', whose function was to sidetrack workers from taking a revolutionary path after they had become disgusted with the right-wing Labor 'traitors'. On the other hand, Premier Hogan declared, 'Mr Lang is only the Punch saying what his Communist mentors tell him to say.'

The Lang Plan had been condemned by the Special Federal A.L.P. Conference, and the Plan, and especially any suggestion of repudiation, were vehemently denounced by Scullin, Theodore, Hogan, and other Labor leaders. According to a report in the Sydney Morning Herald (26 February 1931), the Victorian A.L.P. in a 'secret letter' had informed the N.S.W. branch in February that neither Lang's policy nor his presence was desired in Melbourne; and in any case immediately after his election as president in early April, Calwell threatened with expulsion any member of the Victorian branch who supported Lang. Nevertheless, the N.S.W. Premier gained a considerable following among the unionists, A.L.P. branches, and unemployed of Victoria, and on 14 April a crowd of about ten thousand gave him an enthusiastic hearing in Melbourne. The meeting was chaired, in defiance of Calwell's ruling, by Alf Wallis (Secretary of the Clothing Trades' Union). Representatives of the Lang Party paid several visits when they addressed the T.H.C. and union meetings. But sympathy for Lang's aims did not result in the T.U. movement's officially adopting the Lang Plan, nor was the N.S.W. split duplicated in Victoria. The rupture in New South Wales also dealt a blow to the Victorian unions by the débâcle of the World. The A.W.U., determined to destroy the Lang Party, was instrumental in securing the launching of the World by Labor Papers Ltd to counteract the Langite Labor Daily. But the new paper rendered little or no service to the T.U. movement and soon proved a costly failure involving financial loss for the Victorian shareholding unions and shattering the fond hope of a chain of Labor dailies.

8 But see the report of his work in Melbourne by a Lang Party organiser, in which he lists the A.L.P. branches and unions (at least six) which had declared their support for the Lang Plan (Labor Daily, 30 April 1931).
Although unions were acutely dissatisfied with the Labor governments, their feelings were rarely voiced in the journals. And while a few letters which assailed the governments for not acting in the interests of workers did appear in the Labor Call, according to one correspondent on 26 February 1931 criticism of Labor politicians was regarded as 'a heinous offence'. In early 1931, union propagandists exhorted the Scullin government to grapple more determinedly with issues affecting the interests of workers. A more resolute stand was urged against the Money Power to prevent it from further reducing the standard of living. In calling for a bold lead, the Australian Worker (18 February and 4 March 1931) insisted that Labor should push ahead with its policy even if it meant a double dissolution. Union journals welcomed the government's financial proposals and appealed for an assertion of Parliament's supremacy over Money Power.

As the crisis worsened, the opinion of unionists generally was expressed in a letter to members of the F.P.L.P. by the Emergency Committee of the A.C.T.U. which complained that 'the interests of the Industrial Movement have been submerged', and that not sufficient was being done for workers (Australian Worker, 1 April 1931). The Labor Call (16 April 1931) conceded that Labor had fallen far short of what was expected, and it explained that this was mainly because of the retarding influence of Labor renegades. These had been eliminated, so now Labor could push ahead with its financial proposals. It insisted that there should be no retreat because of the Senate, or other opposition, and together with other journals and propagandists it urged Labor to 'act quickly and aggressively', to prevent the High Priests of Finance imposing even more intolerable sacrifices on the workers. A week later, the Labor Call enthusiastically reported, 'Labor politically has become more inspiring and constructively aggressive', and it extolled the federal government for challenging the right of private banking interests to dictate the policy of the government. But during these and the following weeks, union propagandists offered little precise analysis of the pressing problems being faced by the federal government and the real alternatives open to it: rather, they continued to discuss the economic and political situation in broad, propagandist terms which cultivated vague, and sometimes optimistic generalisations. Characteristic of this outlook was the Labor Call's declaration on 14 May that 'the people's necessity ... will compel governmental control of banking' and 'the Federal Labor Government's
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policy being in harmony with the trend of events, must succeed'.

Then, in its next issue (21 May 1931), the Labor Call informed its readers that the federal government's policy could not be carried out. The limit of Labor's power as a government, it contended, depended on the workers, and 'to give effect to its policy both in the abstract and in the concrete, Labor politically must always have the undivided support of the workers as a majority, both industrially and politically'. Wage reductions were not the fault of the government, as some critics claimed, for 'a workers' Government at any time cannot go any faster or farther than the majority of the workers themselves are prepared to go'. Reductions took place because of the attitude of the workers, and they had to become more advanced before Labor governments were able to do very much better than they were doing.

Two weeks previously (7 May 1931), the Labor Call had reacted indignantly against a campaign then being waged outside the labour movement for a sinking of party differences in the face of the economic crisis, insisting that 'Labor must maintain its independence'. But it now commended Scullin when he proposed a conference of all parties of both Houses. It assured workers that, although a deadlock had been reached, the government was still standing to its guns and refusing to accept a policy of wage cuts and reduced pensions, and 'it either stands or falls by its policy in that respect'. Claiming that the Nationalist senators were 'openly in league with the Money Power' to defeat the Ministry's legislation the Australian Worker (29 April and 20 May 1931) directed its wrath against the Senate. It declared against budgets being balanced at the expense of the working class; and, calling on the government to 'keep the battle-flags flying', it maintained, 'What is wanted, at the earliest possible moment, is a double dissolution of the Federal Parliament, and an appeal to the people on the issue of financial reconstruction'.

The few union journals which were following events objected strongly to the proposals before the Premiers' Conference which commenced on 25 May, and contended that they would lead to a worsening of the depression. Small investors and workers were to be sacrificed for the further aggrandisement of Money Power whose aim was that workers be 'reduced down to the lowest level of subsistence they can be induced to accept'. Such journals assailed 'the preposterous demand for equality of sacrifice' and the 'despicably mean' proposal to cut pensions. The Australian Worker (27 May, 3 June 1931) cried, 'Let us hold fast to our own policy' and 'let the Labor
Movement prepare for the greatest fight of its career. While deploring the fact that some Labor representatives advocated sacrifice, the Labor Call (4 June 1931) and Tramway Record (June 1931) explained that the Labor governments were in a most difficult position, and, 'worst of all, they are also further handicapped by the obvious lack of knowledge and intelligent support on the part of the workers themselves'. According to Cameron and the Labor Call, 'superficial or prejudiced critics' did not understand that no Labor government could do more for the workers than they themselves made possible by intelligent and sustained support. It was impossible, therefore, for the Labor governments to do more than they were doing. In conclusion both commentators made the observation that Labor's 'hours of intense travail ... will be the darkest, or those that will precede the glorious Dawn'. During May and early June the Industrial Herald carried articles which extolled the work of the Scullin government. Other journals strenuously warned workers that great hardships would be imposed on them if the government should be replaced by a coalition under Lyons.

The deliberations of the Premiers' Conference were publicised in the daily press, and soon after its commencement there was little room for doubt as to what the outcome would be. Nevertheless, though the proposals under discussion ran completely counter to their views, Victorian unions made no concerted attempt to direct the Labor representatives. On 29 May the Central Executive of the A.L.P. adopted a resolution expressing opposition to reductions in wages or pensions, and it hoped the Federal Executive would convene a special conference to deal with the situation. At the T.H.C. meeting on 4 June, it was suggested the Council should declare that schemes involving reductions of wages and pensions 'must be repudiated by all political and industrial representatives of Labor'; but the motion was not dealt with, and it was to be several weeks before the T.H.C. adopted a resolution regarding the Premiers' Plan. While the Workers' Weekly fulminated to a small audience, union journals did not prepare workers for the 'startling change of front' by federal Labor leaders, and they did not suggest that unions should do anything to influence the decisions of the conference. Yet workers were already confused, and were sorely in need of guidance, especially if the majority were as stupid as some propagandists alleged.

In early May, the State conference of the A.R.U. had called on the
government to introduce immediately legislation to nationalise banking and 'to either stand or fall' in the attempt. Within the T.U. movement, it would seem that it had been generally assumed that Labor would persist with its financial policy and that a double dissolution was just around the corner, though the Australian Worker was practically alone in explicitly advising the government to pursue this course. Scullin and other federal Labor leaders had provided grounds for such expectations on the part of the rank and file. The Prime Minister had repeatedly declared that he was opposed to wage reductions, and on 20 April he had stated emphatically, 'We will not reduce old age, invalid or soldiers' pensions'. Earlier in the month, he had assured delegates to the Victorian A.L.P. Conference that his government would push on with Labor's program, irrespective of the consequences, and, if necessary, it would force a double dissolution on the Fiduciary Notes Bill. When the Bill was rejected by the Senate on 17 April, Scullin affirmed that he would fight to the bitter end, the Bill would be re-submitted, and, if defeated again, the government would seek a double dissolution. Later in April and again on 9 May, the Prime Minister made similar statements regarding the government's intentions. Anticipating federal elections in the near future, the Victorian Central Executive of the A.L.P. had called for nominations for Labor candidates and arranged for selection ballots to be held in mid-June.

While the government had implemented economy measures in the service, federal public servants had not suffered the salary reductions which the Victorian servants had accepted in 1930. The Premiers' Conference in February 1931 decided that salaries and wages and allowances in the public services should be reduced, and several weeks later the Public Service Board proposed that federal public servants should agree to a 10 per cent cut in salaries. After negotiations, and with the general consent of representatives of the organisations concerned, the awards of all federal service unions were varied by the Arbitrator to provide for a reduction commensurate with the fall in the cost of living.

It seems that, having accepted these reductions in order to assist the governments, public servants believed that they had made a sufficient sacrifice and did not expect to suffer further cuts.9

9 But note that on 22 April the Federal Treasurer introduced a Bill which included provisions for a special tax on public service salaries from £251 and upwards on a graduated scale (Aust. Worker, 29 April 1931).
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Although uneasy about the clamour for retrenchment, the public service organisations and their journals did little to educate their members concerning economic and political developments or prepare them for the Premiers' Plan. On 1 June the A.P.S.A. Council rejected a proposal that something should be done in anticipation of the possible outcome of the Premiers' Conference. However, the V.T.U. Council in May had declared against any further salary reductions and had resolved to oppose the continuance of existing reductions. The Postal Advocate, organ of the Amalgamated Postal Workers' Union (A.P.W.U.) which was affiliated with the A.L.P. and the T.H.C., made no serious attempt to analyse the depression, and right to the announcement of the Plan identified the Scullin government as a champion of public service conditions. Insisting that political action was their only means of defence, it repeatedly appealed to postal workers to support the government whatever its shortcomings, as their wages depended on its remaining in office. Public service organisations generally had ignored the 10 per cent cut, and now the Premiers' Conference, which commenced on 25 May, had before it the report of economic experts who recommended that all wages and salaries in the government service should have the same percentage reduction as the federal basic wage.

The Conference adopted the Premiers' Plan, and at the final session on 10 June the representatives of the various governments unanimously pledged themselves 'to give effect promptly to the whole of the resolutions agreed to at this Conference'. Soon, old age and invalid pensions were reduced from £1 to 17s 6d per week, and the maternity allowance, which became payable only to those whose income did not exceed £260, was reduced from £5 to £4.11 The Plan embraced the following measures:

(a) A reduction of 20 per cent in all adjustable Government expenditure, as compared with the year ending 30th June, 1930, including all emoluments, wages, salaries, and pensions...;
(b) Conversion of the internal debts of the Governments on the basis of a 22½ per cent reduction of interest...;
(c) The securing of additional revenue by taxation...;
(d) A reduction of bank...rates of interest on deposits and advances;
(e) Relief in respect of private mortgages.

(Shann and Copland, Battle of the Plans, pp. 127-8.

Victorian Year-Book 1930-31, pp. 210. There were 69,924 old age and invalid pensioners in Victoria. Other non-contributory pensions and superannuation and retiring allowances were reduced on a graduated scale that varied from 0.95 per cent to 25 per cent (ibid., p. 230).
legislation which was to give effect to the Plan in Victoria was to in­clude provisions for salary reductions ranging from 6 per cent on incomes not exceeding £100 p.a. up to 27 per cent on incomes exceed­ing £3,000.

The 'Failure' of the Political Machine in Victoria
The Organising Secretary reported to the Victorian A.L.P. Conference in early April 1931 that the sharp divisions in the councils of the labour movement over measures to meet the crisis had had a demoralising effect and had also produced some distrust in the minds of workers on what could be expected of Labor in the future. This state of affairs, which he understated, became worse, and following the adoption of the Premiers' Plan, the Victorian labour movement was disrupted by internal dissension. But even before the Plan, relations between unions and the Hogan government had been so strained that the unity of the movement had been threatened. Dissatisfaction with the govern­ment was especially acute in those unions with members in its employ, and it will be instructive and convenient to pay particular attention to the A.R.U. It was the largest union in Victoria, sending the largest delegation to A.L.P. State conferences, and several of its officials were on the Central Executive of the A.L.P. Its policy could not but be significant; and an examination of its attitudes and activities can throw light on both the characteristics of the T.U. movement at this time and the crucial issues it faced, especially in its relationship with a Labor government.

As we saw in Chapter 3, the Central Executive of the A.L.P., in early October 1930, had demanded from each State and federal member the assurances decided on at the Special A.L.P. Conference in September. A meeting of the S.P.L.P. a few weeks later agreed to comply, but the Central Executive insisted that personal assurances be given. These were eventually furnished, with the exception of five cases, including the Premier and a senior minister, Jones (M.L.C.), who flatly refused despite repeated requests. On 8 December, the Central Executive resolved to notify the recalcitrants that their endorsements would be held up if they continued to refuse. But the assurances were not forthcoming, and the Central Executive decided to refer the matter to the next annual conference.

Unionists who had believed that their interests would be guaran­teed as a result of the September A.L.P. conference had soon been disappointed. As recounted in a previous chapter, the A.R.U. and
other rail unions had called in vain on the Hogan government to restrain
the Commissioners from proceeding with the actions that had led to
wage reductions. Union policies during 1930 regarding retrenchment
and rationing have already been noted, together with the resolution of
the September conference, 'That no rationing shall be introduced in any
Government employment except with the consent of the unions affected'.
After the conference, the Minister (Cain) again sought to induce unions
with members in the railway service to accept a scheme of rationing,
on the ground that large-scale dismissals would otherwise be unavoi-
dable. Some unions, including those affiliated with the Iron Trades
Council, were prepared to agree to the Minister's scheme on certain
stringent conditions (which were in any case unacceptable to Cain).
But such organisations spoke on behalf of less than one-fifth of the
employees concerned, and the major unions, the A.R.U., A.F.U.L.E.,
and Salaried Officers' Association again declared their opposition to
rationing. The latter's attitude was condemned by the Premier, and
among the many advocates of rationing in the service were officials of
the Returned Soldiers' League.

As the Commissioners embarked on 'drastic economies', representa-
tives of the A.R.U. interviewed ministers and the Central Executive
of the A.L.P. to request their intervention on behalf of railwaymen.
On 8 December an A.R.U. deputation to the Central Executive com-
plained that ministers were not observing the resolutions of the
September Conference and that regressions and dismissals were still
taking place. As a result, the Executive agreed to call on Labor
members to prevent further dismissals and regressions in the railway
service. Rising resentment moved the A.R.U. Council a step further
when on 16 December it endorsed a recommendation from the militant
Transportation Division of the union urging the Central Executive to
withhold the endorsement of Labor members who departed from the
September conference resolutions.

In early January 1931, to the 'great surprise' of railwaymen and
A.R.U. officials, the Commissioners commenced a program of
rationing. A.R.U officials immediately appealed to Cain who com-
plied with their request to issue an instruction that the program be
suspended. But the Commissioners demanded an Order in Council
and proceeded to serve notices on more employees. A.R.U. officials
were successful in their efforts to secure a special cabinet meeting to
deal with the matter, and a few days before it was held, Secretary
Sear said 'he had reason to be optimistic, and believed that Cabinet
would force the Commissioners to refrain from further rationing'.
Cabinet, however, refused to restrain the Commissioners. Rationing was greatly extended, and also more regressions and dismissals took place. Sear claimed in the *Labor Call* (16 April 1931) that there had been about 5,000 dismissals in the two preceding years, and about 1,000 regressions in twelve weeks.

Railwaymen protested vigorously and again called on the Central Executive of the A.L.P. to insist that the Hogan government observe the September conference decisions. There were demands that Labor members who supported rationing should be disciplined, and a few meetings urged the Central Executive to press for the resignation of Hogan as leader of the S.P.L.P. Fierce criticism of the government was also voiced at A.R.U. council meetings, but the council rejected the proposal forwarded by some meetings that the union should consider withdrawing its affiliation with the A.L.P. The council asked the Central Executive to deal with members of the Labor Party who had disregarded the decisions of the September conference, and, in addressing branch meetings, some A.R.U. officials urged that members should all work to cleanse the labour movement of those not true to principle. At the same time President Phelan voiced the governing principle of the trade union leadership as he advised railwaymen to bear in mind that, though their living standards were being attacked, 'the worst Labor Government is better than the best Nationalist Government'. Despite rebuffs the A.R.U. leadership arranged one deputation after another and carried on negotiations with the Central Executive, Cain, and other ministers, seeking to have the government take steps to safeguard the interests of railwaymen and to issue an Order in Council to prevent rationing. The rank and file were assured that their officials were making laudable efforts on their behalf, but a few sections of the union questioned the effectiveness of the policy being followed and argued for a more militant course of action. The council, however, would not agree to demands that mass meetings of members be held—though some branches did convene meetings.

Victorian unions became increasingly critical of the Hogan

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12 For reports of meetings and developments see issues of the *R.U. Gazette* and *Footplate*.

13 See, for example, the series of protest meetings at the Jolimont workshops, which rejected a proposal to down tools if rationing continued (*Argus*, 14 March 1931). Rationing, of course, affected nearly all unions. Many, if unwillingly, accepted the practice; some, like the Tramway Union, objected to no effect.
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government because of its failure to put Labor policy into effect by maintaining standards of living and providing adequate relief for the unemployed (see Chapter 7). Complaints that breaches of the Special September Conference had been committed were lodged with the Central Executive by the A.R.U. and the State Hospital Employees' Union. The Executive summoned State Labor members to its meeting on 11 February to explain their actions, and during the following weeks there was a series of adjourned conferences between the Central Executive and the S.P.L.P. Premier Hogan maintained that it was impossible to carry out the decisions of the September conference, and, throwing the onus on to his critics, he indicated that if the Central Executive so desired the Ministry would resign. Offering a 'strong defence' of the Ministry's refusal to interfere with the Commissioners' policy, he asserted that 'the Commissioners, and not the Ministry, managed the railways'. Finally, on 9 March on the motion of J.F. Chappie (General Secretary of the A.R.U.) the Central Executive declared 'that the needs of the people require much greater relief than the Government has yet granted or proposed'. It called on the government to convene Parliament at the earliest date and to submit a program which would include adequate relief to all the unemployed, improvement of the workers' standard of living, and constitutional and electoral reforms. The Executive wanted the government to carry on, but it also affirmed that it should give effect to the decisions of the September conference.\footnote{According to the Argus (10 March 1931), two amendments, having as their object the cancellation of endorsements of those members of the S.P.L.P. who had not given effect to Labor policy, were defeated by one vote, and the resolution was carried by eight votes to seven.} However, the Argus's prediction (11 March 1931) that the Executive's instructions would probably not be obeyed proved correct, and Parliament remained in recess.

The unusual event of a mass meeting of members of the A.R.U. took place on 15 March. In his opening address, President Phelan complained of the 'general apathy' of workers, a complaint that was frequently voiced by union officials. Secretary Sear maintained that the union had achieved much and 'had gone as far as the rank and file would allow it. The leaders could go no further.' He assailed the Hogan government, and especially the Premier, as being responsible for the heavy blows suffered by railwaymen, and he said he was satisfied that the Central Executive of the A.L.P. had gone as far as
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it possibly could go. The union's tactics to date came under fire from the advocates of industrial action but their proposals were rejected. The meeting demanded that, if the government did not issue an Order in Council by 18 March to prevent the Commissioners from rationing railwaymen, the Central Executive should determine which members of the S.P.L.P. were prepared to conform to the principles of the movement. Those not so prepared should be immediately expelled from the A.L.P. as well as those who refused to sign the assurance to comply with the decisions of the September conference. The meeting enjoined the State government to legislate to have wages of railwaymen made a first charge on railway receipts and payment of bondholders' interest last. These resolutions were forwarded to the A.L.P. Executive which replied that it was occupied with preparations for the Easter conference and was thus unable to give practical effect to them. This provoked cries of 'timidity' from members of the A.R.U. council which decided to enter a protest. A.R.U. delegates to the forthcoming A.L.P. conference had instructions to take a strong stand against the government's railway policy, and to press for the disciplining of M.Ps. who were not conforming to Labor policy; and officials of the union now voiced hopes that the conference would have beneficial results for railwaymen.

The Central Executive of the A.L.P. anxiously noted on 9 March 1931 'that great dissatisfaction exists among Labor supporters, because of the inaction of the Government, and that this dissatisfaction is growing to such proportions as to menace the welfare of the political Labor Movement'. From the beginning of the year, many union leaders evinced a growing determination to see steps taken that would ensure that the political labour movement fulfilled its purpose and functioned more in accordance with the needs of the unions and the unemployed. A special meeting of the Victorian Trade Union Salaried Officers' Association on 15 January resolved:

That it be a recommendation to all unions and branches of the Australian Labor Party that no sitting member of Parliament be eligible for election to, or continuance as, a member of the Central Executive of the Victorian Labor Party.  

At the time, members of the Central Executive included Premier Hogan, Senator Barnes, Drakeford (M.L.A.), Blackburn (M.L.A.), and McNeill (M.H.R.). The Secretary, McNamara, was a member of the Legislative Council, and the President was R. Keane (M.H.R.).
That, while it is regretted that the necessity has arisen, this conference severely condemns the inactivity of the Hogan Government in failing to persevere with legislation and administration which would be of benefit to the workers.

That this meeting of elected officials of the Trade Union Movement is of the opinion that the present political machine has failed to achieve the ideals of its founders, and is unfitted to deal with the problems now confronting the working class. We therefore pledge ourselves to work wholeheartedly to the end of reforming the machine and placing its control in the hands of the Industrial Movement.16

On 19 March the T.H.C. took a threatening step in the direction of 'reforming the machine' when, by a decision of 72 votes to 38, it amended its own rules so that it could deal with 'all matters pertaining to political organisation, drafting of platform and the selection or endorsement of candidates for Parliament'. However, the A.W.U. repudiated the resolution of the T.U. Salaried Officers' Association, and the Australian Worker always remained a staunch apologist for the Labor governments. A little later the A.L.P. invited nominations to contest pre-selection ballots for House of Representatives candidates, but only one sitting Labor member, Attorney-General Brennan, was opposed for selection.17

At the Victorian A.L.P. Annual Conference (3–6 April 1931), which was attended by 206 delegates representing seventy-three unions and fifty-nine electoral councils, delegates who sought to restrict the influence of politicians in the movement failed to gain acceptance for the proposal that no member of Parliament be eligible to sit on the Central Executive. In electing a new Central Executive, the Conference made very few changes, and the number of members who were

16 L. Call, 22 January 1931. The last clause was carried as an amendment to a resolution which recommended that sitting State Labor members be opposed in selection ballots (Argus, 16 January 1931).
17 But note that E.J. Holloway, the sitting member for Flinders, contested the Melbourne Ports ballot.

Of the thirty-two candidates who contested the House of Representatives ballots (six only), about one-quarter were union officials, and, of the thirty-two, twenty-two were involved in the contests for the two Labor strongholds of Maribyrnong and Melbourne Ports. Many of the more prominent union leaders preferred to contest the Senate ballot, and they made up over half of the twenty-one candidates (L. Call, 11 June 1931).
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politicians was unaltered. Heated conference proceedings saw the record of the Hogan government attacked by most union delegates. Insisting that the labour movement placed men in Parliament to carry out its wishes, the government's critics were incensed by its disregard for Labor policy and the instructions it had previously received. Hogan replied that 'the Government had carried out the decisions of the [September] Conference as far as it was humanly possible, ... but to do so in their entirety was impracticable'. In reaffirming his determination not to provide the assurance required by the Central Executive he declared that the demand 'was opposed to the constitution, was a violation of Labor ideals and British conceptions of freedom, and was anti-Australian'. The Conference, however, endorsed the action of the Executive in demanding personal assurances from members of the State and federal Labor parties, and it instructed the incoming Executive to enforce this. But the majority of delegates refused to support the demand raised by representatives of the A.R.U. 'that the nominations for Labor selection of Messrs Hogan, Jones and Bond be not endorsed, because they had not given assurances...'.

The Conference again declared against rationing, regressions, and dismissals in the railway service, and it called on the government to issue an Order in Council to the Commissioners not to oppose the application of unions for the restoration and re-enactment of their awards. Once again, on behalf of the unemployed, delegates formulated a series of demands which required the government to make available greatly improved relief measures (see Chapter 7). The Conference then adopted the Drakeford Resolution:

That...the State Parliament should be called together not later than 28th April in order to submit a definite limited programme such programme to embrace further practical relief for the unemployed...; [a] Rent Moratorium Relief Bill; reform of franchise and re-distribution of seats of Legislative Council...; abolition of State Governors; creation of a board to investigate and regulate prices to prevent excessive exploitation of consumers....

That, in the event of the legislative proposals not being passed by 17th May, a State-wide, intensive campaign be raised against the

18 There were fifty nominations for the eighteen seats. Senator Barnes, Drakeford, and McNeill were re-elected. Premier Hogan and Blackburn (M.L.A.) did not seek re-election, but Holland (M.L.A.) and Keane (M.H.R.) were elected to the new Central Executive.
Legislative Council in all seats for which candidates can be found to oppose retiring anti-Labor members of the Council, or to contest seats in the election to be held on 6th June.

Labor members, in defending their failure to put into effect previous instructions, firmly maintained that little could be achieved by a minority government; but if that were so, then the Conference was demanding legislative measures which would almost certainly cause the defeat of the government, if the Ministry insisted on attempting to secure their enactment. On the other hand, if the Ministry did not make the attempt, it would be regarded with disfavour by even more Laborites. In his address, President Keane pointed out that 'the experiences of the past year...showed that the existence of a Labor Government in office and not in power...was a grave danger to the Labor Movement generally...'. However, in the debates, few unionists seem to have been concerned to grapple with these vital issues. While all demanded that conference decisions must be put into effect, with very few exceptions union delegates also wanted the government to remain in office. Then, the day after the conference ended, Hogan announced that he would disregard the direction to call Parliament together before 28 April. It might also be noted that nominations for Labor candidates for the Legislative Council elections had closed in January and only four had been filed. At the elections McNamara (Secretary of the A.L.P.) was returned unopposed and a mere three Labor candidates (including two retiring members) contested seats.

Readers of the Labor Call (9 April 1931) were informed that the conference was one of the most successful ever held in the State. Proceedings had been lively, but then 'real and vibrant conflicts of ideals and ideas' were essential for Labor's progress. In connection with the demand for assurances, which was 'a vital precaution', Hogan had proved his courage and his capacity to stand practically alone. The Labor Call also maintained that Scullin and Deputy Premier Tunnecliffe had correctly stated the position regarding their governments' efforts on behalf of the unemployed, for 'Labor Governments are just as strong...and just as capable generally as the

19 'Such men, the strong personalities', the L. Call continued, 'notwithstanding the fact that they may have to be fought all along the line because their strongly held beliefs are opposed to those of the majority, are always infinitely greater and more courageous than dependent minded weaklings...'.

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workers make them. The process involved is almost mechanical.'

The demand for the assurances from Labour M.Ps. was denounced by the daily press as an expression of the 'lust for despotism' of 'union bosses', and it was claimed that there was a 'vendetta' against Hogan. In opposing the demand for assurances, Scullin had deprecated the attacks on Hogan and told the conference that he was 'one of the truest and best Labor men in Australia'. The new Central Executive, however, was in no hurry to act after the conference, and it indicated that in view of Hogan's illness it would proceed 'tactfully and discreetly' in the matter. When the Premier left Victoria on a health trip, consideration of the issue was postponed until his return. As neither the Prime Minister nor Attorney-General Brennan had given the assurances, it seemed that the Central Executive would be obliged to take action against them; but later the Executive acknowledged that it did not have the authority to instruct federal members on the issue.

Sear, the Secretary of the A.R.U., had clashed with the Premier at the A.L.P. Conference, and in the following weeks they carried on an acrimonious public controversy. Hogan was doing a good job, not for the working class, whom he was supposed to represent, but for the capitalists, Sear declared. 'The Labor Movement must be cleansed of excrescences from within', and Hogan 'has either got to stick to the principles of the Movement...or be thrown out of it'. His union did not wish to oust the government, Sear explained, but it wanted a reconstructed cabinet which would not include Hogan and Jones.

Declaring that the worst enemies of the labour movement were its political servants, the Railways Union Gazette (April 1931) discussed 'Political Labor and its Failures'. This article disclosed some of the assumptions and attitudes held by many union leaders. It argued that 'politicians as such are the reflection of those they represent...[and] generally the weakness of the Political Movement is but a reflection of a great amount of apathy, carelessness and lack of honest thought by great numbers of the rank and file'. The dependence of unions on political action through the A.L.P. for the achievement of their aims is taken for granted, and the Labor Party itself is not subjected to analysis. For the Gazette, the problem was, 'What can the Industrial Movement do to render the political machine reasonably efficient?' The answer lay in the wage earners' vote in preselection ballots. If they voted for the right candidates, 'then the policies and principles of Labor would be an accomplished fact within twelve months'.
Their recent experiences had made unions highly critical of the arbitration system; but the A.R.U., like other unions, continued to rely on arbitration as the means by which wages and working conditions were determined, and the advocates of an alternative policy received very little support. In April 1931 the rail unions applied to the 'biased' judges for the restoration of the awards set aside the previous October. Cabinet did not issue the Order in Council to the Commissioners as directed by the Easter A.L.P. Conference, and the standard of living of railwaymen was not restored. At the State Conference of the A.R.U. in May, the majority of delegates did not favour any radical change of policy, and proposals directed against the union's adherence to arbitration were defeated.

After the Easter A.L.P. Conference, A.R.U. officials again made unsuccessful efforts to secure an Order in Council to end rationing. On 5 May, the A.R.U. Council decided to request that the Central Executive put the Easter Conference resolutions into operation at once, and to advise Council of the results of their action no later than 10 a.m. on Saturday, 9 May. Council members pointed out that the A.R.U.'s affiliation with the A.L.P. was to be discussed at the union's State Conference, which was to be held on 7, 8 and 9 May.

The A.R.U. Conference was addressed by the Minister for Railways, who certainly did not strike an optimistic note. President Phelan described how railwaymen had been hard hit, but claimed that the union was now 'on the offensive'. He said the movement was 'considerably disappointed' with the Hogan government, but went on to offer the widely canvassed argument that railwaymen would have been considerably worse off had a Nationalist government been in office. Maintaining that progress could only be made by political means, Chappie, the General Secretary, stressed the need to work for a Labor victory at the next elections, so that the Parliamentary Labor Party might put them on the road to 'widespread prosperity'. The Conference nevertheless decided that no funds of the union should be utilised 'to assist opportunists seeking political honours in the name of Labor'. It was also of the opinion 'that Mr Hogan should be called upon to relinquish the leadership of the State Parliamentary Labor Party, as we believe that he and the majority of his Party have entirely departed from the principles for which Labor stands'.

The case was referred to the Classification Board, and the unions accepted an offer by the Commissioners. The Board's award restored federal margins, less 10 per cent, and the basic wage also continued to be subject to the 10 per cent cut.
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A request by three leading members of State cabinet that they be allowed to address the Conference was granted. The ministers were emphatic that the instructions of A.L.P. conferences to abolish regressions, dismissals and rationing were 'totally and absolutely impracticable' and the government was not prepared to put them into effect. They contended that any attempt to carry out the instructions would be detrimental to railwaymen, because the government would be defeated and they would lose a sympathetic administration. Delegates were enjoined to bear in mind that the A.L.P. was a working-class party and that railwaymen were only a section of the labour movement. The ministers appealed for a conference between representatives of the A.R.U., S.P.L.P., and the Central Executive of the A.L.P. which might thrash out 'the best issue to place before the House and win an election' — and that, they made clear, would not be the present demands of the union. Also, if the conference was held, the antagonism of the unions to the cabinet might be abated to some extent.

A motion was moved that such a conference be held, but the debate was adjourned to enable members of the Central Executive of the A.L.P. to deliver a report. On the previous day (8 May), they announced, the Executive had resolved that, because of the failure of the State government 'to give effect to the decisions of the last three Labor conferences and the direction of this executive regarding rationing, regressions, and dismissals...members of the Hogan Ministry be summoned to attend...to show cause why their endorsement...should not be forthwith cancelled'. After A.R.U. officials had made so many fruitless appeals, it seemed that the Central Executive was now about to take some action. Nevertheless, the A.R.U. Conference carried the motion (54-13) agreeing to the proposed conference. Both the Herald and the Argus reported that the decision was regarded as a 'triumph' for the ministers. However, the conference did not take place as the Central Executive refused to participate.

Despite more than twelve months of union criticism and pressure, the government's railways policy continued to run counter to that urged by the A.R.U., and it seemed that the hope that politicians could be controlled by the movement had been proved chimerical. And now further proof was forthcoming as Labor politicians floundered towards acceptance of the Premiers' Plan.

Union Resistance to the Plan
After the Premiers' Conference concluded on 10 June 1931, Scullin and Theodore hurried back to Canberra to fulfil their pledge 'to give
effect promptly' to the Plan. On 12 June, federal caucus adopted the Plan, 26-13. But despite a great campaign waged by Labor leaders, employers, economic experts, church leaders, and the press to win acceptance for the Plan, the T.U. movement in Victoria bitterly opposed this 'plot' of Money Power to reduce workers to a 'coolie level'.

The Premiers' Plan, and especially the proposed scales of salary reductions, provoked emphatic and widespread protests from federal and State public servants. They maintained that, as the Plan meant reduced purchasing power, it would necessarily intensify the depression. Denying that the Plan involved equality of sacrifice, public servants objected that it was unjust and inequitable in its application. Teachers and others declared they were willing to accept their fair share of the burden of restoring economic stability, but they protested against what they regarded as 'a class tax'. Some also complained that the Plan constituted 'the total abrogation of the principles which members of the Government were elected to support'.

Public service organisations held a series of top-level conferences, and the rank and file voiced their opposition to the Plan and its incidence at mass meetings. Deputations interviewed leaders of the federal and State governments, and officials engaged in energetic lobbying. But all to no avail; and this led some 'ungrateful' members to make hostile criticisms of their organisations, which were thus fraught with dissension and rendered even less effective. The T.U. movement and public service organisations were both opposed to the Plan, but they did not join forces, and in the following months the latter stood aloof from the conflict which developed between the Trades Hall and Hogan government over the Plan.

Although T.H.C. delegates were fully aware, well before 10 June, that the Labor ministers at the Premiers' Conference had agreed to the reduction of salaries and pensions, the T.H.C. did not provide the T.U. movement with a declared policy regarding the Plan until 25 June. The Interstate Executive of the A.C.T.U. did not meet to formulate a policy until mid-October. As noted previously, the Central Executive of the A.L.P. had on 29 May voiced opposition to

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21 An amendment that the government appeal to the electors on the fiduciary issue proposal was defeated (25-14). E.J. Holloway - former Secretary Melbourne T.H.C. - resigned from the cabinet in protest, and was to lend support to the union campaign against the Plan.
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the proposed reductions, but after the adoption of the Plan almost a fortnight elapsed before the Central Executive dealt with the matter. Meanwhile, on 12 June, the F.P.L.P. had endorsed the Plan, and the federal ministry, providing a vigorous lead to the States, introduced the necessary legislation without delay.

On 13 June Scullin sent a telegram to the State Executives of the A.L.P., in which he defended the adoption of the Plan and requested them to suspend judgment until the government had met the Federal Executive. The Labor Call (18 June 1931) rejected Scullin's argument - that it was either the Plan or default - as one which deceived no one. The federal government's decision, it insisted, did not commit the A.L.P. and could not be endorsed by it. Scullin and his followers should be informed that they would not be permitted to act in opposition to the federal platform and the declared policy of the A.L.P. At this stage, the Australian Worker (17 June 1931) was firmly of the opinion that nothing could justify, on the part of a Labor government, such a deviation from the Labor platform as the Premiers' Plan. 'If there is no alternative...then Labor should refuse to apply it...'. However, when the Federal Executive of the A.L.P. met, the daily press (e.g. the Age, 19 June 1931) confidently predicted that nothing would be done to embarrass the government.

The Federal Executive (with Calwell and Cameron representing Victoria) met at Canberra on 18 and 19 June and was confronted with an exceedingly awkward situation. The majority of Labor politicians were determined to put the Plan into effect, but the Executive could not sanction reductions in living standards. So it searched for a formula by which it might express disapproval of the reductions, without seriously embarrassing the Labor government. Finally, the Executive arrived at a compromise resolution, or, as one opponent of the Plan protested, it 'decided in a Yes-No fashion'. It declared it was 'definitely opposed to that part of the Premiers' Conference plan which involves reductions in wages, pensions and social services'; but it was convinced that a Nationalist government would be abhorrent to the workers and disastrous for the country. It was of the greatest importance, it affirmed, that the Labor government should remain in office. Moreover, the President gave an unchallenged ruling that

22 On the 18th, the A.R.U. decided to send a telegram to the Victorian representatives, demanding that they oppose the Plan (R.U. Gazette, July 1931).
23 L. Call, 25 June, 9 July 1931. Initially the press reported that the resolution had been carried unanimously, but see the subsequent statement that five delegates (including...
members of the Parliamentary Labor Party were at liberty to use their own discretion when dealing with the Premiers' Plan, and also that the Plan was not in conflict with the financial policy adopted at the March Federal A.L.P. Conference.

The daily press referred to the outcome of the Federal Executive meeting as 'a victory for the Federal Ministry', and the *Age* (20 June 1931) said, 'As a result of the resolution the Prime Minister and the Treasurer will now be able to put through Parliament without opposition the economy plan'. However, the *Labor Call* (25 June 1931) and Cameron in the *Tramway Record* (July 1931) claimed that the resolution was virtually a repudiation of the Plan. According to the *Call's* interpretation of the resolution, 'Every member of the Federal Parliamentary Labor Party is now in duty bound to oppose the proposed reductions'. In addition, it did not mean that a Labor government should remain in office for the purpose of giving effect to an anti-Labor policy. Its real meaning was that the government 'should remain in its advanced position politically as long as is possible for the purpose of resisting the reductions...demanded by anti-Labor'.

At its meeting on 4 June, it had been proposed that the Melbourne T.H.C. should declare its opposition to schemes involving wage and pension reductions, and on 11, 18, and 25 June delegates debated the motion and a series of amendments. Some opponents of the Plan believed they should 'concentrate on capturing the political machine', and that 'there should be a great emptying out of renegades'. Others urged the formation of an Industrial Labor Party, or the running of industrial candidates against supporters of the Plan. Amendments moved by the latter group of delegates, however, were defeated, and there was practically no support for the communists who advocated direct action. The Labor governments had their champions, including M.B. Duffy (former secretary of the T.H.C. and a member of the Commonwealth Bank Board). Although the Geelong T.H.C. was opposed to the Plan, as its representative on the Melbourne T.H.C., he strongly defended acceptance of the Plan, being allowed the unusual indulgence of three extensions of time to do so. In the upshot, the Council accepted Mick Considine's amendment (77-44):

That this Council repudiates the so-called 'Premiers' Plan' and

(Cameron) had voted for an amendment calling for rejection of the Plan, and strict adherence to Federal Conference decisions (*Argus*, 22 June 1931).
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rejects with scorn the attempt of Federal and State Parliamentarians to force this inglorious surrender of Labor principles upon the Working Class of Australia; and calls upon the Federal and State Executives of the A.C.T.U. and A.L.P. to immediately take action to meet this onslaught on the standard of living of the workers by a counter offensive for the socialisation of Industry, and, further, calls upon the Federal and State Executives of the A.L.P. to cancel the endorsement of those parliamentarians supporting the Anti-Labor programme of the Premiers' Plan.24

It was moved that, if the Central Executive of the A.L.P. did not give effect to this resolution, then the Council should advise unions to cancel their affiliation with the A.L.P. The majority of delegates, however, voted for an amendment which called on the Central Executive to convene immediately a special conference to deal with the position that had arisen. The Council's resolution on the Plan was endorsed by the Trade Union (T.U.) Salaried Officers' Association, and the Plan was also condemned by the Geelong T.H.C., the Bendigo T.H.C., the Central Unemployment Committee, and by union meetings and A.L.P. branches.

After months of manoeuvring, and following further pressure by the A.R.U., the Central Executive of the A.L.P. requested members of the Hogan Ministry to attend its meeting on 19 June 'to show cause why their endorsement...should not be forthwith cancelled', because of the government's failure 'to give effect to the decisions of the last three Labor conferences and the direction of this executive regarding rationing, regressions and dismissals in the railways service...'. At the meeting, ministers were adamant that the financial position made it quite impossible for the government to act as required, and apparently they challenged the Central Executive to call on the government to resign if it was not satisfied.

The Central Executive met again on 21 and 22 June, when the government's explanation that it did not have the money to carry out the instructions of recent conferences was accepted. The Executive agreed to drop the threat to discipline ministers because of their failure to prevent retrenchment in the railways service. Instead, it directed the S.P.L.P. to proceed with its unemployment tax measures,

Note that nominations for preselection ballots for seats in the House of Representatives closed on 8 May 1931. Practically all sitting members had been unopposed and so re-endorsed. The ballots were held on 13 June.
by which the government must stand or fall. In addition, the Executive brought the issue of personal assurances from Labor members to a head, and served an ultimatum on the Premier, Jones (a senior minister), and Bond (M.L.A.), demanding that they provide the assurances by 3 July, otherwise their endorsements would be cancelled. Also, after discussion on 21 and 22 June, the Central Executive resolved:

That this Executive...declares its uncompromising opposition to the proposals of the Premiers' Conference, which provide for a reduction of wages, pensions and social services. It urges all Federal Labor members and instructs all State Labor members to vote against all such proposals.

Undeterred by the demands of the Central Executive and the T.H.C., the Hogan Ministry continued drafting the legislation to implement the Plan, and on 26 June it completed the task. Hogan, Jones, and Bond remained firm in their refusal to furnish the assurances, so that tension in the labour movement rose to a high pitch; and when Mick Considine (a prominent left-wing Laborite) resigned from the Central Executive, protesting that in their attitude to the Plan the Executive and the Federal Executive were tacitly accepting a shameful violation of Labor principles, the opinion was voiced in Labor circles that the movement was on the verge of a split.

The A.R.U. had been the principal driving force behind the demand for the assurances, but now the leadership of the union wavered and was instrumental in easing the tension threatening the unity of the movement. Retrenchment in the service had been intensified and Cain had again approached the union with a rationing scheme. Following the Central Executive meetings held on the previous days, Secretary Sear abandoned his former stance to advise the outgoing council of the A.R.U. on 23 June that the Central Executive 'could no longer assist the organisation to restrain the Commissioners', so they had to decide which would be the lesser of the evils confronting them. The council agreed (19-11) to a conference with the State government to discuss the Minister's proposals to prevent regressions and control rationing. The conference was held on 26 June, and gave

R.U. Gazette, July 1931. J.F. Chappie (General Secretary A.R.U. and Vice-President A.L.F.) told the A.R.U. Council that at the Central Executive meetings it was generally felt it would be better if the government went out of office (ibid.).
rise to press predictions that the union would reverse its policy regarding rationing.\textsuperscript{26} Thus the political situation was made easier; then on 3 July, though it was surely aware that it was at least questionable whether such a conference would be competent to deal with the matter, the Central Executive decided to refer the question of the endorsements of Hogan, Jones, and Bond to the forthcoming special conference of the A.L.P.

If opponents of the Plan believed the Labor governments would bow to union opinion, or that the Central Executive would take resolute action, they were soon disappointed. Indeed, an attempt was made to have the Executive's stand reversed. But as both sides mustered equal votes at a special meeting on 28 June, its previous decision to oppose the Plan stood. The meeting decided to convene a special conference of the party for 25 July to consider the position. Members of the Central Executive who supported the Plan, for example Senator Barnes (Vice-President of the Executive Council) and McNeill (Federal Minister for Health), together with Kean (Organising Secretary of the A.L.P.), continued to do so. Little wonder the majority of Labor members disregarded the direction of the Central Executive, for the secretary of the party, McNamara (M.L.C.), joined the Hogan Ministry and assisted to implement the Plan. On 30 June, the S.P.L.P. adopted the Ministry's legislative proposals to give effect to the Plan.\textsuperscript{27} Later the same day, Hogan sought, and was granted leave, to introduce emergency bills into the Assembly, and the next day (1 July), he moved the second reading of the Financial Emergency Bill.

The situation was not encouraging for opponents of the Plan, and furthermore the T.U. movement's campaign against the Plan had just been deprived of a major source of strength, for at the end of June the A.W.U. reversed its stand. In contrast to its attitude of the previous week, the \textit{Australian Worker} (24 June 1931) argued that the Premiers' Conference had been dominated by the influence of the

\textsuperscript{26} Later, on 14 July, the A.R.U. Council decided to refer the government's rationing scheme to a ballot of the membership, who in a small poll rejected it by nine votes (R.U. Gazette, August 1931).

\textsuperscript{27} There was no official voting list, but according to the Argus and the Herald (2 July 1931), the voting was 22-12. On 9 July, nine Labor members in the Assembly voted for Blackburn's amendment in opposition to the Plan (Argus, 10 July 1931). The Assembly on 21 July carried the second reading of the Financial Emergency Bill by 48 votes to 11 (Age, 22 July 1931).
banks. It assured workers that Labor representatives had done their best at the conference, but that in face of the obstacles confronting them they had been helpless. The Federal Council of the A.W.U. indicated its acceptance of the Plan, and a little later the Victorian branch of the union declared its support for the federal government, which, it insisted, must hold on to office.

In the following months, however, the Australian Worker maintained that the Plan was not a remedy for the depression and that Labor's financial policy was the only way out. The Plan, it repeatedly explained, was not Labor policy, but was being enacted because the Labor Ministry was unable to exercise the authority it ought to possess and because the will of the party had been frustrated. The Australian Worker denounced any suggestion to discipline Planites, and it uttered no word of criticism of the federal or Hogan governments for imposing the reductions; rather, it concentrated on attacking the Lang Party and government. Nevertheless, it continually urged the necessity for unity, though on 24 June it had declared crises in the labour movement to be 'historically inevitable', and had advised, 'So don't worry, brother, when a crisis for Labor comes along. It's all part of a Plan which, in the providence of faith and experience, will gloriously transform the world.'

In addition to the A.W.U., the Australian Tramway Employees' Association accepted the Plan, and several other unions including the Boilermakers supported the Labor governments. The A.W.U. and the Tramway Union were important organisations and Planites made much of their attitude. But within the T.U. movement it was not an infrequent occurrence when a vital issue arose for an organisation's policy to be determined by a handful of executive members. In this instance, the decision to support the Plan was made by the Federal Council of the A.W.U. and the executives of the two branches of the Tramway Union. At least in the latter case, the majority of officials decided on a policy for the union which scarcely reflected the views of the rank and file, for when they were able to express an opinion at subsequent meetings, members of the Tramway Union opposed the Plan. And in fact some of the union's delegates to conferences had ignored instructions and voted against the Plan in the first place.

The July issues of the Labor Call and Cameron in the Tramway Record (July 1931) continued to call for opposition to the Plan.28

28 The L. Call (2 July 1931) reprinted 'The Prime Minister's Illuminating Address' which
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Workers were expressing 'bitter disappointment and resentment', they pointed out, and were demanding a 'more aggressive attitude' on the part of Labor's representatives. Deploiring the fact that Labor was at cross purposes regarding the Plan, they also warned that it would be disastrous if such a situation persisted. The two journals asked themselves, 'What, then, is to be done?' - a question which was agitating the minds of most opponents of the Plan. But the solution suggested by Cameron and the Labor Call was scarcely impressive: 'Labor in politics must not be permitted to speak with two voices', they urged. An understanding should be reached 'as quickly as possible', and Labor M.Ps. 'should consider carefully the position'. The issue was simply one of Laborites making up their minds whether they supported or opposed the reductions.

A few union officials continued to canvass support for an Industrial Labor Party, but the leadership favoured working through the A.L.P. In order to consolidate the union attitude before the special A.L.P. conference, the T.H.C. Executive convened a special conference for 18 and 19 July to which each union was entitled to send only two delegates. This conference, which did not attract a maximum attendance, adopted (72-32) the resolution previously carried by the T.H.C., and rejected a series of amendments. In his address, F.J. Riley (President, T.H.C.) suggested, 'surely it is high time that Labor was in Opposition, leaving to the political parties of Capitalism the unenviable task' of rehabilitating the economy. But the majority of delegates, though fiercely critical of the Labor governments, did not desire to displace them or precipitate a split in the movement. Nevertheless, they would not countenance a move by P.J. Clarey (an influential official) who sought to delete from the resolution the demand for the cancellation of endorsements of supporters of the Plan. On the other hand motions urging disaffiliation from the A.L.P. were defeated, as was a proposal by the Shop Assistants' Union that, unless the Central Executive rid the A.L.P. of Planites, a breakaway party should be established - though the voting (59-42) showed the minority in favour of this more drastic course of action to be significant. An amendment advocating the repudiation of overseas debts was rejected, and another calling for strike action against the Plan secured only ten

explained with 'commendable candour' why 'the bitter pill must be taken'. However, this was one of the few occasions on which the L. Call published a defence of the Plan, and most issues contained articles attacking the Plan, including several by Anstey (M.H.R.) who denounced the Labor governments as being 'Nationalist in everything but name'.

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votes. The conference carried an adjournment motion:

That, failing the A.L.P. giving effect to Conference's resolution, the unions be urged to submit proposals to the adjourned meeting of Conference on Saturday, August 8, to deal with the position created.

The daily press and some union spokesmen referred to the controversy which developed within the labour movement as a conflict between the political wing and the industrial wing. But this generalisation was only broadly true, for, as noted above, a substantial minority of delegates had disagreed with the resolution carried at the T.H.C. meeting and the Trade Union Conference; and, at the same time, the S.P.L.P. and the F.P.L.P. had not adopted the Plan unanimously. A few union officials backed the governments' acceptance of the Plan to the hilt; while some Labor M.Ps. were as implacably hostile to the Plan as any unionist. A.L.P. branches, too, were divided on the issue.

Both sides organised for the trial of strength at the Special Victorian A.L.P. Conference on 25 and 26 July, so that there was almost a record attendance. Sixty-two of the sixty-five electorate councils were represented by sixty-five delegates and seventy-three of the seventy-six affiliated unions by 161 delegates. Many Labor politicians were present, including Prime Minister Scullin and Senator Barnes who attended as A.W.U. delegates.29 Don Cameron moved the resolution which had been carried by the Central Executive on 22 June. Crofts (another top union official) proposed an amendment, that the Conference should endorse the action of the Central Executive in its emphatic opposition to the reductions and its instruction to Victorian parliamentarians to vote against the Plan; and also that 'Conference instructs Victorian representatives in the Commonwealth Parliament to take all steps within their power to prevent effect being given to those parts of the plan affecting wages, old age, invalid and soldiers' pensions, maternity allowances and social services'. President Calwell ruled the amendment out of order, as it would be contrary to the rules of the party for the Conference to issue instructions to federal members. However, a motion to dis-

29 After the conference, the Secretary of the Liquor Trades Union claimed that some politicians had obtained proxies for A.L.P. branches of which they were not members, and some of which were defunct (L. Call, 13 August 1931).
agree with the ruling was carried (111-86). Then numerous other amendments were put forward, and, finally, after they had been rejected, Crofts's resolution was adopted (143-87).

Scullin and several other Labor members adroitly defended their acceptance of the Plan and unsuccessfully sought to convince the Conference that they were acting in the best interests of workers and pensioners. They were upheld by a few union delegates such as W. Dale (Victorian Secretary of the A.W.U.), L. Batten (a Herald reporter representing the Pastrycooks' Union), and M.B. Duffy of the Commonwealth Bank Board, attending as a delegate from the Rope and Cordage Union. But unionists who took part in the debates overwhelmingly denounced the Plan as an intolerable violation of Labor principles, and they assailed the Labor governments for having accepted the policy of Labor's enemies. Some argued that, instead of agreeing to the Plan, the federal government should have appealed to the people, and a few maintained it would be preferable for Labor to be in opposition rather than do the dirty work for anti-Labor. By a small majority only (122-108), the Conference rejected a proposal that it call upon the federal government 'to appeal to the people at the earliest opportunity for power to control the monetary and banking policy of the nation...'.

Again and again during the last eighteen months, conferences and the Central Executive had issued instructions to Labor representatives which had not been carried out, and at this conference supporters of the Plan did not indicate they were prepared to reverse their former attitude. A delegate from the Electrical Trades' Union moved that Labor members be instructed to vote against the Plan and that failure to obey this instruction would result in the automatic expulsion of the offending members from the A.L.P. This amendment was defeated, and the majority of delegates further indicated their unwillingness to discipline recalcitrant politicians when they

30 It is important to bear in mind the serious dilemma which faced unions at this time and later regarding the political position of Labor. If the Labor governments fell, it was highly likely that elections would be disastrous for Labor, and U.A.P. governments could be expected to enforce the Plan with the greatest severity. There were ominous enough indications of Labor's loss of electoral support; the Tasmanian elections had driven the point home on 9 May, and a month later the Victorian Legislative Council elections had revealed a strong swing against Labor. In these elections Labor had lost the seat held for seventeen years by the Minister for Health (Beckett), and, with only five members in the Council, the Hogan Ministry's precarious hold on office was weakened still further. In August, Labor suffered further severe defeats in the Victorian municipal elections.
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voted (117-70) to uphold President Calwell's ruling that the Conference could not deal with the matter of assurances from Hogan, Jones, and Bond. Opponents of the Plan who saw the conference resolution as a victory received a jolt the following day, for Hogan issued a statement which announced his intention to persist with the legislation before Parliament, and which denounced the conference decisions as 'stupid and unpatriotic'.

Nevertheless, the Labor Call (30 July 1931) and Cameron in the Tramway Record (August 1931) referred to the decisions of the union and A.L.P. conferences as an achievement for opponents of the Plan. 'It is now the bounden duty of trade union and A.L.P. representatives to oppose the Plan as directed', the Labor Call informed its readers, and 'there is no room for argument or compromise'. Planites, however, completely ignored their 'bounden duty'. The legislation had already been enacted by the Commonwealth Parliament, and Labor members who had voted for it continued to support the Plan. The second reading of the Financial Emergency Bill had been carried by the Victorian Assembly, and, though there was some delay before its enactment, this was not due to the majority of Labor members performing their 'bounden duty'. Moreover, the Central Executive did not attempt to ensure that the instructions of the A.L.P. Conference were observed. As noted above, the conference would not deal with the refusal of Hogan, Jones, and Bond to give the assurances demanded of them, and after the conference the Central Executive was disinclined to define their position. However, according to the daily press on 5 August 1931, which proved to be well informed, the Executive would take no further action against the three men or their endorsements until the next State elections.

While deploring the spectacle of Labor governments assisting 'to enforce anti-Labor's policy', the Labor Call and Cameron in the Tramway Record were much more restrained in their criticism of Planites than most active opponents of the Plan, although there were letters in the Labor Call that bitterly attacked the governments. Cameron in September 1931 claimed that the adoption of the Plan was a repudiation of their own party by Labor representatives. But neither journal was seriously concerned to provide a definite lead in the bitter controversy aroused by those who sought to have Planites disciplined, though by implication they opposed such action.31

31 In a rare analysis of the problem the L. Call (13 August 1931) raised the question of
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With the exception of the Australian Worker, most other journals practically ignored the matter. According to the Labor Call (13 August 1931), politicians departed from their line of duty, as in the case of the Plan, because like other men, they always acted in accordance with the way in which they had been trained. Although the Labor Call itself had encouraged just such a 'foolish habit', it explained that some people had become angry with their political representatives for acting contrary to their pledges and promises, because of the 'foolish habit' of such people of accepting politicians at their face valuation. When their representatives acted contrary to expectations, such people were shocked or disappointed.

While deprecating the imposition of further burdens on workers by the Labor governments and while lamenting the widespread poverty and misery, the Labor Call and Cameron in the Tramway Record repeatedly blamed the workers themselves for the situation. The Fiduciary Note Issue would have eased the position, the Labor Call (16 July 1931) asserted, 'but it was not to be, because the workers themselves have yet to take up a stronger stand politically'. The Labor Call and Cameron maintained Labor's progress was made slow and difficult by 'the unfortunate workers' childlike credulity'. Workers accepted a lower standard of living, and the paradox of starvation in the midst of plenty existed because the workers were mostly 'the mental slaves of capitalist theories and teachings'. The two journals regarded the workers' plight as desperate, but they were able to discover a 'saving quality' in the situation, and observed that 'anti-Labor megalomaniacs' who would impose greater sacrifices on workers were not masters of the situation to the extent that they imagined. According to Cameron in September 1931, 'action and reaction are equal and opposite' as are oppression and revolt, while the Labor Call (16 July 1931) argued, 'anti-Labor going to the extreme would have the opposite effect to that intended'. This might have been consoling sociology but what many of the rank and file were looking for was a definite, practical lead as to how they might regain their standard of living.

Early in July, arrangements had been made for a special federal conference of the A.L.P. to commence on 27 July. Later the
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conference was postponed, and on 30 July the T.H.C. decided that the union conference, which had been adjourned until 8 August, should be further adjourned until after the federal conference was held. Thus during August and early September the issue was held in abeyance, as the union leadership pursued its wait-and-see policy. The union conference did not meet again till 12 September, and such delays made the task of rallying resistance to the Plan all the more difficult.

When discussing the tasks facing the Federal A.L.P. Conference, the Labor Call (27 August 1931) and Cameron in the Tramway Record (September 1931) urged that it was 'now the task of the Labor Movement to make good where Labor politicians have failed'. Their advice to delegates was that the Plan should be strongly opposed, and the labour movement given a strong and immediate lead in that direction. But union officials who were directing the union campaign against the Plan were aware of the composition of the conference32 and were familiar with the opinions of most of the delegates, so it is almost impossible to believe they in fact expected much from the conference.

After some further delay, the Special Federal Conference met on 27, 28, and 29 August 1931. Although many delegates spoke heatedly against the Plan, proposals to discipline its supporters received few votes – Considine being the only Victorian delegate who voted this way. In another unsuccessful move, Duggan asked that the federal government be directed to restore all reductions in wages, pensions, and social services. Finally, after lengthy discussion, the conference adopted (22-13) a compromise resolution. It declared that the reduction of wages, pensions, and social services ran counter to Labor's platform and could not be accepted as part of Labor's policy, and it instructed the federal and State Labor parties that there should be no further reductions. It also reaffirmed the policy agreed upon at the March Special Interstate Conference as providing the only means of securing economic and social justice and bringing to an end the present crisis. But Labor's policy, it resolved, could only be put into effect when Labor secured full control of State and Common-

32 Of the thirty-six delegates, no fewer than twenty were politicians, including the Prime Minister and Federal Treasurer. Over a quarter of the delegates were either members or officials of the A.W.U. which supported the Plan. The Victorian delegates were: Prime Minister Scullin, Drakeford (M.L.A.), McNamara (M.L.C. and Secretary A.L.P.), Calwell (President Victorian A.L.P.), Duggan (Secretary T.H.C. and President A.C.T.U.), and Considine. Don Cameron was one of the delegates representing Western Australia.

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wealth Parliaments, so all Labor organisations were required to work with a united front to achieve this end.

After the conference it was officially explained that the terms of the resolution did not impose any penalty on the Labor governments for having introduced the economy measures. As the measures were now federal law, their provisions had to be accepted, but they were not to be regarded as Labor policy. The press hailed the outcome of the conference as a 'triumph for the Scullin Ministry', and Labor Planites expressed satisfaction, regarding the resolution as a tactical victory.

Nevertheless, the Labor Call (3 September 1931) and Cameron in the Tramway Record (September 1931) acclaimed the decisions of the conference. Delegates were practically unanimous in their condemnation of the Plan, they were happy to report, and it was significant that Scullin and Theodore had voted against the Plan. They also informed readers that the movement had made good theoretically, where the majority of the federal and State Labor politicians had failed. The Labor Call was prepared to concede that reductions had already been imposed, but it hastened to add that 'the damage has been done mainly as the result of the weakness of Labor politically, and that it was inevitable in the circumstances'. Then, on an optimistic note, it expressed the hope that Labor representatives who supported the Plan would have learnt their lesson. But this hope was at once revealed to be quite unjustified, at least in the case of Hogan, who, commenting on the delay in the passage of the Financial Emergency Bill, stated unequivocally that unless the Bill went through he would not continue as Premier.

On 31 August, the T.H.C. Executive decided that the adjourned Industrial Conference would resume on 12 September to review the decisions of the federal and State A.L.P. Conferences. Early in the month, the Central Executive of the A.L.P. invited the T.H.C. and A.C.T.U. to send representatives to a conference to be held on 11 September to discuss preparations for the next federal elections. The T.H.C. Executive and the Emergency Committee of the A.C.T.U., however, replied that they were not prepared to send representatives to such a conference until the party defined its policy regarding the restoration of wages, pensions, and social services.

At the Industrial Conference on 12 and 13 September, the majority of delegates again rejected the proposal that unions should cancel their affiliation with the A.L.P. if the Central Executive did not see
fit to discipline Labor members who supported the Plan. Advocates of a breakaway party were again in a minority; but, as moved by Crofts and A. Wallis, the conference resolved:

That, failing the existing political parties and the Federal and State Labor members of Parliament giving a written assurance to the Australasian Council of Trade Unions and its branches that they will organise against the Premiers' Plan, and for the immediate restoration of old age and invalid pensions, social services, maternity allowance and living standards, on the basis existing before December 1930, this Conference take action to initiate the necessary financial and moral support for those members of the Federal and State Parliamentary Labor Party and Parliamentary candidates who are prepared to carry out the policy laid down by this Conference.

It also elected a 12-man committee (most of them top officials) which looked something like a potential counterpart to the A.L.P. Executive.

Other resolutions adopted by the conference included:

That this Conference shall not disband until decided otherwise by a vote of two-thirds of the credentialled delegates, but may adjourn from time to time.

That Conference shall meet, if necessary once in each month....

That the A.C.T.U. be urged to initiate immediately an interstate movement to consolidate opposition to the Premiers' Plan and for the restoration of...pensions, social services, maternity allowance, wages and the workers' living standards, and the furthering of the Labor Party's policy on socialisation of industry and the nationalisation of banking, and for giving immediate effect to the resolutions adopted by an All-Australian Trade Union Congress, Special Conferences of the A.L.P. and the A.L.P. Interstate Conference of March last.

Copies of the resolutions were sent to the A.L.P. and Labor M.Ps., and the required assurances were asked for. Opponents of the Plan stepped up their campaign to 'clean up' the Labor Party and secure control of the political machine. Most journals were reticent about the matter, although notable exceptions were the Railways

For example, it is interesting to note that, though J.V. Stout (organiser, Shop Assist-
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Union Gazette (August 1931) and the Industrial Herald (27 August 1931) in which Chappie (General Secretary A.R.U. and Vice-President A.L.P.), scathingly denounced the Plan and its supporters. He declared Labor leaders to be 'guilty of base treachery to working-class principles'. Workers 'must purge the political movement of the traitors within its ranks', he urged, and if necessary, break and re-form the party on a more solid foundation. The Australian Worker (23 September 1931), on the other hand, urged just as forcefully that it was 'absolutely essential that everything possible should be done to preserve the solidarity of the Labor Movement'. It repudiated the decisions of the Industrial Conference, insisting that there should be no political vendetta against Labor members. In the following months, the Australian Worker repeatedly referred to the next federal elections and called for unity so that Labor might put forward a bold financial policy.

On 22 September the Industrial Conference Committee resolved that affiliated unions and State Electorate Councils be asked to demand a special conference of the A.L.P. during November to deal with the following matters:

1. To declare all official positions vacant, and the election of new officials.
2. To declare all seats on the Central Executive vacant, and elect a new executive.
3. To declare Interstate Conference delegation vacant, and re-election of new representatives.
4. To declare Federal Executive delegation vacant, and elect new representatives.
5. Cancellation of all endorsements, with a view to reconsideration by new executive.
6. To lay down fighting policy for the next federal election, including the following:- Immediate treatment of the unemployment position by the restoration of wages and living standards; of shortening of working hours and adequate maintenance for unabsorbed workers and their families and primary producers.
7. Nationalisation of banking.

ants' Union) was an ardent opponent of the Plan and was prominent in the campaign to clean up the party, the Shop Assistant almost completely ignored even the existence of the Plan.
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8. Socialisation of industry.


10. Abolition of State Parliaments. 34

The next day, the President of the A.L.P. (Calwell) emphatically rejected the committee's demand. 'It was in fact', he asserted, 'a smoke screen by those who were afraid of the Communist offensive', and its sponsors included those who were 'anxious to secure the positions held by others'. The committee, however, went ahead with its arrangements for speakers to address A.L.P. and union meetings, and on 28 September a report of its work was submitted to a meeting of union officials. Circulars were sent to Labor members of Parliament requesting them to furnish, before 8 October, the assurances sought by the Industrial Conference. This led President Calwell and Secretary McNamara to make a joint statement on 30 September which declared that the demand for such assurances was in conflict with the rules of the A.L.P.

On 2 October, at a stormy meeting of the Central Executive of the A.L.P., Calwell gave a ruling which threatened with expulsion 'any member of the A.L.P. who supports, advocates or assists to enforce the resolutions of the Union Conference of September 12th-13th', and any Labor parliamentarian who gave the assurance demanded by the conference. He also ruled that the special conference asked for could not be held. The Industrial Committee, however, persisted with its efforts to secure a special conference. Calwell's directives aroused union resentment, and there was justification for the notion fostered by the daily press that, as a result of the bitterness developing between the 'political and industrial sections' of the A.L.P., 'a cleavage was inevitable'. Alarm that was not confined to A.L.P. leaders resulted in efforts being made to heal the breach. The A.L.P. Executive sought a conference with the T.H.C. Executive, but the latter decided to decline any such invitation until such time as Calwell's ruling might be withdrawn. On 11 October, after hearing a report from the Industrial Conference Committee, a large meeting of union executives, on the motion of A. Wallis, agreed unanimously to endorse the actions of the committee and the T.H.C. Executive and to pledge its wholehearted support to those members of

34 L. Call, 1 October 1931. It is to be noted that at this time - despite the fact that the federal government was implementing the Premiers' Plan - union leaders were stepping up a campaign for radical financial measures.
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Parliament who were in line with 'efforts to uphold working-class ideals and principles'. Thus the labour movement seemed to be rapidly moving along the road to complete disruption. Like so many other unionists, members of the A.R.U. regarded the Labor governments with intense hostility, and at the union's council meeting on 6 October a motion to disaffiliate from the A.L.P. was barely defeated, the voting being equal. Dissatisfaction in the A.F.U.L.E. had reached such proportions that, despite pleas from their Federal President, Drakeford (M.L.A. and a member of the Central Executive) that the trouble lay not with the A.L.P. but only with certain politicians who could be removed, a ballot of the membership resulted in the cancellation of the union's affiliation with the party.

To date, the A.C.T.U. had not come forward to offer leadership. Now, belatedly, a special conference of the Interstate Executive (15-17 October) denounced the Plan and resolved:

That all Labor members of Parliament who refuse to repudiate and cancel the Premiers' Plan as far as wages, pensions, and social services are concerned, be declared outside the Labor Movement, and recommends all trades unions of the Commonwealth to refrain from rendering assistance, either morally or financially, to any such representatives. 35

However, the Australian Worker (28 October 1931) fulminated against the resolutions and asserted that by endangering Labor unity the A.C.T.U. was prejudicing Labor's chances of victory at the next elections.

While the unity of the movement appeared to be hanging in the balance, the contribution of the Labor Call (22 October 1931) and Cameron in the Tramway Record (29 October 1931) to the controversy was a dissertation on 'Politicians and Agitators', which purported to show how they were 'only the mediums of the collective will'. However, they did advance the proposition that Labor politicians must conform to Labor's policy or be displaced or ignored.

The Industrial Committee persisted with its campaign, though

35 L. Call, 22 October 1931. The Executive was also of the opinion 'that any policy placed before the electors at future elections should include the following items... - Socialisation of industry, nationalisation of banking, abolition of State Parliaments and State Governors, national insurance,... adequate sustenance for all unable to obtain employment, immediate restoration of... pensions... wages and living standards to at least the 1930 level, and for a 25 per cent improvement of such standards;... the immediate adoption of a 35-hour working week;... cancellation of war debts;... and immediate action to assist primary producers'.
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apparently few Labor members had furnished the assurances it required. While union officials had been engaged in top-level conferences, the rank and file were scarcely involved; but now the issue of the Plan, which had been generally neglected for months at union meetings, was revived, and resolutions were carried demanding the special A.L.P. conference. At the same time, too, many A.L.P. branches endorsed the demand.

The Industrial Conference met again on 17 October, with fewer than sixty-five unions now represented. The conference, claiming that more than the required percentage of the party membership demanded a special conference, called on the President and Executive of the A.L.P. to give effect to the rules of the party, and summon such a conference not later than 7 December 1931. The conference further decided:

Failing the central executive calling such special conference on or before December 7, this conference invites all branches of the Labor Party to appoint delegates to attend this conference for the purpose of consolidating the political and Industrial Movement, with a view to giving effect to the Labor platform, and the restoration of pensions, social services, and wage standards, and the improvement of such standards.

In reply, Calwell, on 29 October, issued an ultimatum to fourteen union leaders, threatening them with expulsion unless they furnished undertakings by noon on 2 November to accept the resolution of the special federal conference of August and to agree not to persist in any way with activities in support of the resolution of the industrial con-

36 The majority of those concerned were either secretaries or organisers. They included Dugan (Secretary T.H.C., President A.C.T.U., and a delegate to A.L.P. federal conferences), Crofts (Secretary A.C.T.U., Secretary Cas Employees' Union, member of T.H.C. Executive Committee and A.L.P. Central Executive), A. Wallis (Vice-President T.H.C., Secretary Clothing Trades' Union), E. Stewart (official of Furnishing Trades Union and member of the Central Executive of the A.L.P.), F. Sear (Secretary A.R.U.), J.V. Stout (organiser, Shop Assistants' Union), E. Smith (organiser, Clothing Trades' Union), G. Beardsworth (Federal Secretary and Victorian Secretary Hospital Employees' Federation). In some cases their A.L.P. branch took their side against Calwell; e.g. the Sandringham branch supported its secretary, E. Stewart (Argus, 5 November 1931). At first it was regarded as something of a 'mystery' that Monk (Assistant Secretary T.H.C.), Cameron (Vice-President A.L.P. and a member of the Industrial Committee) and the President of the T.H.C., Riley, who had presided over the trade union conferences, had not received the ultimatum (Herald, 31 October 1931). Then it was explained that Riley and Cameron had not been included because they supported the holding of a conference between the executives of the A.L.P. and T.H.C. (Argus, 3 November 1931).
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ference regarding a special A.L.P. conference. He blamed the T.H.C. for the position, charging that it had attempted to introduce 'the spirit of "Langism"' into Victoria, and like the daily press and Premier Hogan he warned of a dictatorship of union officials. Support for Calwell came from such quarters as Premier Hogan, Kean (Organising Secretary, A.L.P.), Senator Barnes (General President, A.W.U. and member of the Central Executive), and the Australian Worker (4 November 1931); but the T.H.C., T.U. Salaried Officers' Association, and unions and A.L.P. branches voiced strong opposition to the ultimatum.

When the specified time expired, and none of the unionists concerned had given the undertaking, the movement seemed faced with the immediate prospect of a split. However, according to press reports, Labor leaders did not regard as serious 'the threat of secession by the industrial wing', especially as 'the political wing retained the support of four of the strongest organisations', the A.W.U., Boot Trades Union, P.I.E.U.A., and the Tramway Union. The situation was further complicated by the fact that, as part of their campaign, union officials had issued an 'industrial ticket' for the A.L.P. Senate selection ballot, and the union leaders Cameron, Sheehan, and Wallis (now threatened with expulsion) were successful.

Influential leaders, including Cameron, desired a truce, and behind the scenes they worked to heal the breach. At a meeting of the Central Executive on 6 November, President Calwell withdrew his ultimatum, on the understanding that a conference would be arranged immediately between representatives of the Central Executive and the Industrial Committee. The committee, which was meeting concurrently in another room, agreed to such a conference. In an effort 'to promote the unity of the political and industrial sections of the Labor Movement', the representatives met on 9 November and again on the 13th, when it was generally agreed a special A.L.P. conference was necessary to clear the air. There was, however, no unanimity concerning the business to be dealt with at such a conference.

37 Argus, 3 November 1931; Age, 3 November 1931. But see the different policy adopted by the half-yearly general meeting of the No.2 branch of the Tramway Union (Tram. Record, November 1931). The Printing Trades Journal had not sought to defend the Plan.

38 Now that a split had been averted, the L. Call (12 November 1931) and Cameron in the Tram. Record (November 1931) declared their views on 'disciplining Labor's army'. They argued: 'Labor united in spite of the strongly held and conflicting viewpoints of its representatives or leaders, is always a better and safer proposition...than Labor divided'.

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A report of these deliberations was submitted to a special meeting of the Central Executive on 15 November. Supporters of the Industrial Conference Committee on the Executive moved for a special A.L.P. conference which would deal with the matters suggested by the committee; but other members of the Central Executive, while agreeing to a conference to discuss general matters of State policy, refused to consider including the agenda proposed in the motion. Finally a compromise amendment was carried. A special A.L.P. conference would be held on 16 January 1932 'to review the position which had arisen in the Labor Movement in Victoria, and to discuss any agenda items relative to the better working of the A.L.P. and the winning of Parliamentary elections'. It was also decided to invite agenda items from affiliated unions and party branches. The Industrial Committee discussed the matter but postponed making a decision until a later meeting. Then, on 25 November, the Scullin government was defeated and overnight the whole controversy was carefully buried.

A Truce and the Federal Elections
On 26 November, faced by the impending federal elections, the Industrial Conference Committee issued a statement declaring that the policy of the anti-Labor forces to set aside all awards, reduce wages and increase hours of labour, rendered it imperative for unionists to stand solidly in the fight. Union officials who had been vehemently castigating the Labor governments for their betrayal of the labour movement now credited the Scullin Ministry with great achievements. Those officials who had been threatened so recently with expulsion from the A.L.P. for their campaign against the Premiers' Plan now studiously avoided any reference to the issue and attempted to persuade unenthusiastic workers that their only hope for improved wages and working conditions lay in the return of the government. This seeming volte-face was also to be observed in the attitude of union officials like E. Stewart, F. Katz, D. Cameron, J. Sheehan, and A. Wallis who were Labor candidates. Their speeches, too, skirted the Plan, neglected their own former arguments, and now seemed to rest on an acceptance of Scullin's own explanation of his position: that, in the face of unprecedented difficulties and intolerable handicaps, his record warranted the support of electors.

Regarding the problem of 'traitors' they maintained, 'Such men automatically and periodically displace themselves without smashing or dividing the Labor Movement...', and this automatic process 'should be allowed to operate, without any undue interference from the impetuous'.

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During the election campaign Labor speakers followed Scullin's lead in asserting that they were now confident that the crisis had passed, and that Australia was on the road to recovery. They all based their case for a return of the government on the claim that it had saved Australia from disaster. Having maintained the nation's honour, Scullin must now be permitted to proceed to the work of economic reconstruction. There was no hint that only a few days earlier many of those who now spoke in this way had believed that Scullin had in effect acted to preserve capitalism intact, by carrying out the policy of 'anti-Labor' and sacrificing the workers' interests.

The union leadership sought the return of the government, although Labor's election policy did not embrace the radical measures for dealing with the depression which the T.U. movement had been demanding. As to the sacrifices imposed on workers, Scullin merely promised that 'if the improvement [in the financial position] continues there will be an early restoration of pensions and wage standards'. Socialisation was severely played down, and Labor candidates - including those who were union officials - made protection a dominant issue. They followed Scullin in advocating removal of the fetters which had been placed on the Commonwealth Bank, and also the establishment of a Central Reserve Bank. The latter was not seen, however, as a step towards socialism, but as a means of reviving capitalist industry. There were broad references to the need for monetary reform, but ministerialists gave less prominence to these aspects of their policy in the face of a swelling campaign by Labor's opponents to convince electors that the Labor Party had intentions which would lead Australia to financial ruin and chaos. Regarding Labor's policy as no threat to the status quo, the Age supported the re-election of the Scullin government, and, unperturbed by his brand of socialism, it included Don Cameron on its composite Senate ticket.

In the propaganda directed to unionists, the appeals to support Labor were predominantly negative and designed to stimulate their fears. As the *Round Table* (Vol. XXII, p.415) reported, 'instead of

39 Cf. the attitude of the Postal Workers' Union which voted £350 to Labor Party election funds, but stipulated that £200 was to go to the Central Executive and the remaining £150 was to be allocated among those Labor members who were prepared to support the immediate restoration of the reductions in wages and pensions made under the Premiers' Plan (Argus, 10 December 1931).

40 But see the manner in which monetary reform was played up by the *Aust. Worker.*
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a campaign of promises, it developed into a campaign of terrors. Each side claimed support because of the dangers of putting the other into office'. A typical slogan in the Labor Call warned workers to 'get behind the Labor Movement, and save your homes, wives, children and yourself'. A constant theme was that anti-Labor politicians were the puppets of Money Power, men who intended to smash protection, abolish arbitration, and lower standards of living. Their return would be 'too harrowing and horrible'. Safety lay only in solidarity and loyalty to 'our' party and representatives.

The elections of 19 December inflicted a staggering defeat on the government. The A.L.P. won only thirteen seats (a mere four in Victoria), and Scullin resigned. In subsequent weeks, A.L.P. and union spokesmen, in seeking to explain the débâcle, mentioned factors such as press misrepresentation, religious sectarianism, the disunity in Labor's ranks, and a transfer of allegiance of the unemployed. There were also references to 'panicky and prejudiced voters', and 'working class imbeciles and mental degenerates' who were so stupid as to vote against their own interests and reject the Labor government. Less often the blame was assigned to the abrogation of Labor principles by the Labor governments. But spokesmen like Cameron denied that Labor leaders could be held responsible, arguing that workers themselves determined the direction taken by their leaders, and that 'when the workers condemn the shortcomings of their leaders, they also are condemning the shortcomings which they themselves possess'. The Labor Call (24 December 1931) offered the consolation that according to the law of compensation 'Labor defeated politically is Labor strengthened socially or industrially'. Labor's defeat would, 'in the long run, do it more good than harm', for 'if the workers cannot be convinced by reason that Labor is their only hope, they must be convinced by bitter experience'.

But there was a swing to Labor in Queensland where a non-Labor government was in office.

This was the view, too, of the Indus Herald (7 January 1932) which maintained that when the Scullin government adopted the Premiers' Plan 'it committed political suicide'. It regretted the workers' choice, for 'the worst Labor Government is better than the best Capitalist Government'.

Tram. Record, January 1932. See also the L. Call, 28 January 1932.
The Anti-Plan Campaign Resumed
Immediately after the federal elections, the union campaign against the Premiers' Plan was resumed. The crushing defeat renewed a conviction simply stated in the declaration of F.J. Riley that the débâcle showed the necessity to reorganise Labor forces. Disintegration and demoralisation had to be checked. Labor could not remain identified with the Plan, and its representatives could no longer be allowed to defy the movement and violate Labor principles. Something had therefore to be done about discipline and policy. On 21 December, two days after the election, the Industrial Conference Committee framed a resolution which affiliated unions were requested to forward to the A.L.P. for inclusion on the agenda for the special conference scheduled for 16 January 1932. It read:

That, for the better working of the A.L.P. and the winning of Parliamentary elections, it is necessary that the State officers, Central Executive members, delegates to Federal Conference and Federal Executive should at all times carry out the decisions of Conference and the platform of [the] party. As these officers and delegates have failed in this matter, this Conference...declares all State offices, all seats on the Federal Conference and Federal Executive vacant, and proceeds at once to fill the vacancies.

But at the end of December the Central Executive of the A.L.P. decided to cancel the special conference and bring forward the annual conference to 30 January 1932. The Industrial Committee agreed, and both sides organised for the impending encounter.

The atmosphere of tension in Victoria was heightened by long-standing dissatisfaction on other matters besides the Plan, and most notably on the question of unemployment relief (see Chapter 7). The Hogan government, with its power severely circumscribed by its minority position in the Legislative Assembly and the implacable obstruction of the upper House, had gravely disappointed the movement generally by its legislative and administrative policy, and had aroused the bitter hostility of the unemployed. It was paying for office a price which, its critics claimed, was in effect that of carrying out the policy of its opponents. In December - after numerous deadlocks - the Ministry had secured the passage of an unemployment relief act.

44 On 3 December 1931, the Ministry survived a no-confidence motion only on the casting vote of the Speaker.
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relief bill, but at the cost of concessions which the T.U. movement and unemployed found unacceptable: the unemployed were to be forced to work for sustenance and at below award rates of pay. Expectancy was high that there would be a showdown on this matter too at the January A.L.P. Conference. Yet, significantly, the Labor Call (21 January 1932) pleaded for 'Labor unity at all costs'.

The conference was attended by 150 delegates representing affiliated unions and 68 delegates from A.L.P. branches. Considering this composition, it might seem surprising at first sight that the voting was to be so close. But as noted before, it is at best only a broad approximation to say that the conflict was between the industrial and political wings of the labour movement. In reading the debates it is possible to discern three groups of union delegates. On the left a heterogeneous minority, of whom Mick Considine was one of the most outspoken, would purge the Labor leadership of Planites and direct the party towards radical policies; and there was a minority conservative group which backed the supporters of the Plan, though few of this group publicly commended the Plan. But the majority attitude, which was expressed by most of the leading union officials, was moderate. These officials believed that the Planites had to be made to adhere to Labor policy, that Labor representatives must acknowledge the authority of the party, and that unions should have a stronger voice in the A.L.P. But as in the past they preferred to compromise rather than precipitate a major split. Accordingly, most opponents of the Plan seem to have preferred to rely on the election of a new set of officials rather than that Conference should take disciplinary action.

As proposed by Wallis (Vice-President T.H.C. and a recent Senate candidate) and Sear, the Conference censured (129-79) the failure of the retiring executive to enforce the decisions of the 1930-1 conferences. It declared 'that those members of the Executive who, by their disloyalty or indifference to those decisions, helped to bring about the cut in wages, pensions and working conditions, are unworthy of the confidence of the Movement'; but it rejected (124-80) a move by Considine to impose penalties. Again, while practically every unionist who spoke criticised the Labor politicians who had supported the Plan, the majority of delegates voted against expelling them and followed the conciliatory line of the moderate union officials who would give the politicians a further opportunity to rehabilitate themselves.
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Thus Conference accepted (107-95) a resolution by Clarey (an influential union official) that the Labor members who supported the Plan 'violated the substance of the ideals and principles for which the Labor Movement stands, and that all members be warned that any further support of the Premiers' Plan will result in expulsion from the Party'.

The Conference was bitterly critical of the paucity of assistance available for the unemployed in Victoria, and, denouncing the 'work for sustenance' clause in the Unemployment Relief Act, called on the Hogan government to secure its repeal. There was heated discussion when apologists for the government repeated the familiar argument that, given the parliamentary balance of forces in Victoria, there had been no alternative to the acceptance of these 'obnoxious clauses'. By a vote of 73 to 69, the conference in effect rejected further appeal to this argument by resolving that 'should the Opposition be successful in having legislation inimical to Labor carried, the Labor Government shall immediately resign'. (See also Chapter 7.)

It is difficult to give precise meaning to the results of the balloting at the conference for official positions in the party. There was a record number of sixty-one candidates for the eighteen seats on the Central Executive, and this was undoubtedly confusing for delegates. Moreover, to disentangle the influences working in favour of particular candidates seems impossible: some, for example, would have gained through the prestige acquired by long years of service in a position, irrespective of their stance on current controversies. In addition, the attitudes of extreme left-wing delegates cut across the conventional 'industrial versus political' rivalry. Nevertheless, the 'industrial wing' had considerable success, though a ticket it was alleged to have run was only partially accepted. The President and the two Vice-Presidents and both Federal Executive members (Cameron and Duggan) were now leading union officials, and also a majority of delegates to Federal Conference were opponents of the Plan. However, the retiring Secretary and Treasurer narrowly held their positions against 'industrial' candidates, and the

45 See L. Call, 4 February 1932.
46 The successful candidates, Cameron (President), Chapple (Senior Vice-President) and Riley (Junior Vice-President) had been on the 'industrial ticket'. But in any case Cameron and Chapple were in line for these positions.
47 McNamara (M.L.C.) had been secretary of the party since 1925, and before that had
'political wing' was also credited with having retained control of the position of Organising Secretary. Although the conference had censured the retiring Central Executive, with only a couple of exceptions, all were re-elected. Nine of the eighteen members of the new Central Executive had been on the 'industrial ticket'. But while the 'industrialists' secured three new men on the Central Executive, two anti-Plan union officials (Chandler and Stewart), though retiring members and nominated on the ticket, were defeated. Another setback for the ticket was the rejection of veteran left-winger Considine who, it will be recalled, had resigned from the Central Executive in June 1931.

While the Australian Worker (3, 10 February 1932) reported that after several trials of strength between the industrial and political wings, 'finally the political wing emerged victorious', the decisions and elections at the Conference did indicate a swing to the left by the movement, and a hardening of its attitude towards the Plan and its supporters. With Labor now out of office in the federal sphere and relieved of the unhappy and divisive duty of implementing the Plan, a new emphasis on traditional principles was possible. A split had been avoided and Labor M.P.s. given the chance to rehabilitate their prestige. In Victoria, Hogan was still in office, Parliament was in recess until 6 April, and elections were not due until later in the year. For the moment, Victorian State politicians were not obliged to act decisively in the light of conference decisions. But their dilemma could not be avoided for long.

been organising secretary. Foster (Secretary Plumbers’ Union) had been treasurer for nearly thirty years.

Clarey, Wallis, and Blackburn (M.L.A. and a staunch opponent of the Plan). Blackburn was an experienced member of the Central Executive but had declined nomination at the 1931 conference.
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Crumbling Defences
While the union leadership was engaged in prolonged and abortive manoeuvres to thwart the implementation of the Premiers' Plan, the T.U. movement failed to function as a defensive bulwark for the workers' standard of living. There was little active, united resistance to wage reductions by the Arbitration Court and wages boards. Rationing and short time became endemic among the employed, while the unemployed - completely overwhelmed by the catastrophe - lost their possessions and their homes. Some employers undoubtedly took advantage of the position to introduce 'speedup' and sweating methods: complaints were, for example, registered against such practices in the textile and clothing trades, where, in addition, female and juvenile labour seems to have been used on an increasing scale. Unions issued 'white lists' in their efforts to combat sweating and looked to the Anti-Sweating Council for help. Unions found awards difficult to enforce even among unionists, and virtually impossible in the case of non-unionists.

Behind this situation lay serious deterioration of union organisation and effectiveness. Although the different unions experienced varying degrees of decline, over all they suffered greatly. A few such as the Tramway Union were fortunate enough to experience only a relatively small drop in membership, but many disintegrated, some of them to the point where they continued to exist practically in name only. Almost all were embarrassed by the number of members who were unfinancial; about half the members of the A.R.U. were, for example. Members in arrears were often prosecuted, but this was hardly calculated to make the offenders good unionists, and in the circumstances could not be expected to produce marked increases in revenue. As their incomes declined and their meagre reserves disappeared, many unions and the T.H.C. found it difficult to make ends meet. Obliged to make economies, they cut expenditure by such expedients as reducing staff and wages, thus further sapping the effectiveness of the movement, and also leaving them open to the charge of adopting the very measures, 1

For example, some of the building trades unions (Bricklayers, Builders Labourers, and Carpenters) disintegrated as building practically came to a standstill.

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in the face of the crisis, for which employers and Labor politicians were being vociferously berated.

Increasing numbers of unionists were prompted to feel that the failure of the movement to cope with the problems it faced stemmed from shortcomings in organisation, and that steps should be taken to place it on stronger foundations through amalgamation and the formation of industrial unions. The difficulties experienced in the railways over rationing provided an example of the unfortunate effects of divided union counsels within one industry where craft unionism was entrenched.2 The A.R.U. and some sections within the A.F.U.L.E. in fact showed considerable interest in the possibility of remedying the situation. The 1931 State Conference of the A.R.U. resolved:

That, as the present system of craft industrial organisation has failed miserably to effectively safeguard the interests of the workers...the A.R.U. take immediate action, in conjunction with the A.C.T.U. and Trades Hall Council to formulate a new form of unionism along the lines of One Big Union, or, alternatively, an amalgamation of the key industries unions.

The A.R.U. Conference also declared in favour of the A.R.U. and A.F.U.L.E. amalgamating, and urged that a strong effort be made to link up all transport unions. Officials of the A.R.U., A.F.U.L.E., Road Transport Workers' Union, and the Tramway Employees' Association entered into discussions with the aim of forming a Land Transport Workers' Union, 3 but nothing came of the plan. Similarly abortive moves towards closer union organisation were made in the maritime and building industries. Conferences of representatives of eight metal trades unions resulted in a draft constitution for an Australian Metal Workers' Union, but the proposed organisation did not come into existence. A similar tendency was apparent even among some public servants. In March 1932 the State Instrumentalities Unions' Committee, which had not functioned for nearly two years, was revived to consider ways of recovering wage standards. The executives of the A.P.S.A. and the V.T.U. had discussions and decided to set up the 'Teachers' and Public Service Defence League'

2 While the A.R.U. and A.F.U.L.E. continued to press for the abolition of rationing, craft unions of the Iron Trades Council stepped up their efforts in support of a rationing scheme (B.U. Gazette, September 1931; Argus, 2 July, 15, 23 August, 15 September 1931).

3 After prolonged agitation and negotiations, the two Melbourne branches of the A.T.E.A. (Tramway Union) amalgamated in 1932.
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with the objective of 'the restoration of the 1929 salaries and conditions'. Also in 1932 public service organisations declared their support for union efforts then under way to regain the 10 per cent cut in the basic wage. But the effects of such moves were limited, and despite a new feeling that public servants' interests were not entirely divorced from those of industrial workers, there was no positive attempt to promote co-ordinated action.4

A time of disintegration and eroded confidence was not propitious for such attempts at reorganisation, which even in more favourable circumstances were defeated by lack of conviction, the vested interests of officials, and practical objections such as differences in credit balances and rates of contributions. Also, they were not now accompanied by energetic campaigns on the part of union leaders, who tended to pay lip-service only to the movement's goal of industrial unionism. Root-and-branch reorganisation of union structure and methods, on the other hand, was vociferously stressed by the Communist Party. Communist propaganda concentrated largely on the necessity for 'correct organisation' in accordance with the policy of the R.I.L.U., discussed in Chapters 2 and 4. The Workers' Weekly continued to denounce craft unionism and the existing 'social fascist' leadership, and claimed that events had proved the total inadequacy of the movement to resist the 'capitalist offensive' against the workers. Communists were, however, suspicious of proposals for amalgamation sponsored by union officials, maintaining that such moves derived from a desire by the union bureaucracy to consolidate its grip on the movement. By contrast, communists postulated the necessity for a 'united front from below', not so much to strengthen existing unions as to promote, by way of rank-and-file organisation and leadership, a mass movement embracing all workers which would ultimately take the only working-class way out of the crisis by overthrowing capitalism. Hence for communists, a key task was the building of the M.M. - a broad organisation which was to unite all workers on the basis of their everyday struggles and win them to revolutionary methods.5

4 Indeed later, as the long-standing conflict between the A.P.S.A. and Hospital Employees' Union flared, the A.L.P. and T.H.C. took action against members of the A.P.S.A. (L. Call, 9 February 1933).
5 M.M. groups were formed at some workplaces and within some unions, and there was a mushroom growth of united front organisations, e.g. Workers' International Relief, International Class War Prisoners' Aid, Workers' Defence Corps, Friends of the Soviet Union, League against Imperialism, United Front against Fascism. None
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The embattled union officials, who were in fact inclined to represent all criticism as disruption, replied that communists were out to wreck the movement. They were hostile to proposals for rank-and-file organisation, so that it was to be several years before job committees gained a place in the trade union scene. The policy of the A.R.U. as laid down by its Australian Council included job and shop committees, and the 1931 conference of the Victorian branch reaffirmed a previous decision to establish industrial committees, 'with a view to rehabilitating the Labor Movement and strengthening the position of industrial unionists'; but the decision was not put into effect. Militants in the A.F.U.L.E. made more progress in this direction. A Rank and File Vigilant Committee was established and was taken over as a sub-committee by the militant Central Branch which endorsed its aims and objects. The Committee agitated for rank-and-file organisation and sought to induce the A.F.U.L.E. to adopt a fighting policy and renounce arbitration and the Labor Party. It appears to have been somewhat narrow and negative in its attitude, and it attacked the union's officials who repudiated its aggressively militant program and obstructed its functioning as far as possible. Finally, annulling the resolutions carried by the Central Branch, the executive suppressed the committee as an unauthorised body.

While communists insisted that, if not stifled and sabotaged by the bosses' agents who controlled the movement, the workers would fight, the union leadership defended itself by stressing the apathy of the workers and appealing to tradition. Spokesmen like Cameron continued to lament that responsibility for their sufferings lay with the workers themselves, since leaders could only go as far and as fast as their following would permit. Certainly it could be construed that, with minor exceptions, unionists seemed indifferent to their vital interests: meetings were poorly attended, voting numbers at ballots were low (though this was partly to be explained by the large numbers of unfinancial members), and only isolated militant groups showed an obvious will to resist wage-cuts and other inroads into their conditions. In explaining the general apathy, some leaders blamed the easy-going conditions of the twenties and especially their effects on younger men who had not learned the value of unionism. But, in fact, the rank

of these, however, was able to win mass support. A major achievement for the M.M. was the decision of the Australian Council of the A.R.U. to affiliate with the R.I.L.U. (R.U. Gazette, October 1931). In August 1931, the M.M. brought out in Sydney its own organ, the Red Leader (a weekly).
and file generally had not been drawn into active participation in the T.U. movement, and now officials did not offer policies to stir the 'ticket unionist' or those who dropped out because their union had failed to protect their interests. Most union officials saw strike action as being out of the question: they feared disorder and further defeat, and were in any case tied irrevocably to the arbitration system and the Labor Party. They were concerned primarily to hold their unions together and salvage what they could from the wreck, and not at all to mature adventurous policies to match those of the extreme left. They were professionals and specialists, immersed in the day-to-day details of union administration, and preoccupied with immediate problems. At the same time, this competency reinforced their entrenched positions, putting rivals at a disadvantage. Apathy and declining membership, moreover, encouraged bureaucratic tendencies and rendered the possibility of a militant policy even more remote.

The bankruptcy of the established leadership was tacitly admitted by the Vice-President of the T.H.C. (Wallis) when he said in July 1931, 'In this time of crisis we have been unable to produce a policy that can in any way effectively meet the requirements of the working class'. And he was not the only leader disturbed to note that the disappointment of unionists with the Labor Party was 'reflecting itself in disgust with the Union Movement'. It is virtually impossible to gauge what the inarticulate rank and file were thinking, but at least there were no revolts to replace the leadership which was manifestly unable to meet the situation. This leadership showed remarkable persistence during the early thirties, surviving in particular the furious attacks of the Communist Party. For the time being there was in fact hardly a practical alternative to hand, even had the rank and file evinced a desire for militant leadership. Despite the leap in influence of the Communist Party, it was to be several years before communists began to win union positions: their sectarianism, their 'ultra left' policies, and their indiscriminately abusive attacks and reputation for violence, meantime assisted to disqualify them. Their

6 But it should be noted that in many unions the position of secretary was a permanent appointment. (See the unsuccessful attempts at A.R.U. annual conferences over many years to have the secretary of the union elected by a vote of the membership.) Of course, during the depression, paid union officials had a powerful economic motive for retaining their positions, as loss of office would have been a financial disaster. While so many workers were facing destitution, union secretaries received upwards of £5 and sometimes £10 per week.

7 The C.P. claimed a total Australian membership of 1,502 in June 1931, and a few
uncompromising agitation against the existing union structure and leadership, and against industrial arbitration and White Australia, together with their drive to supplant the traditional leadership of the A.L.P., cut across deeply ingrained principles and loyalties. While they were not prepared to come to terms with established tradition and immediate realities, they offered no real alternative. Yet, at bottom, in the absence of evidence of a revolutionary temper among workers, it would appear doubtful whether a more realistic policy or better conceived tactics would have made a significant difference to the party's prospects of mass support. The sharp rise in party membership still left it as a small minority group, mostly unemployed, and subject to a high rate of fluctuation. The Workers' Weekly (29 May 1931) put Victorian membership at 275, but this referred to 'book strength'. While circulation of the Workers' Weekly rose and it was extended from four to six pages, its total sales in 1931 were probably less than 10,000 of which about 2,000 were taken by Melbourne.

Although dissatisfaction with the arbitration system became nearly universal, still only a minority of unionists were prepared to follow those who advocated its abandonment. The unions continued to press the Labor government until its fall to amend the Arbitration Act, but the Senate remained obdurate on this and other issues such as the Ministry's waterfront regulations; in addition to the unsatisfactory legislation, unions had cause for complaint in the industrial administrative policies of both the Scullin and Hogan governments. But the awards of the Court and of wages boards did give workers some protection against the full weight of the overpowering bargaining position of employers in depression conditions, and, however severe the wage-cuts, they were at least largely uniform. Furthermore, the operation of the arbitration system acted to preserve the stability of the T.U. movement.

The basic wage dropped each quarter as it was adjusted in accordance with the decline in the cost of living. The movement objected bitterly and again urged that the methods employed by the Commonwealth Statistician in compiling the cost of living figures should be altered. But this request as well as other demands for government

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Note also that while communists were vehemently denounced on all sides, dissension developed within the ranks of the party in Victoria which resulted later in the expulsion of leading members.

See also the pamphlet Cost of Living Reductions by H.C. Gibson who was a member.
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action were not granted, so that there was a continual fall in wage levels, though according to the official view real wages were not affected. Securely tied to the arbitration system, the unions were hardly in a position to fight a practice which they had accepted when prices were rising.

Disturbed by the press campaign against Labor's financial proposals and its clamour for retrenchment and wage-cuts, and unable to fashion adequate propaganda weapons of its own, the T.H.C. advocated a mild form of direct action and called on workers to restrict their purchase of the Sun and Herald. Printers, however, felt that their interests were being injured and brought pressure to bear on the Council, so that after six months the embargo was lifted. An element of ludicrousness had also been added to the affair as the Labor Call, claiming that it had a contract to fulfil, had continued to carry advertisements lauding the Herald.

While it took no effective action to maintain standards of living, the union leadership at the same time continued to advocate higher wages and a reduction of hours as means of solving the depression. In early 1932, on the initiative of C.E. Mundy (an A.E.U. official and author of a pamphlet A Shorter Working Week), the T.H.C. appointed a sub-committee 'to investigate and submit a report on the question of a shorter working week'. In defending this decision against objections from left-wing delegates, officials maintained that the committee could perform useful propaganda work. And no doubt that was so; but it was questionable whether this was the imperative task of the moment. Moreover, even the most wildly optimistic delegate could not have imagined the Court granting a shorter working week at this time but the Council did not discuss how such a reform was to be forced on the employers, or on the Labor governments who had refused even to listen to the case pressed by the A.R.U.

Strikes
The depression witnessed a steep general decline in strikes in Australia, and during 1931 and early 1932 very few Victorian unions took industrial action to defend standards of living. But there were exceptions in the case of meat workers and seamen.

9 Whereas in 1929 a total of 1,296,676 working days were lost through industrial stoppages in Victoria, only 7,744 were lost in 1930 and 27,862 in 1931. The figures rose to 99,638 in 1932, and fell again to 26,693 in 1933 (See Official Year Books of the Commonwealth of Australia).

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When the Metropolitan Butchers' Wages Board applied the 10 per cent cut and imposed a further cost of living reduction, so that in the last twelve months their wages had been reduced by £1 6s 6d, the slaughtermen at the metropolitan and Geelong abattoirs downed tools on 30 April 1931. At a stop-work meeting of all members of the Meat Industry Employees' Union (A.M.I.E.U.) on 4 May, despite a strong appeal by the slaughtermen for an extension of the strike to other sections of the industry a large majority decided in favour of the resumption of work. The slaughtermen refused to accept the decision and resolved to 'go it alone'.

Sectional militancy within an organisation was not an unusual feature of Victorian trade unionism, but an isolated sectional strike had little hope of victory. The action of the slaughtermen seems to have been largely spontaneous, and no doubt the lack of necessary preparation weakened their chances of success from the outset. Although such aggressiveness refuted the pessimism of the union leadership, which continually lamented that the workers would not fight, officials of the A.M.I.E.U. urged the termination of the dispute; further, it appears likely that at the meeting on 4 May the T.H.C. Secretary was in some measure responsible for curbing militancy and for the decision to end the strike.

The Assistant Minister for Labour arranged a conference between the parties to the dispute, but the strikers at first rejected the terms offered. Then, still unable to persuade the other sections of the industry to join them, they finally accepted on 14 May the recommendation of their officials and agreed to return to work. Although the Trades Hall and union journals did not draw any such conclusion, the action of the slaughtermen indicated that the strike weapon could be effective in some degree despite the unfavourable circumstances, for the employers agreed not to apply the 2s a week cost of living reduction.

In October 1931 meat workers and seamen were involved in strikes. Negotiations on wages had been in progress between officials of the A.M.I.E.U. and the Meat Exporters' Association for some time when meetings of the export sections of the union on 13 October expressed dissatisfaction with the results achieved. As the export season was in full swing, the meat workers no doubt felt that it was a most propitious time to exert pressure. On 14 October, taking the dispute out of the hands of their officials, slaughtermen engaged in the Victorian meat export trade commenced a go-slow strike, and within a few
days, as the works were closed down, the trade was paralysed. The rank and file of the union adopted this course of action in the face of the opposition of some of their officials, and although he must have realised that he was prejudicing the men's prospects of success, Rountree, the President, was so concerned about this breach of the agreement with the employers, that he resigned (though the executive of the union refused to accept his resignation and prevailed on him to withdraw it). Rountree, it is interesting to note, together with Secretary Andersen and the assistant secretary, had been unopposed at the union elections a few months before.

Denying their officials authority to undertake negotiations for a settlement, the strikers established a rank-and-file committee to conduct the strike; but this led to difficulties, as the employers retaliated by refusing to negotiate with the committee. The M.M. issued leaflets urging picketing and an extension of the strike under rank-and-file control. On the other hand the Minister for Public Works (Jones) denounced the strike. Premier Hogan and Calwell, together with a vociferous daily press, vehemently attacked the communists who were alleged to be responsible, and advised the meat workers to abandon the rank-and-file committee and restore control to officials of the union. Smaller farmers were aroused to join the big employers to threaten the use of non-union labour to man the works; and on 20 October the Meat Exporters' Association delivered an ultimatum to the union that volunteers would be employed, unless it gave an assurance by 5 p.m. the next day that work would be resumed. The rank-and-file committee was obliged to authorise the union executive to negotiate with the employers, and on 22 October meetings of strikers in the various centres decided by ballot (927-596) to resume work under the terms of settlement offered at conferences the previous day. While the men did not secure gains, the existing agreement was to be extended to the end of 1932. The rest of the T.U. movement does not appear to have regarded the meat workers' struggle as of vital relevance to their own interests, and indeed, the Australian Worker (28 October 1931), like employers, denounced the strike as the work of communist agitators bent on fomenting industrial strife.

While the meat workers were thus engaged, seamen, too, were on strike. The trouble originated on the Canberra at Sydney, but, being extended, threatened to lead to a serious dislocation of inter-state shipping. In the first instance it was precipitated by a dispute over the employment of a crew member (a communist), but after the
strike broke out the seamen made additional demands on the shipowners, including the restoration of the 10 per cent wage cut.

Once again we can observe, together with its consequences, the phenomenon of an outburst of militancy by only a limited section of the T.U. movement. The eagerness to strike within the Seamen's Union was largely confined to the members of the Sydney branch who dragged the other ports reluctantly along in their wake. During the strike Victorian seamen acted as a brake on the Sydney men, and if the determination of affairs had been in the hands of officials of the union or the Victorian branch, the strike would probably not have taken place. At the same time, the aggressiveness of the Seamen's Union served to isolate it from the rest of the labour movement. As in the past, and as would be the case again in the future, the seamen found the other craft unions in the maritime industry a serious obstacle to successful industrial action.

Although their officials opposed the extension of the dispute, the Sydney seamen, determined on direct action, set up a rank-and-file committee to control the strike and strongly urged the other ports to follow suit. In Melbourne, though several ships were held up, the seamen were inclined to defer to the authority of their officials. A rank-and-file committee was set up but only to assist the officials, and it was disbanded after a few days. Following a compulsory conference between the parties, the Conciliation Commissioner's proposals for settlement were discussed by the seamen. Rejecting the recommendations of their officials that the terms of the conference be accepted and that the officials themselves should take over the dispute, the Sydney seamen on 22 October resolved that all interstate ships should be tied up and urged other States to set up rank-and-file committees to take over control from officials. Melbourne, however, ignored the instruction of the Sydney meeting, and a general shipping strike was averted when on 23 October the Victorian seamen decided to postpone further consideration of the dispute until the 27th. At Geelong, the crew of the Colac acted in accordance with the Sydney decision, but were constrained to reverse their attitude on instructions from Melbourne. Except for the few originally tied up, ships left Melbourne according to schedule, and most ports other than Sydney also functioned normally. On 27 October the Sydney seamen re-endorsed the decision for an all-ports stoppage, but the Melbourne men resolved that they would man all vessels except the Canberra.

With minor exceptions, the other maritime unions stood aloof, and
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officials of the W.W.F. and the Marine Stewards' Union were specially determined that their unions should not be involved in the dispute. Afforded ample press publicity, Turley (Federal Secretary, W.W.F.) and Moate (Federal President, Marine Stewards' Union) vehemently denounced the strike, and, together with the press which showed a concern for 'sane' unionism, they attacked the tactics of rank-and-file control and stigmatised the dispute as a dangerous communist plot. Similar statements were also made by some A.W.U. officials, and the Australian Worker (28 October 1931), in declaring its strong opposition to the strike, maintained that it had been forced on the seamen by communists in order to embarrass the Labor government. The strikers were supported by the Sydney Labor Council which sought to raise financial assistance, but the union leadership in Victoria does not appear to have been sympathetic. Among those who assailed the strikers were the President of the Victorian A.L.P. (Calwell) and the Premier (Hogan); and the seamen were not the first to discover that when in power Labor politicians viewed a strike with little more sympathy than the Nationalists. Appealing for the resumption of work, Prime Minister Scullin trenchantly condemned the strike as communist-inspired, and, affirming that his government would not interfere if volunteer labour were introduced, he promised support for any attempt by state authorities to settle the matter and maintain law and order.

The employers threatened to use 'scabs' and in Sydney the New Guard offered to help break the strike. Finally the ship owners issued an ultimatum that unless work was resumed by the next day, 30 October, volunteer labour would be employed. However, after the intervention of Scullin, the owners agreed to hold their hand and await the outcome of a compulsory conference scheduled to begin on the 31st. In the circumstances the seamen had little choice, so on 3 November they declared the strike off and instructed the Federal Executive of the union to discuss the restoration of the 10 per cent cut with employers.

That these strikes were isolated and weak affairs was perhaps evidence of the quietism of the movement as a whole.\(^{10}\) Certainly, despite the militant attitude of a section of those involved, they did

\(^{10}\) See also the partially successful strike by members of the casing section of the A.M.I.E.U. in January 1932 (Argus, 13, 30 January 1932). But note also the disastrous strike at a Melbourne battery factory in May 1932 (ibid., 24 May 1932).

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not validate the communist proposition that as the crisis deepened there would be a 'radicalisation' of the working class. At the same time, officials who complained of 'apathy' among unionists made no attempt to use these isolated bursts of aggressiveness as the occasion for agitation to counter defeatism. Alleging that communist influence lay behind the disturbances, and undoubtedly convinced that strikes were doomed to failure in the prevailing circumstances, the union leadership reacted in a manner that helped to ensure that the defeat of the strikes was inevitable.

Back to the Court
Towards the end of 1931, the union leadership again directed its attention to the problem of taking distinct action to contest the 10 per cent cut, and, ignoring the militants who saw such a course as futile, returned to the Arbitration Court to press for its restoration. The unions complained of the hardship occasioned by the cut, and presented a case to show that, at prevailing wages, workers were unable to meet their commitments and were deprived of adequate food and necessaries. Claiming that the reduction had not achieved the results intended, in that there had been no decrease in unemployment and that in fact the economy had deteriorated further, they reiterated the argument that an essential condition for the return of prosperity was an increase and not a diminution of the workers' purchasing power. They argued further that the Court was not a competent authority to deal with the question of unemployment. And union representatives warned the judges that the continuation of the cut would aggravate the discontent of workers and lead to dislocation of industry.

But the Court had not offered any hope, even to the most optimistic, that the considerations which had determined its original judgment did not still operate, or that it now doubted the validity of the arguments which it had previously accepted; nor had it given any indication that it was prepared to change its attitude to the purchasing power argument.

On 6 October 1931 the annual meeting of the Victorian T.U. Salaried Officers' Association had decided that an agitation for the restoration of the 10 per cent cut should be commenced, and requested unions to carry appropriate resolutions which would be sent to the press. The A.C.T.U., which had not acted effectively as the centre of Australian trade unionism since the beginning of the year, now reappeared on the scene, and the Special Conference of the Interstate
Executive in mid-October called upon all sections of the movement 'to demand the restoration of all wages, pensions and social services lost through the Premiers' Plan and the Arbitration Court'. The Executive adopted a program which included a 35-hour working week and a 25 per cent improvement on the 1930 level of wages and living standards. In order to secure such demands it resolved that an application be made to the Federal Arbitration Court for the restoration of the 10 per cent cut, and that the federal government be asked to amend the Arbitration Act and to set up a royal commission to investigate the question of the basic wage and shorter working week.

A meeting of officials of federal unions on 18 November, in Melbourne, expressed its support for A.C.T.U. efforts to obtain the royal commission, and decided to request all unions concerned to make immediate application to the Court for the revocation of the orders which imposed the 10 per cent cut. With the fall of the Scullin government hopes for the desired royal commission were dashed; but early in 1932 the Melbourne T.H.C. urged the appointment of a royal commission to investigate the methods employed by the Statistician's Department to compute the purchasing power of wages on index figures. However, several federal union conferences which discussed such proposals decided that they should not be proceeded with at that stage. The conferences had met to discuss the procedure to be followed in the applications to the Court: this they considered to be the immediate problem facing the movement.

A few weeks before the case came before the Arbitration Court, the T.H.C. convened a meeting of union executives to consider combined action for the restoration of the 10 per cent wage cut. This meeting accepted on 25 February the proposals of the T.H.C. Executive, that it support the A.C.T.U. in its efforts to secure the restoration of the 10 per cent cut, 'and that each Executive takes up an active agitation in their respective organisations, with a view to such further action as may be determined upon by the rank and file of their membership'. The meeting rejected the views of left-wing delegates who asserted that it was a waste of time carrying such a motion and that instead there should be a militant campaign to convince workers that conditions would become worse while capitalism lasted.

There were stirrings of discontent among the rank and file, as more militant sections demanded strong action to recover the 10 per cent cut. Within both the Tramway Union and A.E.U., for example, strong appeals were made for more aggressive policies and for mass
meetings to mobilise the rank and file. But these appeals failed to move the leadership. More positive action had seemed imminent when the officials of the A.R.U. and A.F.U.L.E. had been persuaded to arrange a combined mass meeting of both unions. This meeting on 6 December threatened a regulation strike if the Court refused to restore wage cuts, and under pressure from militants the executives of the two unions did produce a booklet setting out departmental rules and regulations. But the regulation strike did not take place.

Incipient militant feeling thus produced no positive results. A conference of representatives of several key industry unions and the Disputes Committee of the T.H.C. agreed in early March that strong action was necessary to protect the workers' interests, but despite statements of this kind, no coherent policy was developed to meet the possibility that the Court would hand down an adverse decision. The hearing had commenced on 7 March and lasted for several months. While union leaders were engaged in protracted argument before the judges, rank-and-file participation was confined to providing finance and carrying resolutions urging a favourable decision. Then, on 17 June, the Court announced its refusal to restore the 10 per cent cut.

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11 R.U. Gazette, January 1932. Cf. the program which a meeting of railwaymen convened by the M.M. had adopted, but which this combined meeting rejected (92-162).
7 The Unemployed

1930
While the standard of living of most employed workers was being cut, the numbers of those out of work were rising at an appalling rate. Taking into account only members of affiliated unions, T.H.C. surveys revealed that the number of unemployed unionists in Victoria increased from 18,322 in November 1929 to 32,462 in October 1930\(^1\) and that by the latter date rationing of work was widespread.\(^2\) Here, we cannot look behind the official statistics to see the courage and despair, the misery, and the physical and moral deterioration of those hardest hit by the crisis. Early 1930 revealed how hollow were the traditional claims that Australia led the way in social services. In Victoria the relief of distress was largely the work of charitable institutions, and the machinery and the resources available for assistance to the unemployed were pitifully meagre.

In September 1929 the T.H.C. Unemployment Committee Relief Depot had been obliged to close, and on 23 January 1930 the Council decided not to reappoint an unemployment officer. Very few Victorian unions paid unemployment benefits, and their funds were soon run down. By August 1930 only about six organisations, including the P.I.E.U.A., A.E.U., and Operative Bakers' Union, were making sustenance payments. Those others which imposed levies found that they were a means of providing only a little assistance for a short time. Unions frequently passed around the hat and their members contributed to the appeals by the various relief bodies and charity organisations. In August a meeting of union officials pledged their support for the State Appeal Committee and resolved to organise 'pound day' appeals when food and clothing would be collected.

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\(^1\) According to the Victorian Year-Book, 1929-30, p.250, unemployment in Victoria rose from 13.5 per cent in the last quarter of 1929 to 21.9 per cent in the last quarter of 1930.

\(^2\) For details see T.H.C. Minutes, 23 October 1930. There is a paucity of source material concerning social conditions. Occasionally a newspaper reporter mingled with some of the unemployed and then wrote up his experiences. See, for example, Herald, 6, 15 August 1930.

Since this study was completed Miss P. Peter, in her thesis, Social Aspects of the Depression in New South Wales 1930-1934 (A.N.U., 1964), has brought to light the social conditions of the adjoining State at this time.
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Geelong, officials arranged processions of the unemployed who solicited donations as they marched through the streets.\(^3\) Many families were in dire distress and undoubtedly appreciated the immediate, practical assistance in the form of food and clothing which they received as a result of the efforts of such unions as the Manufacturing Grocers. Such dependence on charity was, however, hardly calculated to sustain the morale of the unemployed.

Occasionally, meetings of individual unions carried resolutions urging the government to provide more relief and to introduce such measures as unemployment insurance and a rent moratorium. Some unions convened meetings of their unemployed to demand work or sustenance, and in an endeavour to improve their lot, officials of several unions interviewed cabinet ministers. Officials of the building trades unions approached the Premier with suggestions for public works that might be undertaken, and representatives of waterfront unions appealed to ministers to alleviate the plight of many of their members. The government was requested to prevent dismissals in the railway and tramway services, and representatives of the A.E.U. and other metal trades unions interviewed ministers and employers to discuss ways of making more work available. Such deputations were invariably informed that the government was sympathetic, but had no money. Results were hardly encouraging, and meanwhile union initiative in arranging demonstrations by their unemployed was largely confined to building workers.

Generally, unions regarded unemployment and relief as the responsibility of the T.H.C. and the A.L.P., and as problems incapable of solution by their own members. While some unions, such as the Builders Laborers' Federation, frequently voiced demands on behalf of the unemployed, others which were also hit hard (e.g. the Plumbers and Painters), did not exhibit a similar involvement. Even the most complacent union journal was stirred by the enormity of the unemployment problem and joined the deeply committed in appealing to the governments for more effective action. Yet, significantly, the journals for the most part ignored the unemployed themselves and did not report on the wretched lives of former members of their unions.\(^4\)

\(^3\) For reports on the activities of the unemployed at Geelong during these years see the Ind. Herald.

\(^4\) This is perhaps not surprising in such cases as the Printing Trades Journal, for relatively few members of the P.I.E.U.A. were involved. On the other hand, though its leading
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Not that the Labor Call, Australian Worker, and one or two other journals were not always sympathetic; but while they inveighed in general terms against the capitalist system and its moral deficiencies and argued endlessly about the measures needed to cure unemployment, they provided little news about the doings of the unemployed and offered them few practical leads for dealing with the immediate issues confronting them.

Few unions made provision to keep the unemployed member within the T.U. movement once he was unable to pay his contributions, so that the body of unemployed was rapidly isolated from the movement. Even if unemployed members were allowed to remain on the books of their union, they were usually denied the right to vote, thus there was little point in their attending union meetings. Only a few unions were disposed to go beyond calling an occasional meeting of their unemployed to take a consistent and direct interest in their affairs. However, such links did not always prove a great boon to the unemployed, and it is instructive to examine the case of the A.E.U. Many members of this union were working 'short time' and in Victoria the number unemployed rose from 306 to 962 during 1930. In the first part of the year, unemployed members of the A.E.U. began to hold meetings which presented various requests to the Melbourne District Committee (D.C.) of the union. The D.C. refused to accept correspondence from the meetings, so the unemployed commenced an agitation for recognition and sought to persuade the D.C. to make the facilities of the union office available and assist them in such matters as stationery. With many branches of the union sympathetic, the D.C. in July resolved that representatives of the committee would attend the unemployed meetings. Chaired by the D.C. chairman, the meetings were held regularly, but they became rather pointless and there were complaints that the D.C. was antagonistic towards the unemployed. The committee was not inclined to defer to the requests made, and it adopted very few of the resolutions forwarded from the meetings. A.E.U. officials interviewed ministers and employers, and their contribution to the unemployed meetings consisted of reports of such deputations. The unemployed asked the D.C. to request the T.H.C. to organise a huge demonstration of all unemployed and

articles sought to explain unemployment in general economic terms, the Shop Assistant made practically no reference to the 1,250 shop assistants who were unemployed by October 1930. But it should be borne in mind that most of the unions which were hardest hit did not have journals.

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employed, which would march around Parliament House every evening until the government gave a guarantee that it would provide work or adequate sustenance. This proposal, like several others put forward, was not viewed favourably by the D.C., which in reply referred the unemployed to demonstrations arranged by the T.H.C. Then in September 1930 the D.C. decided to discontinue the meetings. 5

During 1929, while there had been marches and deputations to the Nationalist government, there had been no serious attempt to organise the unemployed; and the T.H.C. refused suggestions that it take the initiative in early 1930. The A.C.T.U. Congress in February had recommended that Trades and Labor Councils devote special attention to the organisation and welfare of the unemployed, and report regularly thereon to the executive of the A.C.T.U. Following the Congress, a meeting of Victorian union officials adopted a scheme of organisation submitted by the T.H.C. Executive. But on 8 May the Executive reported to the Council that the results were disappointing, as only nine of the projected fourteen group committees had been formed. Nevertheless, the Central Unemployment Committee hesitantly got under way. Then later in 1930 its organisational structure was altered as the industry groups were abandoned and suburban groups set up. At the end of the year the C.U.C. claimed the support of eighteen suburban groups, each of which was entitled to two delegates. The Assistant Secretary of the T.H.C., Monk, was appointed Secretary of the C.U.C., and as the official unemployed movement it was to remain firmly under the control of the T.H.C. Executive.

From early 1930 the Communist Party set itself the task of building the Unemployed Workers' Movement. The C.P. laid the greatest emphasis on the importance of organising the unemployed, as may be seen in almost any issue of the Workers' Weekly in 1930. At the same time it urged that new methods were required, since in this period of the decline of capitalism unemployment was not a passing phase but had come to stay. Maintaining that the old method of separate organisations played directly into the hands of the capitalist class, the C.P. insisted that the unemployed should be 'a definite part of the organised working-class movement' and that there must be 'the closest possible unity between the unemployed and employed'. Joint rank-and-file committees must be set up and a broad united front from below estab-

5 For reports of events see A.E.U., Melbourne District Committee Minutes, June-September 1930.

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lished. The 'capitalist offensive' could be effectively resisted and smashed only if the unemployed were mobilised on the side of the workers and their struggles linked. The C.P. furthermore set out to 'blast the reformist illusion that the problem of unemployment can ever be solved under capitalism', and while it raised immediate demands on their behalf, the party aimed at drawing the unemployed actively into the movement for 'the revolutionary overthrow of capitalism, and the establishment of the dictatorship of the proletariat'.

The 'social fascist' trade union bureaucracy and Labor governments must be fought. They were carrying out the capitalist offensive and using police to suppress forcibly any opposition. This 'scum' at the Melbourne Trades Hall shielded the Hogan government and headed off resistance to it, and by treachery and sabotage frustrated any mass organisation of the workers and kept the unemployed weak and divided.

But, in practice, for communists as well as for the official union leadership, the building of an unemployed organisation was beset with many difficulties. The T.U. movement had not anticipated such a staggering rise in unemployment, and, bewildered by the rapidity with which it took place, had no breathing space for the formulation of long-range plans. Officials, largely preoccupied with the onerous task of attempting to check the disintegration of their organisations, felt that they had a primary duty to financial members, and neglect of the unemployed, if shortsighted, was understandable. Overwhelmed by their own immediate problems and fearful every day for the security of their own jobs, most workers felt helpless to assist the unemployed beyond the circle of family and friends. Furthermore, as the incidence of unemployment varied, the different unions were affected in varying degrees. As for the unemployed themselves, those who had been good unionists realised the need for organisation. But ex-white collar workers and the many inexperienced youths and girls and school leavers had no tradition of organisation behind them.

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6 For example, while the P.I.E.U.A. was affected relatively lightly, the building trades unions were very hard hit. Even by March 1930, an official of the Bricklayers' Union could claim that about 75 per cent of his members were unemployed (Argus, 19 March 1930). Also by this time, 3,000 members of the Builders Laborers' Federation and 1,200 members of the Carpenters' Union were unemployed (ibid., 28 March 1930). Note that a large majority of the unemployed were labourers.

7 For a detailed picture of the unemployed by mid-1933, showing age, marital and occupational status, see Census 30 June 1933. The partial breakdown of the apprenticeship system had dire consequences for many junior workers.
Many unemployed were engaged all day in the search for work, while those 'on the track', or who were scattered in remote relief camps, presented frustrating difficulties. A further obstacle in the way of establishing effective organisation was the outlook of sections of the unemployed. The optimists could not be bothered, as they were buoyed up by the expectation of a job the next day; others were affected by the demoralising influence of living by the grace of charity, and those who had lost their dignity and fighting potential were reduced to the point where life itself became unimportant. On the other hand, the proud were reluctant to be seen at sustenance depots, so making it difficult for organisers to contact them.

In addition to problems of organisation, the unemployed always faced the crucial question of how they might secure their demands. As a last resort, workers could bring an industry to a standstill by withdrawing their labour, but the weapons at the disposal of the unemployed were pitifully inadequate. Theirs was no mean task, for initially they had to overcome the conservative objection that sustenance encouraged paupers and laziness, and then to win recognition for the idea that unemployment was a social responsibility and that it was the duty of the government to provide relief.

As noted in Chapter 2 the unemployment policy of the Victorian labour movement had been laid down in early 1930 by the A.C.T.U. Congress and the Victorian A.L.P. Annual Conference. But the unions, as we have seen, were soon to discover that, though it was a simple matter to formulate a policy, it was quite a different thing to secure its implementation by the Labor governments. Despite the protestations of Hogan, that he was doing everything possible for the unemployed but had no money, the union leadership was concerned to induce the Labor governments to provide relief and carry out their election promises and the policy of the movement. Eschewing drastic methods, they engaged in top-level conferences and deputations. But as the months passed and few gains were made such tactics appeared more and more futile.

Some of the unemployed found the meagre results of these efforts intolerable and began to turn to those who were advocating a more

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After the great increase in unemployment, a police magistrate in August 1931 (in convicting two men for their part in an anti-eviction demonstration) remarked, 'It is the fault of many persons themselves that they are not working at present. There is nothing to hinder persons from seeking work and doing something if they really desire it.' (Argus, 18 August 1931.)
forceful policy. To the displeasure of officials, the more militant sections of the unemployed started to voice their demands at mass meetings and demonstrations held independently of the Trades Hall. Speakers at these gatherings furiously attacked the Labor governments and Trades Hall officials; and T.H.C. meetings were enlivened, and occasionally disrupted, by interjections from the gallery by unruly elements and by unemployed who were incensed by what they felt was the Council's neglect of their interests. Angered, the Trades Hall leaders hit back at their detractors. Discord developed within the ranks of the unemployed, and the antagonism between the union leadership and the militant unemployed became more fierce.

On 2 April some of the unemployed sought to hold a meeting to protest against the government's relief policy, but T.H.C. officials would not allow them into the hall or the courtyard. So the men assembled at the Eight Hour Monument where speakers denounced the officials and the government. Some weeks later, a group of unemployed met in the courtyard and were ejected by police. Secretary Duffy denied that the police had been authorised to take this action, but this explanation would not have allayed the bitterness caused by the event. On 9 and 16 July, when Hogan and other Labor members attended conferences at the Trades Hall with representatives of the T.H.C. and A.L.P., there were demonstrations protesting against the inadequacy of relief. On both occasions a large force of police was present and prevented the unemployed from entering the building or approaching the Premier. So the men gathered at the monument to applaud speakers who attacked the government and Trades Hall officials. One of the men at the meeting on the 16th was arrested, and subsequently convicted, on a charge of using obscene language. At the Council meeting on 17 July the Executive disclaimed all responsibility for the presence of the police at the Trades Hall; but many delegates were unhappy about the matter, and the Council resolved (38-37) that in future conferences with persons who required police protection should be arranged for some place other than the workers' own hall. To communists, such police actions were evidence of the 'march towards open fascism' by Hogan and the trade union bureaucracy. Repression would be intensified as the depression deepened, the Workers' Weekly repeatedly warned, and workers must set up Workers' Defence Corps to defeat police attacks.

Note also that several men were arrested on 1 May and 1 August 1930, when communists organised demonstrations (Argus, 2 May, 2 August 1930).
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Yielding to pressure inside the S.P.L.P. and the requests of unions and the Central Executive, the Victorian Ministry had agreed that Parliament meet in early April for a special session to deal with unemployment. Then began the first of what was to be a long series of battles over unemployment relief, both within the Assembly and between the Assembly and the Council. The Unemployed Workers' Insurance Bill, which the previous Hogan Ministry had seen through the Assembly in 1927, was again passed by the lower House and again rejected by the Council. On 15 April the Premier introduced a tax bill to raise finance for unemployment relief. The Ministry, however, very soon indicated its willingness to compromise with the Opposition, and it did not attempt to force through the legislation. Instead, to the consternation of many of its supporters it recast its proposals, providing now for a stamp tax on incomes of between £1 and £6 a week, and for a reduction of the original rates of taxation on high incomes. The Unemployment Relief Bill and the Stamps (Unemployment Relief) Bill were passed at the end of May. About this time, too, additional soup kitchens were established, and more makeshift accommodation for single men was made available. A little later the federal government issued dyed military clothing to provide the army of the destitute with a uniform.

While the Labor Call (12 June 1930) and the Australian Worker (28 May 1930) acclaimed the Hogan government's measures, the unemployed and officials of the T.H.C. and C.U.C. expressed dissatisfaction, and there were some protests against the tax on low incomes which was a breach of the Labor platform (and no doubt this dissatisfaction was in part responsible for the motion of no confidence in the government carried by the T.H.C. on 22 May as we saw in Chapter 3). Sustenance was paid only to married men, and these payments were criticised as both inadequate and uncertain. Single men were to apply at shelters for free meals and a bed, and single homeless women were to receive relief through the Charity Organisation Society in Exhibition Street. Demands for sustenance for single men and improved methods of distribution of relief to women were put to ministers. Trades Hall officials and the unemployed strongly objected to the control of sustenance distribution being in the hands of the ladies' benevolent societies, and they urged that it should be the responsibility of municipal councils. They requested the establishment of labour bureaux in the municipalities to overcome the inconvenience of travelling to the
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Central Labour Bureau in King Street, where the Argus (11 June 1930) reported that men 'fought like wild animals' to register; and the government was repeatedly asked to create a women's labour bureau. In preference to the system of sustenance payments, T.H.C. officials and the C.U.C. recommended that every unemployed man be provided with two days' work a week.

The T.H.C. on 26 June deprecated the allocation of the funds raised by means of the Unemployment Relief Tax and considered this 'a distinct breach of faith by the Government with the Trade Union Movement...'. Having previously instructed the Executive 'to inquire into the whole question of Sustenance', the Council on 10 July declared that 'the efforts of the Federal and State Parliaments to deal with Unemployment are feeble and inadequate', and requested 'the cooperation of all public bodies in demanding that each Parliament... continue in session until a substantial improvement... has been brought about'. On behalf of the unemployed the Council urged:

(a) a guaranteed minimum of two days' work per week or equivalent sustenance,
(b) enactment of a rent moratorium,
(c) establishment of State distribution depots, and
(d) a State Unemployment Insurance Act.

All these requests were conveyed to Parliament House by deputations led by T.H.C. and C.U.C. officials who almost invariably came away empty-handed. On a few occasions the deputations were preceded by a march of unemployed, though officials did not intend that such demonstrations should be regarded as an instrument to coerce the government. In the suburbs there were frequent deputations of unemployed to their local municipal councils. Monk presented reports to the T.H.C. stressing the need for greater relief, and the Council appointed a representative to the State Relief Committee.

The Ministry did announce it would endeavour to give effect to the Trades Hall request for work instead of sustenance through the benevolent societies. It offered to give the quota of sustenance funds for each district to the municipality, on condition that the local body provide an equal amount. The money was to be spent in providing relief work for the unemployed within the municipality, married men to receive two days and single men one day per week. Understandably, municipal councils were far from enthusiastic about the scheme, but, presented with an ultimatum, eventually most accepted it.

As unemployment increased, the relief committees, charitable
organisations, the Salvation Army, and other churches stepped up their efforts. The benevolent societies and Toc H distributed food and clothing; free meals were provided by the Presbyterian Mission; the Housewives' Association set up soup kitchens; and concerts, carnivals, and socials were held to raise funds. The various organisations continually appealed for donations of money, food and clothing, and the Governor-General set an example with a gift of £50. Nevertheless, many relief workers reported that in their area distress was appalling. Relief authorities denied reports of starvation but did admit that there was hunger.

In June the Ministry had inaugurated a sustenance scheme to assist those who could not be given work, but the relief they were afforded was meagre. For the purpose, only £130,000 was allocated, from which grants on a quota basis were to be made to the various local depots. The distribution of this sustenance was largely controlled by the benevolent societies, which strongly protested that the amounts were most inadequate and would allow only the fringe of the problem of destitution to be touched. Indeed, the societies were so perturbed that they were reluctant to continue, and some did suspend operations - an action described by the Premier as 'breaking the law and equivalent to a strike'. The minister in charge of sustenance (Kiernan, M.L.C.) was adamant that there would be no increase in sustenance grants. After conferences with the minister, the societies agreed to continue distribution within the financial resources at their disposal.

In early July T.H.C. officials made inquiries concerning the amount of sustenance being granted to families in the various suburbs, and discovered that the grants varied from 5s to 15s per week. On 10 July, about eight hundred men who attended the Brunswick depot to obtain relief for their families protested angrily when told that the maximum allowance would be 5s. There were any number of complaints, however, that some families received less than 5s a week. Among the innumerable reports of distress was the case noted in the Age (9 July 1930) of a man in Brunswick with ten children who

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10 Age, 20, 21 June 1930. In Brunswick the Ladies Benevolent Society was spending nearly £1,500 a week in distributing sustenance, but the government's grant was only £750 a month (Argus, 23 June 1930). The grant to the Collingwood Society would have allowed 11d per head per week (Age, 21 June 1930).

11 L. Call, 17 July 1930. The grant to Brunswick was £750 a month for 727 applicants. The grant to Northcote was £125 a week for 1,125 applicants. Sustenance payments at
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received 10s a week sustenance. On occasions, families faced complete destitution when a depot's funds were exhausted and it could not distribute any sustenance at all. The scheme, noted above, by which municipalities used their quota of sustenance funds to provide work for their unemployed, apparently did not work smoothly. There were complaints that in some areas men were given the two day's work and then had to wait for many weeks before given more work, being in the meantime not eligible for sustenance payments. Kiernan instructed that sustenance money was not to be used for the payment of rent; so, evictions became more frequent, and some of the unemployed who could not meet their commitments had their furniture and other possessions seized. Insisting that its policy was to provide work rather than sustenance, the Ministry would not consider increasing the allocation for sustenance, and on 17 July Kiernan declared that the rate of expenditure for this purpose (£21,000 during the five weeks since 11 June) was too great and could not continue.

The provision for unemployed women was less than inadequate, and their plight was indeed 'desperate' as union inquiries revealed. According to a reporter in the Herald (15 August 1930) who made first-hand inquiries, many homeless women, cold and hungry, hid at night from the police 'like hunted animals', and hundreds would not apply for charity so long as they had even one shilling left. Single men did not receive sustenance and had to rely on handouts at soup kitchens and were fortunate if they secured a bed in makeshift accommodation. Although the Minister stated that accommodation at the shelters was ample, they were in fact badly overcrowded. The bedding was often verminous, and young men were herded in with methylated spirits addicts and other social derelicts. The men complained of the quality of the food and on occasions claimed it was infested with maggots.

Bendigo ranged from 2s 6d to 25s per week (Age, 9 July 1930).

12 See, for example, the reports of the inquiries made by Trades Hall representatives (Argus, 17 July 1930; L. Call, 31 July 1930).

13 On the evening following the publication of the Minister's statement, twenty-eight unemployed young men, who had been sleeping in public parks in the bitter cold, appealed for help at the Russell Street Police Station. The police phoned all the shelters but found that no beds were available (Age, 19 June 1930). During the winter, T.H.C. officials reported that at the Gill Memorial Home more than seventy men were sleeping on the concrete floor without mattresses, some with no covering on them (T.H.C. Minutes, 10 July 1930; Age, 9 July 1930). Those turned away from the shelters fended as best they could, and were prosecuted if caught sleeping in a railway carriage (Age, 20 October 1930).

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Men who were provided with apportioned work on a relief job did not always find it a boon - despite the citizens who wrote indignant letters to the daily press, denouncing the 'loafing' which they claimed occurred on such jobs. The work was not easy, and often involved hardship for men weakened by insufficient food, especially if they were unaccustomed to physical labour. For those engaged on country work, conditions were usually difficult and primitive; and, furthermore, such men had to maintain their families and also contribute from 16s to £1 a week to the camp in which they lived.

The inadequacy of this relief had aroused within the labour movement intense dissatisfaction (see Chapter 3), which, added to the governments' general handling of the crisis, led to a successful demand for a special Victorian A.L.P. conference on unemployment. Delegates at this conference, held on 13 and 14 September 1930, had criticised the Labor governments' relief measures as being 'totally inadequate', and the conference had directed them to discharge 'their primary duty...of providing work or the necessities of life for the people'. But despite this criticism and direction, the ministries concerned had failed to respond with positive action.

During the latter part of 1930, the unemployed became more militant and active, but this was not as a result of leadership from the Trades Hall. Officials of the C.U.C. and T.H.C. persisted with their deputations to ministers, requesting more adequate relief measures. They insisted that the needs of the unemployed were growing more urgent, and exhorted the Ministry to take bold action to deal with the situation. Ministers were again informed that the unemployed wanted work rather than sustenance, and Monk submitted a list of public works which might be undertaken. There were also appeals to the federal government, and on 3 November a deputation to Acting Prime Minister Fenton urged that £20 million of credit be released to finance productive works. While work or sustenance to ensure the full basic wage was demanded by the unemployed and their representatives, Monk, on behalf of the C.U.C., pressed on the Victorian Ministry a scheme to provide three days' work a week for married men and one day a week for single men at 15s per day. The Premier and other ministers assured these deputations that the government was doing its utmost with the limited funds available. Hogan did promise, however, to submit a Moratorium Bill, and he also
indicated that the government intended to raise additional finance for relief.  

Monk presented further reports on the situation to the T.H.C., and on 18 December the Council again affirmed its belief in the need for a State unemployment insurance scheme. The Premier convened a public conference for 24 November to discuss unemployment and he invited a wide range of organisations, including the T.H.C., to send representatives. Despite arguments that the conference was a blind and that, if Hogan was sincere, he would have attempted to put into effect the proposals of the A.L.P. and T.U. movement, the majority of Council delegates voted to send representatives. At the conference Secretary Duggan and Assistant Secretary Monk were appointed to committees that were set up. Also in November, the T.H.C. was represented on a joint Labor committee set up to consider unemployment relief, which was composed of representatives of the T.H.C., the A.L.P., the S.P.L.P., the State Ministry, and the C.U.C.

After repeated requests, the government did establish a women's labour bureau, and in October it initiated a scheme to provide single homeless women in the metropolitan area with work for two days weekly at 7s 6d per day. It also agreed to subsidise ladies benevolent societies so that they might offer work for one day per week to single women living with parents or relatives. Conditions in the city shelters and the food they were served led single men to make stronger protests. Sympathy was not the keynote of the Ministry's response, and in December the Labor Premier told the Assembly 'There is no sacrifice in sleeping outside in this weather'. On the other hand, the Ministry viewed with alarm the congregation of throngs of angry men in the city. In December a mixed blessing was conferred on single men when the Broadmeadows Camp of World War I was reopened and the shelters closed. Also, towards the end of the year, the Ministry was moved by the great dissatisfaction of the unemployed with the existing methods of distribution of sustenance to announce that a new system would be introduced in the metropolitan area. Orders for groceries, meat, and bread were to be issued through tradespeople to approved applicants. Individuals boarding with strangers were to

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14 Later the Ministry introduced the Unemployed Occupiers and Farmers Relief Bill, but it had not been dealt with when Parliament adjourned at the end of the year, and so lapsed.

15 Argus, 19 December 1930. The camp could not accommodate all those seeking admission, and the men unsuccessfully protested against the closing of the shelters (Age, 23 December 1930).
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receive a weekly order worth 4s 9d, and the value of the grants to families was to vary according to their size up to a maximum of 12s 9d a week.

As the year drew to a close the State Relief Committee called on housewives to make 10,000 Christmas puddings, and private organisations opened appeals to provide the unemployed with 'Christmas cheer'. The sustenance allowance for Christmas week was doubled, and Mr Sidney Myer gave Christmas dinner to 12,000 people, 2,000 more than had been invited.

At meetings and demonstrations of the unemployed throughout this period, communist agitators had relentlessly attacked the Hogan government and Trades Hall officials. When the latter organised a demonstration on 5 August, it was taken over by leaders of 'the rank-and-file movement'. The officials thereupon threatened to ban their critics from holding meetings in the Trades Hall courtyard, and the extent of division could be seen on 3 November when two rival unemployed demonstrations marched in the city. Meantime, there had been a number of cases of 'direct action'. Some militants had formed anti-eviction committees, and had tried to prevent evictions by force. From 26 July to 4 August a section of the unemployed imposed a 'black' ban on the Salvation Army soup kitchen in Bennett's Lane, where conditions were deplorable. When they organised pickets, clashes followed and the police arrested two of the picketers. Although the T.H.C. refused to declare its support for the ban, it was not without effect, for the food served at the Lane was improved and larger premises were made available. A ban and picketing also took place at the Carlton depot in October, in protest against a decision to withdraw relief in the form of open orders and substitute parcels of rations. A hostile demonstration outside the Premier's office on 20 October won a promise that open orders would be restored. But the promise was not fulfilled, and on 22 October a large body of unemployed marched to Parliament House. Hogan and Kiernan refused to appear, so Parliament House was picketed while communists addressed the crowd. The demonstrators, having defied a police order to move on, were dispersed with batons, and some were arrested.16

16 It is extremely difficult to arrive at a confident estimate of the size of the demonstrations held in these years. The daily press was inclined to minimise as far as possible the support for what it regarded as lawlessness; while the sponsors of the demonstrations tended to the other extreme. Probably two to three thousand would have constituted a large demonstration.
In reply to these displays of mounting aggressiveness, the authorities now took drastic action to crush the Communist Party and Unemployed Workers' Movement (U.W.M.). On 23 October the police began raids and arrests which continued for almost a week. An attempt was made to hold a meeting on the Sunday at the Yarra Bank to protest, but mounted police charged through the crowd and made more arrests. On 30 October, fifty-four persons were charged at the City Court. The militants initiated a partially successful campaign for the remission of fines and the release of those convicted. Despite its bitter antipathy to the communists, the T.H.C. was moved to protest against the action of the Police Department in raiding and searching premises and interfering with 'the rights of free speech and of assembly at the Yarra Bank'. And it called upon the government 'to protect liberty of thought and utterance from tyrannic assaults'. A few weeks later the Council also requested the full remission of fines and the cancellation of convictions. The 'reactionary' Council, however, would have nothing to do with the Melbourne section of the International Class War Prisoners' Aid (I.C.W.P.A.) which militants set up (with Blackburn, M.L.A., as president) as an organisation to handle such matters. At the meeting on 13 November it was proposed that the Council express its 'disgust' regarding the 'brutal treatment' of the unemployed, insist that the police should not break up demonstrations, and also that it demand a full public inquiry into the policy and administration of the police force. It was decided, however, to refer the matter to the Executive, who did not report back until six months later, during which time more 'brutal treatment' was meted out to the unemployed.

The Trades Hall protests, even if somewhat perfunctory, expressed a concern at police action widely felt throughout trade union ranks, and most acutely voiced by the militants. To communists, these 'hired thugs of capitalism' could be expected to act with severity in the drive to fascism; others who did not share this assumption were nevertheless disturbed when the police seemed to be harassing the unemployed, and giving little latitude to meetings and demonstrations. Within the movement, the Commissioner, Brigadier-General Blarney, was widely held to be responsible for police intransigence. Yet, despite this unpopularity, the Hogan government had declined to replace Blarney by simple administrative action when the opportunity to do so had arisen. Blamey's five-year term of appointment was to expire on 31 August 1930 and in July the Ministry decided to cut the Commissioner's salary by £500, and to invite applications for the position. The
implication was that Blarney would not be reappointed, and the Labor Call (17 July 1930) congratulated the Ministry on its implicit decision - 'military josses', as it put it, 'are not wanted'. But the Opposition, the Melbourne press, businessmen, and the R.S.L. loudly demanded Blamey's reappointment, and it was soon clear that the Government was wavering. After considering twenty-three applications, the cabinet decided to restore Blarney for another three years. The Hogan Ministry, reflected the Argus (27 August 1930), 'has done only that which public opinion has compelled it to do'.

The police were successful in disrupting the work of the Communist Party, but this did not check the determination of many unemployed to fight for a better deal, and there was a series of boycotts of sustenance depots. Demanding sustenance tickets, the unemployed on 6 November placed a 'black' ban on rations issued at the Richmond Town Hall, and it was not lifted until Kiernan on 13 November promised to inaugurate a new sustenance scheme. The hall was picketed and large-scale deputations and demonstrations involving several thousand took place. There was also conflict with the authorities in several other suburbs, and the Brunswick depot was boycotted for several weeks.

The communists attempted to consolidate their influence, and on 13 December a conference was held to launch a Victorian branch of the national U.W.M. The T.H.C. Executive worked determinedly to see that affiliated unions did not send delegates, and a few days after the conference the C.U.C. instructed its groups not to attend any conference that was not convened by the committee itself. As well as being undermined by this organisational disunity, the cause of the unemployed suffered as a consequence of the lack of unanimity in the ranks of the labour movement on issues such as rationing. Although it was official policy to oppose rationing of work, it was advocated by some unions and sections of the unemployed as a means of preventing further dismissals. Furthermore, some unemployed in the country were resentful that they remained idle while Melbourne men were given country relief work.

A story similar to the one outlined in this chapter can be told of the Geelong unemployed during 1930. The Geelong T.H.C. carried resolutions urging more relief, and Council officials arranged meet-

Over one hundred delegates attended the conference which adopted revolutionary proposals. It also drew up a list of demands including a living wage for every worker, a seven-hour day, and a five-day working week (Argus, 15 December 1930).
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ings of the unemployed. They repeatedly approached the Geelong City Council with requests for relief work, and occasionally they interviewed State ministers for the same purpose.

Unemployment continued to rise, so that in early October 1930 there were 32,462 unemployed unionists in Victoria. By that time, authorised expenditure had absorbed the estimated revenue available for relief, and a month later there were sufficient funds for sustenance for only another three or four weeks. So, on 20 November, the Premier introduced legislation to raise additional revenue by increased unemployment taxes. The Opposition and the Legislative Council sought to reduce the proposed rates of tax, and insisted that the rate of pay on relief works should be below the basic wage. Thus Victoria was again threatened with a political crisis. The C.U.C. was of the opinion that the Ministry's proposals were inadequate, and it declared its opposition to relief work being done at less than award wages. The Ministry, however, was prepared to make concessions to the demands of the Opposition and the upper House, and eventually a compromise was negotiated. The proposed rates of taxes were reduced, basic wage rates (i.e. not award rates) were to be paid on relief work, and this work was to be rationed (a maximum of three days weekly in the metropolitan area and four days in the country). The Unemployment Relief Amendment Bill was passed on 24 December, and Parliament went into recess.

1931-1932

From the beginning of January 1931, unemployed men were called on to perform relief work under the terms of the Unemployment Relief Act. Most refused to accept the work, however, as they objected to the scheme, which provided for four days' work a week for six weeks at 12s 11d a day, and demanded the federal award rate of 14s a day. Some of the suburban groups of the C.U.C. had already rejected the scheme, when the committee met on 6 January and resolved to recommend to its groups that the Act should be declared black. The Ministry was unmoved, and Hogan replied that the provisions of the Act would have to be carried out. On 13 January the C.U.C. placed a black ban on country relief work. Then a week later, claiming that the wages and conditions offered were a direct attack upon the trade union movement, the committee resolved to declare all work under this scheme black, and to advise all unemployed to refrain from accepting any work unless it was paid for at full award rates and conditions. It also
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urged Hogan to call Parliament together to review the unemployment question and institute an unemployment insurance scheme. In early January the unemployed at Geelong condemned the S.P.L.P. for agreeing to the relief work rates, and, endorsing the action of the Melbourne men, pledged themselves to refuse to work under similar terms. On 27 January they adhered to this resolve and declared black the relief work they were offered.

The unions did not throw their weight behind the unemployed, and the C.U.C. decision on 6 January in favour of the black ban had been arrived at in the face of the opposition of union officials. Indeed, the A.W.U., the union principally involved, undermined the whole struggle, as it advised its members to take the work offering and rely on the union to obtain the higher rates for them by legal proceedings. The T.H.C. displayed no eagerness to enter the fray, and the Executive on 9 January appointed Monk (Assistant Secretary, T.H.C. and Secretary, C.U.C.) as its representative on the board which was to administer the Unemployment Relief Act – an action that was hardly consistent with a wholehearted recognition of the black ban. The Council did not deal with the matter until 22 January when it declared that it supported the action of the C.U.C. in refusing to accept employment under the conditions of the Act and expressed the opinion that the rates of pay on relief works should not be less than 15s per day – plus the recognised margins for skill. It endorsed the appointment of Monk to the Unemployment Board and urged that State Parliament be immediately called together to place unemployment relief measures on a more satisfactory basis.

On this occasion, as throughout the depression, the unemployed were faced with the problem of how they might translate their determination to fight into effective action. The government paid scant heed to resolutions, and passive refusal to accept the relief work resulted in little more than further hardship, especially for those with families to support. Representatives of the unemployed interviewed ministers but deputations, too, achieved nothing. On 5 February, cabinet decided that relief work would continue to be done at the rate set down in the Act; and then, a few weeks later, as many of the unemployed were still observing the ban, the Ministry took action to bring them to heel. It announced that those who refused relief work

18 Argus, 17 January 1931. The A.W.U. became involved in a series of court cases, all of which were dismissed (T.H.C. Minutes, 4 June 1931).
would be denied sustenance, and if they were inmates of the Broadmeadows Camp they would be expelled. The T.H.C. protested and Trades Hall officials and representatives of the unemployed interviewed members of the government, but to no effect. Over one hundred single men at the camp were ordered to leave, and when they refused they were ejected by the police. Trades Hall officials unsuccessfully sought to persuade the government to readmit the men, who, facing starvation, had no choice but to accept the country relief work.

In early April 1931, at the Victorian A.L.P. Annual Conference, union officials again voiced their objections to the Unemployment Relief Act. As proposed by Monk, the conference declared that the Act 'contains provisions which are a violation of the principles of the Labor Movement'; and it called on the government immediately to bring about the repeal of the obnoxious sections. The Ministry, however, did not act as required. But following the reduction in wages of the members of the A.W.U. and the Municipal Employees' Union, the rates on relief works were no longer below award rates; so a conference of the C.U.C. and the two unions in June agreed to lift the ban on metropolitan relief works in so far as labouring and semi-skilled work was concerned.

Their willingness to support the ban indicated a potential fighting spirit among many of the unemployed, but that counted for little when they were deprived of sustenance. The impoverished T.U. movement, staggering under the blow of the 10 per cent cut, would have been hard put to maintain them, and officials no doubt regarded it as unfair criticism when the Broadmeadows men, in surrendering, complained that they had been let down. Nevertheless, it would appear that the Trades Hall had not energetically sought to tap possible sources that might have yielded at least food for the strikers. Again and again in the future, the outcome of 'strikes' and 'black' bans by the unemployed was largely dependent on the provision of alternative assistance when they were struck off the sustenance list. The Trades Hall remained indifferent, if not hostile, towards the efforts of communists and their supporters to build the Workers' International Relief and saw no necessity for such a body. Nevertheless the W.I.R. was able to offer limited assistance to destitute rebels, as on the occasion of the mass walk-out from the Broadmeadows Camp in mid-1931.

During 1931 the ranks of the unemployed swelled still further and their numbers reached a peak in the second quarter of 1932. By then about 27.7 per cent of Victorian unionists were out of work, many thousands of others were working for only part of the week, and
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47,098 family units were in receipt of sustenance. As destitution and misery became increasingly widespread, the leadership of the T.U. movement continued to insist that the governments should discharge their obligations and provide adequate relief. The T.H.C. adopted lengthy reports on the unemployment position, which were presented by Monk on behalf of the C.U.C. The Council itself rarely offered positive leadership to the unemployed regarding the problems they faced. Responsibility for such matters was for the most part left in the hands of the T.H.C. Executive, which in practice, it would seem, dominated the C.U.C. The mass of the unemployed continued to have few direct links with the T.U. movement, and it was not until the end of July 1932 that a union conference was held to formulate a uniform set of demands on behalf of the unemployed.

Although their endeavours were rewarded with as little success, T.H.C. officials persisted with the tactics they had pursued in 1930, and their activities on behalf of the unemployed still consisted largely of repeated attempts to persuade the Hogan government to provide adequate relief. On 19 February 1931, the T.H.C. urged that the State government seek sufficient funds to provide adequate sustenance, and that 'failing Parliamentary sanction for the required funds, the Government immediately tender its resignation'. But it is relevant to note that this had been done in the absence of the top officials who were attending the A.C.T.U. Congress in Sydney. In any case, the Trades Hall did not initiate any moves to displace the government when it did not meet the needs of the unemployed, and, though all became increasingly insistent that it take determined action, only a minority of union leaders demanded that the government stake its life on Labor's unemployment policy.

At the end of July 1932, there was a peak number of 61,214 male persons registered as unemployed at the Government Labour Exchange and its branches (see Victorian Year-Books). But such figures must be treated with the utmost caution. At the end of June 1933 there were 36,877 males so registered; but according to the census returns, in the Wage or Salary Earning Group, there were 96,718 males and 21,032 females unemployed (Census 30 June 1933, Vol. I, pp.234, 237).

Among the few accounts of the life of the unemployed were the articles in the Argus (7 March 1931) and the Herald (19, 20 August 1931). The press painted an attractive picture of the Broadmeadows Camp for single men, but many of the inmates were acutely dissatisfied. Union journals displayed no interest in the camp, and one of the few mentions it received in the L. Call described it as 'a place of desolation, physical suffering and despondency, where dispirited men spend their days in shivering misery' (L. Call, 18 June 1931). At the end of November 1931, there were 446 men in the camp, and the average cost of food per day was 8.8d per man (Victorian Year-Book 1930-31, p.221).
In early 1931, the T.H.C. and the C.U.C. deplored the inadequacy of the assistance afforded the unemployed, and they urged that State Parliament should reassemble and take steps to remedy the situation. Requests on behalf of the unemployed were conveyed to ministers by further deputations which were usually informed that the government wanted to do more but did not have the finance. Perturbed by the 'great dissatisfaction...among Labor supporters', the Central Executive of the A.L.P. in early March was moved to call for the convening of Parliament at the earliest date, so that the government might submit a program which would include the raising of money 'to give immediate and adequate relief' to all the unemployed and for the development of a program of works to absorb the unemployed. However, Parliament remained in recess, though the Ministry did announce that there would be a slight increase in sustenance rates.21

At the Victorian A.L.P. Annual Conference in April 1931, the Labor governments' handling of unemployment was severely criticised, and the Conference declared that their relief measures were inadequate. Notwithstanding the fate of the instructions of previous conferences, union delegates again brought forward demands on behalf of the unemployed. Although Scullin in effect stated that his government would be unable to comply, the Conference, on the motion of Don Cameron, requested the federal Labor government 'to proceed with a scheme of unemployment insurance without delay'. The Conference also accepted a series of proposals by Monk which insisted that greater measures of relief should be made available by the Hogan government, that taxation should be increased to enable work to be provided for all unemployed, and that the State government introduce and persevere with a bill to protect unemployed tenants and house-holders against distraint, eviction, and seizure of goods for debts. As noted in Chapter 5, the Conference also expressed the opinion that State Parliament should be called together not later than 28 April in order to deal with a definite limited program which should include 'further practical relief for the unemployed by the provision of work or increased sustenance' and a Rent Moratorium Relief Bill. At the same time the majority of delegates rejected a proposal by Nat Roberts...
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(A.E.U.) that the government should resign, if it was unable to give effect to the Conference's directives regarding unemployment.

The Premier refused to comply with the Conference's decision, so that Parliament met on 6 May. Then as funds ran out and unemployment increased, the Ministry introduced further legislation. But again the Legislative Council proved a stumbling block, and there was to be one deadlock after another. A Rent Moratorium Bill was brought down, but in the amended form in which it was finally enacted it did not meet the requirements pressed by the T.H.C. and the C.U.C. during its passage. In June the Ministry introduced legislation to secure additional finance for relief, but the Opposition parties sought to reduce the amount the Government proposed to raise. Furthermore, they were adamant that the rates of pay on relief work should be less than the basic wage, and that the unemployed should be compelled to perform work for the sustenance they received. It was six months, therefore, before a bill was finally passed. Meanwhile, in early August, the Ballarat City Council introduced a work-for-sustenance scheme.

While the debates in Parliament dragged on, representatives of the T.H.C. and the C.U.C. repeatedly interviewed ministers to request a higher sustenance rate, a rent moratorium, and more generous issues of clothing, boots, and firewood. In an appeal to the federal and State Parliaments, the C.U.C. urged that if food, clothing and shelter for the unemployed could not be provided by orthodox methods, they should be confiscated. The T.H.C. and the C.U.C. objected that the amount of finance which the Ministry proposed to raise for relief was insufficient; on their estimate it would provide only 11s 6d per week to each unemployed worker. And when the Opposition sought to reduce that amount, both bodies called on the S.P.L.P. to refuse to accept any such amendments to the Unemployment Relief Bill. The Council and the committee declared their strong opposition to any lowering of the rates of pay on relief work, and on 8 October the former demanded that the Legislative Assembly refuse to compromise with the Legislative Council in the fight to preserve the payment of the basic wage to men engaged on relief work.

The T.H.C. protested 'emphatically' against any scheme that would oblige the unemployed to perform work for their rations, and it condemned the 'work-for-sustenance' clause inserted in the Bill by the Opposition as a 'blow against trades unionism'.\(^{22}\) The majority of

\(^{22}\) T.H.C. Minutes, 27 August, 17 September 1931. The Municipal Employees Union
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delegates would not agree that the Council should call upon all workers 'to resist to the utmost this pernicious anti-working class proposal', or that it should pledge its support for any move by the unemployed to resist its implementation. However, the Council did promise to organise and co-operate with the unemployed to resist Clause 9 in the event of its becoming law. The clause was denounced by the C.U.C. which claimed that it would mean the conscription of labour. The committee called on the unemployed to refuse to work for sustenance, and though it did not consider arrangements for the provision of alternative relief for those who would be deprived of sustenance, it drew up plans for a campaign to oppose any attempt to introduce such a scheme. In addition, the C.U.C. recorded a want of confidence in the Victorian Labor government and declared 'that the Labor Party should refuse to function as a Government if legislation is placed upon the Statute Book which compels the unemployed to work for sustenance at scab rates of pay'. The T.H.C. on 27 August urged the government to cancel the system introduced at Ballarat. Monk paid a visit to the scene, and C.U.C. officials appealed to the Minister for Sustenance to issue an order for the scheme to be discontinued and for sustenance to be given to those who refused to work. When the minister flatly refused, the committee said it was 'aggrieved', and then seems to have done little more about the matter. However, the Ballarat U.W.M. claimed in the Workers' Weekly (11 September 1931) that under its leadership the local unemployed were able to score a partial victory in their resistance to the operation of the scheme.

On 15 December the Victorian Labor Caucus abandoned its previous stand and decided to accept the recommendations made by a Select Committee of both Houses. The Unemployment Relief Act Amendment Bill No. 4 was introduced into the Assembly, and a few days later, after all the Select Committee's proposals had been inserted, it was passed by both Houses. The new Act contained a 'work for sustenance' clause, and it prescribed rates of pay on relief work that were below award rates.

The passing of the Act so angered the C.U.C. that in January 1932 it urged its affiliated groups to bring pressure to bear on members of

was especially anxious, as already many of the permanent employees of municipal councils had been displaced by relief workers.

23 In the matter of wages for relief work, the Bill laid it down that married men with dependants could receive a maximum of £2 16s for a week of 48 hours. Other differential rates recommended by the Select Committee were not included in the Bill, but they were inserted during its passage.

See also the new reduced rates of payment to unemployed women (Aust. Worker, 20 January 1932).
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Parliament to vote against the Hogan Ministry and put it out of office. The committee directed its groups to attempt to prevent municipal councils from putting the provisions of the Act into operation, and it asked the T.H.C. to consider calling a stop-work meeting 'immediately the first call is made upon men to work for sustenance'. Furthermore, the committee resolved to instruct all unemployed to refuse to work for sustenance and to reject any work which did not give them at least three days' work at award rates in any one week. The forthcoming A.L.P. Conference was to be asked to uphold this resolution. The suggestion for a stop-work meeting was not adopted, as the T.H.C. Executive was of the opinion that it would not be successful; and Cameron informed a Herald reporter (22 January 1932) that his interpretation of the committee's anti-ministry resolution was that the personnel of the Ministry should be changed. On 28 January 1932, the T.H.C. agreed to the Executive's proposals, that a deputation interview Acting Premier Tunnecliffe, and that a circular letter be sent to all municipal councils stating the Council's objection to the introduction of the system of work for sustenance. The Council also decided to urge delegates to the A.L.P. Conference to support a motion demanding that the government repeal the 'work for sustenance' clause.

The Victorian A.L.P. Conference commenced on 30 January 1932, and, as at the previous conference, two representatives of the C.U.C. addressed delegates. On 1 February Monk presented a series of demands on behalf of the unemployed, some of which had been adopted at the last annual conference. During the last two years the Hogan government had not carried out conference instructions or met the demands of the T.U. movement regarding relief, and certain provisions in the legislation that had been enacted were held by union leaders to be violations of Labor principles. In the circumstances, little could in fact be hoped for from another set of demands on the government for more adequate relief. Apparently many delegates did realise this, for the Conference adopted a more drastic policy than that advocated by Monk. In his address, the President warned that 'if Labor is to maintain its rightful place and prevent large sections of the workers transferring their allegiance to the Communist Party, it is necessary that more consideration be paid to the question of unemployment'. 'In order to prevent further political tragedies' like the federal elections, the whole question would have to be promptly and sympathetically considered. Many other speakers maintained that faith in the movement had been seriously impaired and that, unless the government did
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much more for the unemployed, Labor's political future was well nigh hopeless. Thus the Conference was no doubt influenced by a desire to rehabilitate the prestige of the Labor Party and to revive workers' confidence in it. Yet the unemployed had little reason to expect that their lot would be much improved, if at all, as a result of the Conference.

Contending that it was the responsibility of the federal government, as well as of the States, to provide adequate food, clothing and shelter for the workless and their families, the Conference called upon the federal government to take steps at once to achieve this end, by making available to industry through the Commonwealth Bank, credits to the extent of £20 million. But delegates were well aware of the credit policy of the Lyons government, so it is difficult to believe that they expected a favourable response to this proposal. Indeed, only a day or so before, representatives of the T.H.C. and C.U.C. had presented such a request to Latham, who had flatly rejected it. The Conference then considered the next of Monk's proposals, that the S.P.L.P. be directed to attempt to give effect to a decision of the last annual conference that taxation be increased to enable work to be provided. However, it seems that delegates were persuaded that the government would be unable to get the legislation through Parliament. They did not persist with the demand, but instead moved out of the real world of politics altogether and accepted an amendment, 'that the State Parliamentary Labor Party shall immediately introduce legislation to take over the means of production, distribution and exchange, in order to provide practical sustenance for the unemployed'.

Denouncing the 'work for sustenance' clause in the Unemployment Relief Act as 'an abrogation of Labor's principles and economic conscription', the Conference expressed the opinion that the S.P.L.P. should not have accepted the Bill containing such a provision; and it called upon the government to attempt to bring about the repeal of 'this objectionable provision'. Most union delegates criticised the Hogan government for not having carried out previous instructions, and several argued that it should have gone out of office rather than accept the 'objectionable' clauses in the Act. But only a few union officials sought to back up the present demands with threats of disciplinary action, and the Conference rejected an addendum, moved by Divers of the Municipal Employees' Union, 'that such Labor Members...who fail to comply with the directions to repeal...the obnoxious clauses...and reintroduce...a more humane sustenance allowance, shall be expelled from the Labor Movement'. However, the Conference did
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favour a far more drastic proposal than the one sponsored by Monk, who had urged that cabinet should amend the regulations of the Governor in Council prescribing the class of work to be done for sustenance. Instead, it instructed the S.P.L.P. to set about at once to repeal, rescind or withdraw all regulations governing work for sustenance at scab rates of pay, and, failing this being done, the incoming executive must cancel the endorsements of all Labor members of both Houses.

For two years labour leaders had argued that it was in the interests of the unions and unemployed that a Labor government should remain in office, even if it was unable to put Labor policy into effect; and during that time the Hogan government had become discredited in the eyes of many workers who claimed that it was carrying out the policy of the Nationalists. Now again the arguments were repeated, and supporters of the government maintained that it had not had any choice about the 'obnoxious clauses'. On this occasion, however, the Conference resolved (73–69), 'Should the Opposition be successful in having legislation inimical to Labor carried, the Labor Government shall immediately resign'.

Following the Conference, the C.U.C. persisted with its efforts to prevent the unemployed being forced to work for sustenance, and the Labor Call (18 February 1932), too, insisted that 'Labor must be adamant' on the issue. The U.W.M., which also opposed the scheme, sought to rally resistance, but its attempts to organise demonstrations to demand the repeal of the Act were thwarted by the police. The Ministry did not take steps to carry out the instructions of the Conference, but it sought to avoid running directly counter to them. Although on 26 January the Governor in Council had approved the regulations governing the type of work to be done for sustenance, the Ministry, pleading legal obstacles, refrained from having them gazetted – despite the outcry of the press and the Opposition. At the same time, on the grounds that there were insufficient funds, it did not put relief works in hand, and thus side-stepped the labour movement's objections to the rates to be paid.

But the unemployed were afforded only a breathing space, for after the fall of the Hogan government the new U.A.P. government rigidly enforced work for sustenance. Resistance to this and other unsatisfactory aspects of unemployment relief precipitated the great 'dole strikes' of the mid-thirties.

Until the Hogan government fell, Trades Hall officials continued
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their cap-in-hand deputations with requests on behalf of the unemployed. On 6 April 1932, the day Parliament reassembled, the C.U.C., with the permission of the City Council, led several thousand unemployed through the city to protest against work for sustenance and to demand a rent moratorium, a doubling of the scale of sustenance, increased supplies of firewood, clothing, and boots, and free electric light and gas. Representatives of the T.H.C. and C.U.C. were still seeking interviews with the Ministry right to the eve of the latter's defeat; but even in relatively minor issues they were unable to influence the government's policy. This can be seen in the case of the application forms which the unemployed were required from March 1932 to fill out afresh each fortnight for sustenance. The edict on these forms had led to angry protests, and some unemployed offered resistance. On 23 March the C.U.C. recommended that the forms be declared black, and the T.H.C. on 7 April urged that they be withdrawn. But the Minister in Charge of Sustenance (Williams) turned a deaf ear to all entreaties, and tradespeople were instructed not to supply sustenance to those who refused to sign the form. Eventually, as the majority of its members had already done so, the C.U.C. advised that the forms be signed under protest. During the Victorian election campaign the committee attempted to make the forms an issue. It also sought to persuade candidates to commit themselves to a list of radical demands which it had drawn up on behalf of the unemployed.

During 1931 and 1932, communists had continued their vituperative campaign against the Labor leadership, and, claiming that the 'social fascist' Trades Hall officials were betraying the unemployed in order to protect the Hogan government, they persisted with their efforts to build the Unemployed Workers' Movement. As the Trades Hall and the Labor governments failed to improve their lot, further sections of the unemployed looked to the U.W.M., and the divisions within the ranks of the workless became more serious. Separate demonstrations were organised by the C.U.C. and U.W.M. on 12 January 1931, when some officials were hit by stones allegedly thrown by members of the latter organisation. The incident provoked Trades Hall officials to set out to cripple the leadership of the U.W.M. On 15 January, though some delegates insisted that the U.W.M. had made its arrangements for 12 January a few weeks before the T.H.C. had, the Council, on the recommendation of the Executive, resolved that any delegate who organised or was identified with counter demonstrations to those organised by or with the authority of the Council should be expelled. Nevertheless, on 19 January the U.W.M. again attempted to lead the
unemployed through the streets to the Treasury buildings; but apparently the police were determined to call a halt to such demonstrations. The marchers were belaboured by batons and ridden down by mounted police; and during the affray, which resulted in eleven arrests, some of the police drew revolvers.

Then followed some moves towards rapprochement between the rival organisations; so that on 16 February the U.W.M. and the C.U.C. combined for the first time in a united demonstration and deputation to urge a rent moratorium. Branches of the U.W.M. began to send delegates to C.U.C. meetings, and again on 6 March the two organisations co-operated in a march and deputations seeking more assistance for the unemployed, though on this occasion leadership was in the hands of Trades Hall officials. However, the Political Bureau of the Communist Party intervened to denounce these moves as 'right opportunist' errors, and in April the U.W.M. Executive decided to withdraw unconditionally from the 'social Fascist outfit known as the C.U.C.' and 'to expose and repudiate the anti-working class tactics of the T.H.C. and C.U.C. before the masses'. Thus the antagonisms reappeared, and communists resumed their former stance. The few U.W.M. demonstrations allowed by the police 'counted out' the Trades Hall, and some of their banners read 'Down with Labor Leaders'. Nevertheless, in theory at least, the objective of the M.M. was the establishment of 'a united front from below' of all workers, and the U.W.M. continued to apply without success for affiliation with the T.H.C., although a few unions, such as the A.R.U., favoured such an affiliation.

Becoming increasingly dissatisfied with the attitude of the T.H.C., the more aggressive of the unemployed, encouraged by communists, attended Council meetings and by interjections produced lively scenes and some disorder. The Executive was unable (53 votes to 60) to persuade the Council in May to close the gallery to visitors, but later admission was severely restricted. The disturbances, however, continued, and on 3 September, when the chairman ruled out of order a motion that representatives of the unemployed be heard regarding the Executive's refusal to consider a U.W.M. application for affiliation, proceedings were disrupted. The meeting was adjourned, and officials made known their determination to have the gallery closed altogether. Then, just before the next Council meeting was due to begin, on the night of 10 September, a hostile U.W.M. demonstration gathered near the Chamber, apparently with the intention of forcing a way through an iron grille that had been erected at the entrance. But
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Police suddenly appeared who plied their batons freely and drove the demonstrators from the building. It was claimed that after the mêlée weapons such as pieces of iron, batons and stones, were found in the Hall. Versions of how the police came to intervene differ, and at the stormy Council meeting, amid bitter charges and countercharges, the Executive disclaimed any responsibility and denied the allegations made by some delegates that the police had been hidden in the building. As proposed by the extreme left, the Council denounced 'the brutality of the Hogan Police in batoning workers' and condemned the Chief Secretary 'and other people responsible for the presence of the Police at the Trades Hall'. However, as delegates Bodsworth and Le Huray refused to apologise for their conduct at the previous meeting, on the recommendation of the Executive, these two communists were suspended by the Council (78-27); and so Trades Hall officials conveniently got rid of two of their most uncompromising critics. The Executive undertook to inquire into a charge that the Secretary of the Pastrycooks' Union incited and directed plain clothes police to baton workers on that eventful evening. A few weeks later the Executive found that Perugia did make a statement which, in its opinion, was 'in the circumstances unjustified and unwarranted'. The report was adopted (67-51), and Perugia apologised as requested, after a move to have him suspended was defeated.

During the week following 10 September, the Communist Party urged workers to smash the Trades Hall bureaucracy, and sought to organise a demonstration for 17 September which would demand U.W.M. representation on the Council and the reinstatement of the two delegates. The demonstration, however, did not take place, and the large contingent of police patrolling the area went into action only to lock up, on a charge of carrying an offensive weapon (stones), two men who were in the vicinity of the Trades Hall. The hall was 'like a besieged castle' and the Council, meeting behind closed doors under a heavy police guard, agreed 'that the Executive be empowered to take any necessary steps to safeguard the personal safety of delegates, the right of free assembly, and free speech, and also to protect the workers' property'.

24 Similar disturbances had previously taken place at the Sydney Trades Hall.

25 Age, 18 September 1931; T.H.C. Minutes, 17 September 1931. This resolution was endorsed by a meeting of executives of affiliated unions the following Sunday.
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The following months were also marked by bitter dissension, and the Trades Hall complained that 'scurrilous lies' were being circulated about the leaders of the C.U.C. On the grounds that the U.W.M. was seeking to 'white ant' and break up its branches, the C.U.C. attempted to tighten up its organisation in order to exclude communists and their supporters. Branded as disruptors, adherents of the M.M. suffered disciplinary action in some unions, and the T.H.C. Executive assumed the right to insist that no circulars should come before union meetings until they had received its endorsement. Speaking as A.L.P. President, Don Cameron (who often asserted that communists had nothing to do with communism), in early 1932, pointed the way to Victoria's future attitude, when he 'commended' Labor's decision in New South Wales to debar members of 'offshoots' of the Communist Party from the Labor Party.26

The fierce antagonisms within the movement exploded into open violence on May Day 1932. For several years the A.L.P. and T.H.C. had celebrated May Day on the first Sunday in May, while the left held a demonstration on 1 May. But it so happened that 1 May 1932 fell on a Sunday, and two rival processions marched to the Yarra Bank, where a huge crowd gathered. The extreme element forcibly broke up the official meeting, and Acting Premier Tunnecliffe and several leading T.H.C. officials were manhandled. The Communist Party was held responsible and was denounced by unions. The T.H.C. on 5 May condemned 'the premeditated vicious attack' and declared 'that such methods establish that the Communist Party and its subsidiary groups are obstacles to the progress of the working class and as such must be treated as other opponents of the Labor Movement'.

If these acts of violence on May Day and 10 September 1931 warranted censure, it should perhaps be noted, in connection with the September episode that the T.H.C. itself assisted to create conditions that enabled those who favoured 'basher gang' tactics to gather some following. While many men, women, and children lacked the necessities of life, delegates engaged in wordy debates which were cold comfort and often a provocative affront to the destitute.

afternoon (L. Call, 24 September 1931).

26 Argus, 31 March 1932. On 3 September 1932, the Central Executive of the A.L.P. resolved that members of the Communist Party and its united front organisations were ineligible for membership of the A.L.P.; and this step was endorsed by the next A.L.P. annual conference (L. Call, 2 February 1933).
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The Council did not pay sufficient heed to the growing desperation of many of the workless, and the near indifference of well paid officials courted the hostility of the unemployed. 27 As President Calwell and several other speakers admitted at the A.L.P. Conference in January 1932, unions and the Labor Party 'have not given to the unemployed that sympathetic consideration that unemployed workers and their dependants have a right to expect - aye, even demand...'. Communists did take a prominent part in the May Day attack, but there was undoubtedly some truth in their claim that it was spontaneous and not organised in advance by the party. Workers had expected that under a Labor government their interests would be promoted, but instead they had been degraded. Moreover, under a Labor Chief Secretary, demonstrators had been batoned, and the attitude of the police towards the unemployed had been condemned as brutal and unjust by wide sections of the labour movement. Thus to many irate workers, Tunnecliffe could easily appear as the personal representative of the cause of their sufferings. 28 When the official speakers began to propose the usual resolutions about abolishing capitalism and raising living standards, and then went on to slate the Communist Party, it was natural enough that the resentment of the wilder spirits in the crowd should rise to a dangerous pitch.

The events of September and May not only made the task of sincere militants more difficult, but also left a legacy of bitterness and distrust for the future. Even after a change in the leadership and policy of the Communist Party, the A.L.P. in later years referred back to these events as sufficient reason for avoiding any dealings with the party. Moreover, there can be little doubt that the policy of the Trades Hall was pushed much further to the right than it might otherwise have been, for the disinclination of officials to mobilise the rank and file was reinforced by the fear that any mass meetings or demonstrations they organised might be captured by extremists and led into acts of violence. In future years, the T.H.C. even refused to organise May Day processions.

While the threat of starvation was never far removed from the

27 Week after week for several months at the end of 1931, part of Council meetings was taken up by consideration of an internal dispute in the Enginedivers’ and Firemen’s Union.

28 This explanation was put forward a few years later by Percy Laidler (Trade Union Leader, Sydney, December 1935).
lives of the unemployed, many also suffered the additional hardship of eviction. The T.H.C. and the C.U.C. repeatedly demanded a rent moratorium, and, as noted previously, A.L.P. conferences directed the government to bring down appropriate legislation. In May 1931 the C.U.C. recommended that the furniture of evicted families should be deposited at the local town hall, and thus throw the responsibility on to the municipal authorities. Later, the committee debated a rent strike proposal, but its groups were evenly divided on the question; so instead it called on its members to adopt 'whatever means lie within their power' to prevent evictions. This call was issued again in January 1932, when the committee also decided to appeal to the forthcoming A.L.P. Conference to instruct the government to reintroduce the original Rent Moratorium Bill and to make it clear that, unless the Bill was quickly finalised, the endorsements of members of the S.P.L.P. would be cancelled. The resolution moved by Monk at the A.L.P. Conference was much milder. He asked delegates to reaffirm the decision of the previous conference and he made no mention of penalties. However, the Conference was not content merely to repeat the demand for a bill, and, though the Attorney-General insisted that it would be impossible to carry out such a request, the Conference adopted an addendum proposed by Crofts, 'That the Acting Premier be asked to immediately give consideration to issuing regulations to prevent any unemployed person from being evicted from his or her home'.

Evictions continued to take place, and it was poor consolation to the afflicted to know that, undaunted by previous experience, Trades Hall officials would again urge their views on the Ministry. As peaceful methods yielded such poor results, more of the unemployed began to turn to the policy advocated by the U.W.M., which maintained that workers should rely more on their own strength to prevent evictions and less on the possibility of persuading the government to bring down legislation. The U.W.M. persisted with its efforts to build anti-eviction committees which would give a lead for immediate and forceful action. When an unemployed worker's family was about to be turned out, the U.W.M. would organise a demonstration outside the house, intending by a show of force to deter the agent or owner. These aggressive tactics could occasionally claim a victory;

T.H.C. Minutes, 28 May 1931. The C.U.C. received a flat refusal from the Chief Secretary when it requested that police be not used to evict unemployed workers (ibid., 14 May 1931).
but often they led to police baton charges and arrests. During some of these clashes police drew revolvers, and on a few occasions they fired a warning shot. Sometimes after an eviction was effected the less law-abiding of the unemployed retaliated by damaging the house, and it was not an uncommon occurrence for agents' windows to be stoned. Undeterred by police batons, the U.W.M. continued to resist evictions, even though those arrested were not dealt with leniently, and despite the determination of at least one magistrate that 'this hooliganism is going to be stopped'.

Communists regarded the curtailment of the right of the unemployed to hold demonstrations at will and the suppression of U.W.M. marches as further evidence of the drift to fascism. They sought to persuade workers to join the Workers' Defence Corps and to challenge the restrictions, by force if necessary. On occasions the U.W.M. defied police orders and attempted to lead demonstrations through the streets. However, though the demonstrators numbered several thousand, they could not successfully force the issue against mounted police and determined baton charges, and, as on 2 December 1931 and 25 February 1932, they were dispersed after a brief exchange of blows. Some of the activities of communists invited strong police action, but if the tactics employed by the U.W.M. were ill-advised and often provocative, there was nevertheless much validity in its assertion that a vital principle affecting the whole labour movement was involved. Apart from the issue of civil rights, demonstrations were one of the few means available to the unemployed to impress their needs on the public and a tardy government. Moreover, by demonstrating, a man was given an opportunity to protest actively against his lot and to assert his determination to secure a better deal, thus countering the dangers of apathy and personal degradation.

A few unions - the Seamen's, the A.R.U., the Carriers' and Drivers' - protested against the treatment meted out to the unemployed by the police and were indignant that some were arrested on charges of vagrancy. The Trades Hall defended the right of free speech in general terms, and some officials objected that the unemployed were not receiving a fair deal from the police. But the interest and efforts of the union leadership were spasmodic, and it did not consider making an issue of the fate of the U.W.M. demonstrations. Indeed, the restrictions imposed on the activities of the U.W.M.

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30 It is, incidentally, interesting to note that a high proportion of those arrested were in their twenties.
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would probably not have been unwelcome to many officials, for they regarded that body as an undesirable disruptive element and, as well, no doubt, some believed that the communists were merely suffering the consequences which could be expected to follow from the tactics they pursued. The attitude of the Trades Hall was conditioned by a desire to avoid exacerbating social conflicts, and it would appear that it was hardly a coincidence that on 25 February 1932 the C.U.C. should have taken a very large crowd of unemployed out of the city for a picnic. On that date the U.W.M. celebrated International Unemployed Day and the C.U.C. was aware that it intended to defy the police and hold a demonstration to protest against work for sustenance and evictions. Interest in the I.C.W.P.A. was aroused in some unions, but the T.H.C. continued to refuse to have anything to do with that body, or to see the necessity for the existence of any such organisation.

However, if officials could feel justified in summarily rejecting the methods of the extreme left, their own achievements were no cause for self-congratulation. The matter does not seem to have been a source of great anxiety to the C.U.C., though the committee voiced strong opposition to the unemployed being arrested for vagrancy, and on a couple of occasions requested the Chief Secretary to prevent the police from taking such action. On 5 March 1931 the T.H.C. protested against the conviction a few days before of two unemployed workers on such a charge, and it urged an inquiry into police methods. The Council had, on 13 November 1930, viewed with disgust the 'brutal' way in which the unemployed were being treated, and the Executive had been directed to secure a public inquiry into the policy and administration of the police force. But the Executive does not appear to have been motivated by any overwhelming sense of urgency and it did not report back to the Council until 28 May 1931. On that evening and at the following meeting, a motion and several amendments were discussed, and finally the Council (63-33) called on the State government to institute an inquiry into the operations of the police force and the inaction of Labor ministers concerning attacks on the working class. Such resolutions, however, did not move Chief Secretary Tunnecliffe, who did not allow his professions of socialism to interfere with his determination to suppress any threat to law and order.31

31 In reply to criticism at the 1931 A.L.P. Conference, Tunnecliffe said that he knew of no cases of the police persecuting the unemployed (L. Call, 23 April 1931).
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In the following months, though the unemployed had possibly even more reason to complain of the attitude of the police, the T.H.C. does not seem to have been disposed to extend its efforts on their behalf. The debates at Council meetings and the pages of union journals rarely reflected the social disturbances troubling Melbourne, and with few exceptions they gave practically no inkling that some of the unemployed were waging a resolute battle on issues such as evictions. Then in August 1931 the attention of the T.H.C. was briefly directed towards the question again. A large demonstration, which included members of the U.W.M., attempted to prevent the eviction of a family at Fitzroy on 12 August, but the demonstrators were dispersed by baton charges and two were arrested. In convicting the two men, the magistrate congratulated the police, but several T.H.C. delegates contended that they had attacked the unemployed without provocation, and the Executive undertook to inquire into the incident. Once again, however, there was interminable delay, and a report was not presented until 21 April 1932, when the Council adopted the recommendation of the Executive that Acting Premier Tunnecliffe be urged to institute an inquiry into the case. Also in April 1932, at a previous meeting, the T.H.C. had been provoked into one of its rare debates on the treatment of the unemployed by the police. On 6 April, as they were walking along the street to join a procession organised by the C.U.C., a group of unemployed were batoned by plain clothes police and two of them had to be treated for head injuries. The following evening the T.H.C. discussed a strongly worded motion, but it finally decided to adjourn the debate and to request the Chief Secretary to attend its next meeting. Tunnecliffe refused the invitation, but announced that the incident would be investigated; so on 14 April the T.H.C. demanded that the injured men should be represented at the inquiry and should be paid compensation. The inquiry was held and resulted in the police being exonerated.

The unemployed were made painfully aware that their needs would not be secured through the channels advocated by the union leadership, yet the Communist Party and its supporters did not succeed in rallying mass support for their alternative policy. At bottom, the party had misread the crisis as a developing revolutionary situation. But no doubt the sectarian line pursued by the U.W.M. inhibited its influence and, as well, many potential recruits would have hesitated to join up because of the violent antics of the 'lunatic fringe'. While it is a fact that the Communist Party suffered from the work of agents provo-
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cateurs\(^{32}\) the attempts to do physical harm to Labor leaders revealed that the communist camp contained some 'basher' types.

In addition, efforts to build the U.W.M. encountered major obstacles in other directions. Its lack of official recognition was a serious handicap, as it was thus often unable to negotiate on behalf of its members or the unemployed generally. Depicted as a most evil menace to society, the U.W.M. was subjected to discriminatory treatment, and it was often denied the use of meeting rooms or halls and was sometimes singled out as being ineligible to conduct street corner meetings.\(^{33}\) Members of the U.W.M. were fined for such offences as posting up notices announcing demonstrations and for trespassing on railway property when addressing a meeting. The police stringently enforced the laws relating to the printing and distribution of propaganda when it was of communist origin; and generally the authorities adopted an increasingly repressive attitude towards the activities of the left. Anti-communist agitators took a hand, too, to disrupt meetings and demonstrate that not only communists could be identified with strong-arm tactics.

At the end of August 1931, three thousand copies of the second issue of the Red Leader (organ of the M.M.) were burned by the P.M.G. Department at Sydney, and immediately after taking office the Lyons government discovered that Australia was facing a grave communist menace. The Workers' Weekly and Red Leader were banned from transmission through the post,\(^{34}\) and the future existence of the Communist Party was rendered very uncertain by amendments to the Crimes Act. The T.H.C. voiced an 'emphatic protest' against these measures of the government, though in condemning the ban many delegates no doubt shared the view of the Secretary of the Seamen's Union that the sooner the Workers' Weekly and Red Leader ceased publication the better. In January 1932 the Melbourne counterpart to the New Guard, the Order of the Silent Knights,

\(^{32}\) Don Cameron pointed to their part in the U.W.M. demonstration on 19 January 1931 (Aust. Worker, 28 January 1931). See also the incident reported by the W. Weekly, 1 May 1931.

\(^{33}\) On the day the Broadmeadows Camp opened, the superintendent stated his firm intention that communist agitation would not be tolerated (Argus, 19 December 1930), and attempts were made to prevent the entry of communists. Some who gained admittance were ejected by police (Age, 25 February 1931).

\(^{34}\) Some time later they were also denied transport on the South Australian and Victorian railways.
emerged from secrecy to announce its existence, and after the fall of the Hogan government even more severe restrictions were placed on the right of assembly. As the memorable 'free speech' fights were to demonstrate, a situation was developing that required something more than protest resolutions.
We have seen how, at the beginning of 1932, the Victorian A.L.P. Conference had adopted a firm stand, declared against the Premiers' Plan, and threatened expulsion of members who gave further support to the Plan. On 29 March the Victorian A.L.P. President (Cameron) reinforced the decisions of the January conference by issuing a warning to Labor ministers and members that, if they supported further reductions in wages at the forthcoming Premiers' Conference or elsewhere, they would be automatically expelled from the party. The Victorian Parliament, which had been in recess, reconvened on 6 April 1932. Two days later—and despite the protestations of Acting Premier Tunnecliffe, who was present at the meeting—the Central Executive of the A.L.P. decided that 'the re-enactment or continuance of reductions of wages, pensions and social services is a contravention of the Conference resolution as to the Premiers' Plan'. The Central Executive was now apparently resolved to enforce discipline in the party.

The resumption of Parliament had found the Opposition confident and determined to dislodge the Government. The instruction of the Central Executive to Labor members regarding re-enactment of the Premiers' Plan offered them a golden opportunity, and on 12 April the Ministry was challenged on this issue. Acting Premier Tunnecliffe refused to give an unequivocal answer, declaring that it was too early at this stage for the Government to reveal its financial proposals and that he could not make a statement until after the Premiers' Conference. He merely promised that the Government would not evade its responsibilities when the occasion arose. Dissatisfied, the Opposition moved no confidence, and on 13 April the Government was defeated. The three independent members upon whom it had relied were supporters of the Plan: in a division of 29-25 they joined the Opposition. Thus the Hogan government's precarious hold on office was finally broken, and on 14 April Parliament was dissolved. The T.H.C., according to its Secretary, had no regrets.

On the day the government fell, an Expert Committee made recommendations to the current Premiers' Conference regarding further economic readjustments under the Premiers' Plan.
Additional cuts seemed to be in store, and public service organisations, which had been calling for the restoration of existing salary reductions, protested vigorously. On 11 May Melbourne saw a rare mass meeting of federal and State public servants who declared their opposition to the Expert Committee's report. The T.H.C. denounced the report as 'a deliberate and sinister plan to impose further suffering upon the workers', and claimed that it had been drafted with the definite object of prejudicing the workers' case then proceeding before the Court for the restoration of the 10 per cent cut. The Council also reiterated its contention that only by restoring the lost purchasing power would workers be absorbed in industry.

At the Premiers' Conference itself, Tunnecliffe opposed the new wage reductions, suggesting as an alternative that Australia should begin negotiations for a reduction in overseas interest payments. But, given the defeat of the Hogan government, he could hardly be accepted as a spokesman for Victoria, and the proceedings of the conference were now held in abeyance pending the outcome of the elections.

Meantime, during these elections, the Expert Committee's report complicated the issues involved in the simpler question of re-enactment of the Plan. The fear that a non-Labor ministry would ruthlessly impose even more severe cuts than those embodied in the original Plan was reinforced. On the one hand, this fear attenuated the determination of the Central Executive of the A.L.P. to discipline its parliamentary representatives; and, on the other hand, those representatives themselves - even where they had formerly supported the Plan - were presented by the report with a new issue which allowed them to equivocate on the general principle of supporting or not supporting the Premiers' Plan.

Although the candidates held out attractive promises to the unemployed and gave an undertaking that a Labor government would attempt to relieve the parlous condition of government finance by negotiating for a reduction in the interest payments on overseas commitments, Labor's appeal was almost completely negative. The speakers on this side mainly concerned themselves with ominous predictions about the intentions of the Opposition, and urged electors to return a Labor government in order to prevent further inroads into the people's living standards. Tunnecliffe appealed for the re-election of the Government on two grounds: 'Relief for the Unemployed and Protection of Living Standards'.
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Although the A.L.P. Executive had a hand in its drafting, Labor's policy regarding the Premiers' Plan was not in strict conformity with the resolution adopted by the January 1932 Conference and the Central Executive instruction of 8 April. In his official policy speech on 22 April, Tunnecliffe declared that the government was prepared to re-enact immediately the parts relating to the salaries of ministers of the Crown and members of Parliament and of the higher paid public servants. "It is only in regard to the schedule dealing with the salaries and wages of the lower paid Public Servants", he said, 'that any legislative alteration need be sought'. A Labor government would introduce a measure which would provide for the determination of salaries and conditions for these lower paid officers by a Classification and Efficiency Board (a promise that was calculated to interest public servants who had been requesting the establishment of a board for many years). But the Tunnecliffe policy avoided stipulating which public servants would be included in the category of 'lower paid', and there was certainly no assurance that the public servants would be relieved of cuts imposed by the Plan even if they came under the jurisdiction of such a board. Labor's policy was a resort to equivocation which strongly suggested that the party had arrived at a compromise and was attempting to afford a loop-hole for those who were pledged to support the Plan.

Throughout the campaign, Tunnecliffe and his followers insisted that they were not fighting the election on the issue of the Plan. The Acting Premier pointed to the record of the Hogan government in having carried out the Plan, and flatly denied that the government proposed that public servants should be excluded from 'essential sacrifices'. Some candidates skirted the issue of the Plan, while some, who had previously opposed its adoption, continued to reject it. Others who had originally accepted the Plan, followed Tunnecliffe and Attorney-General Slater and declared their support for it, with the qualification that a board should fix the salaries of the lower grades of the public service. Far from apologising for Labor's support for the Plan, Tunnecliffe paraded the government's economical management of public finance, and claimed that Victoria had made greater percentage reductions in expenditure and had done more to meet its obligations under the rehabilitation scheme than other States. The A.L.P. nevertheless issued a circular announcing that the paragraph in Tunnecliffe's policy speech referring to reductions and the Classification Board 'would be in harmony with the Annual Conference decision'.

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Fearing disruption that might cost Labor electoral support, the Central Executive of the A.L.P. had refrained from taking action against those politicians who had continued publicly to champion the Plan. In the name of unity the Central Executive preferred to keep dissident Labor members within the fold, even if they held views quite contrary to Labor policy or held no brief for the A.L.P. program and objective. But now this expediency was to receive its reward, as several Planites refused to avail themselves of the way of escape provided by the Tunnecliffe policy and insisted adamantly that the Plan must be strictly adhered to.

Since the January A.L.P. Conference, Acting Treasurer Jones, M.L.C., who was regarded as one of the fathers of the Plan, had continued openly to support it. In reply to the Central Executive resolution of 8 April, he had asserted that the threat of expulsion would not deter him, and after the fall of the government several of his Labor colleagues joined Jones in denouncing the Central Executive and declaring that the Plan was 'irrevocable'. Emerging from a cabinet meeting on 19 April, Tunnecliffe predicted that Labor's election policy, which ministers had just drafted, would have the united support of the party. However, a week after the Acting Premier had delivered his policy speech, of the cabinet ministers who had made public declarations, five opposed and five supported Tunnecliffe.¹

On 22 April, Jones and Kieman (M.L.C.) resigned from the cabinet in protest against Tunnecliffe's policy, and subsequently spoke from U.A.P. platforms to support the Plan and attack the Central Executive. Williams (M.L.C.), who was already Minister for Labour, Forests and Health, was also given the portfolios previously held by Jones; but, almost immediately after he had been sworn in, he repudiated the Tunnecliffe policy, and in this was joined by Bailey, the Minister for Lands. However, neither Williams nor Bailey resigned from the cabinet. Jackson, retiring member for Prahran, resigned from the A.L.P. to contest the seat as a Planite; and on the same day Bond (retiring member for Port Fairy-Glenelg) whose strong advocacy of the Plan had cost him Labor endorsement, announced that he was

¹ *Age*, 29 April 1932. Also, according to these same press reports, Lemmon and McNamara (M.L.C. and Secretary A.L.P.) had not yet publicly committed themselves, though immediately afterwards these two ministers came out on the side of Tunnecliffe (ibid., 30 April 1932).
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standing for re-election as an Independent Labor candidate. W.F. Angus, Mayor of Collingwood and Secretary of the Clifton Hill branch of the A.L.P., who had presided at the meeting at which Tunnecliffe had given his policy speech, resigned from the party when refused endorsement for Clifton Hill, and stood as a Planite against Blackburn, one of the staunchest opponents of the Plan.

So the defections went on, and to crown the whole travesty came a scandal resulting from the position taken up by Hogan, Premier and leader of the S.P.L.P., who was abroad at the time. On 26 April it was disclosed that Hogan had despatched a cable message eleven days earlier giving instructions regarding the Plan, and that the Acting Premier had not submitted these directions in full to cabinet. Thus some ministers were not fully apprised of the contents of the cable until several days after Tunnecliffe had delivered his policy speech. Hogan had demanded strict adherence to the Plan, and had subsequently repudiated Labor's election policy and attacked the Central Executive. Nevertheless, Tunnecliffe affirmed his 'absolute loyalty to Mr Hogan as my leader' and maintained that broadly his views and those of Hogan were identical. Protesting that the Premier had been misled regarding his intentions about the Plan, Tunnecliffe explained that Hogan approved the Plan in the letter while he approved its spirit. Hogan cabled that the government had offered him the position of Agent-General. After first denying this claim, Tunnecliffe admitted, when pressed by Hogan's further insistence, that he had made the offer on his own personal initiative! It looked very much like an attempt to buy Hogan off: and certainly it was hardly in keeping with received notions of Labor and socialist morality. To the delight of the government's opponents, the dissident Labor members and the A.L.P. President carried on an acrimonious debate, which press and Opposition exploited to the full. Furthermore, some unwelcome chickens came home to roost, as Kiernan pointed out that three members of the Central Executive (Cameron, Wallis, and Sheehan) had not cam-

2 Publicity was given to the threats by J.H. Tully and A. Wallace (retiring member for Albert Park) to stand as Planites (Age, 28, 29 April 1932). On 12 April cabinet had appointed Wallace to the Geelong Harbour Trust. He would receive £200 p.a. and his parliamentary status and salary would be unaffected. A week later he announced he would not recontest his seat on account of ill-health (Argus, 13, 21 April 1932). Then, a week later, he made known that he was considering reversing his decision and standing as a pro-Plan candidate.

The Age (6 May 1932) reported that before and during the election campaign efforts were made to form a National government that would include Labor representatives.
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paigned against the Plan when they were candidates at the recent Senate elections.

Some A.L.P. branches and unions were anxious that preselection ballots be held, but this view was not endorsed by the Central Executive, which let nine days pass after the fall of the government before it pronounced on the issue. Then it resolved instead:

That, in view of the short time elapsing between now and the date of nominations, it is not in the best interests of the Movement to hold selection ballots, and, further, that the Executive select candidates.

How the meeting arrived at this decision was never made public. Nat Roberts later reported to his union (the A.E.U.) that he had moved that selection ballots be held, but had been unable to get a seconder. If that were the case, then other union officials on the Executive had shown little consistency, for most of them had been denouncing the Labor members who supported the Plan for almost a year, and they had conducted a campaign 'to clean up' the movement.

Despite the consequences to date of such a policy, the Executive again followed a course of expediency and opportunism. The great majority of the candidates it proceeded to endorse were retiring members, most of whom had previously supported the Plan. They had become discredited in the eyes of many workers and were the object of disgust, if not hatred, to large sections of the unemployed.

The Executive refused to endorse Hogan and Bond, but it decided not to run Labor candidates against them. Apparently this decision was hotly disputed by some of the union officials on the Executive. According to press reports, union leaders made strong efforts to induce the Executive to permit E. Stewart (organiser, Furnishing Trades Union) to oppose Hogan; but they were unsuccessful, and the Premier was returned unopposed. Although the Central Executive was aware of their attitude towards the Plan, on 23 April it again endorsed the retiring members Jackson and Bailey. The next day Jackson resigned from the party, and subsequently stood as a pro-Plan candidate. Bailey voiced such warm approval of the Plan that the Central Executive was constrained to withdraw his endorsement on 28 April. The Labor Party did not run a candidate against Bailey in Warrnambool, but it selected J.V. Stout (organiser, Shop Assis-

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3 A.E.U., Melbourne District Political Committee Minutes, 17 May 1932.

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The A. L. P. President informed Jones that he was no longer a member of the A. L. P.; but Hogan, Bond, Williams, Kiernan, and Bailey continued as nominal members of the party, though persisting throughout the election campaign in their attacks on Labor's policy and the Central Executive.

Trapped within a narrow range of options, union officials called on their members to vote Labor, on the ground that an anti-labor government would smash wages and working conditions. If they wanted to avoid a return to 'slavery' and were not prepared to be reduced to 'the coolie level of existence', workers had to vote for Labor. The 'lesser evil' argument was again advanced, as spokesmen, while admitting that the record of the government had been disappointing, insisted that it had protected workers to some extent and that their condition would be desperate - especially in view of the U. A. P.'s support for the Expert Committee's recommendations - if it were not re-elected. Even the leaders of the A. R. U., who had had little cause to be grateful to the government, stressed this argument. Early in February their disillusionment had in fact led the council of the A. R. U. to endorse a proposal from a section of its membership urging that the government vacate the Treasury benches. But now the Railways Union Gazette (May 1932) declared that whatever the grievances of railwaymen, 'the worst Labor politician is a thousand-fold preferable to the best Nationalist candidate in existence'; and the A. R. U. donated £100 (almost half the total raised by all unions) to A. L. P. campaign funds. This, too, was the stand taken by officials of the A. F. U. L. E., despite the fact that their union had disaffiliated from the A. L. P. The Industrial Herald (12 May 1932) presented an unusual version of the 'red bogey'. It claimed that Labor, whatever its shortcomings, 'has saved Australia from bloody revolution', and that the Nationalists would create conditions which would lead to riots such as those that had just occurred in New Zealand. However unhappy they may have felt about the situation, union officials found only one course open to them. As Nat Roberts asserted in the A. E. U. Report (May 1932), though the government had been a disappointment, they could not turn to their class enemies but must vote for Labor as it was 'our Party'.

A majority at the T. H. C. meeting on 28 April resolved that:

This Council pledges itself to give full support to all Labor candidates pledged to oppose the Premiers' Plan in respect
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to wage cuts, reduced pensions, and social services, and that affiliated Unions be requested to render all possible financial support and to release their officials, to take part in meetings and generally assist in the successful prosecution of the campaign.

The Council rejected the contention of militants that assistance should be confined to those who had 'consistently opposed' the Plan; and another amendment, that support be given to candidates 'pledged to carry out Labor's policy as laid down in its platform as decided by the recent Conference', was also defeated. In defending the motion, Don Cameron argued that they had to make the best of men as they found them and that it was necessary to test a man and go through the process of eliminating disloyal members as they went along. As in the past, members of the Socialist Party of Australia received no support for their proposal that, rather than vote for Labor politicians who would let them down, workers should write 'Socialism' across their ballot papers. To the A.L.P. leadership, socialism as an electoral issue remained as inopportune as ever, and the Labor Call (12 May 1932) lectured the committed who felt that the Objective was being shirked. It justified delay with the proposition that 'the 100 per cent Labor policy, or Socialism, cannot even be attempted until Capitalism becomes a spent force'.

Entering actively into the election campaign, the A.P.S.A. and the V.T.U. attempted to operate as an open pressure group to secure relief from the sacrifices imposed by the Plan, and especially to counter any move to implement the recommendations of the Expert Committee. They acted jointly through the Teachers' and Public Service Defence League, and the V.T.U. brought out a special issue of the Teachers' Journal and appointed a publicity officer. The Central Unemployment Committee drew up a list of demands for vastly improved assistance for the unemployed and made it known that it would urge the unemployed to vote only for those candidates who agreed to support the demands. In addition, the C.U.C., reflecting the anger of the unemployed, announced that if the hated fortnightly forms were not withdrawn at once, the committee would use its influence against government candidates. Active intervention along these lines, however, was not a feature of the campaign.

During the election campaign, their opponents made great play of accusations that Labor in Victoria was swinging to Langism, and thus threatened to bring repudiation and financial and social chaos. While the campaign was in progress, the conflict between Lang and
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the Commonwealth government rose to its climax, and Lang was dismissed from office on 13 May, the day before the Victorian poll. As the daily press headlined these events, an atmosphere of tense excitement was created which was undoubtedly inimical to the Labor cause. Despite the bitter hostility of the Australian Worker, Lang in fact had a considerable following of admirers in Victoria, as had been revealed during April, when he visited Melbourne. He arrived on the 13th (by a coincidence the day of the Hogan government's fall) and was greeted at the station by a crowd that included a strong phalanx of top union officials. On behalf of the T.H.C. Executive, President Riley welcomed him as a fighter for the workers, and on the following night Lang addressed the T.H.C. To many workers, Lang, epitomising the ideal type of Labor politician standing firmly in opposition to the machinations of the Money Power, stood in sharp contrast to the weak Victorian government that had just collapsed.

There was indeed little evidence of enthusiasm in the unions for the re-election of the Victorian Labor government, and their response to the appeal for finance was poor. The A.L.P. itself scarcely showed great eagerness to fight the election. Sixty-five seats were to be filled, and in 1929 Labor had endorsed forty-nine candidates, but now there were only thirty-five, of whom three were returned unopposed.

The A.L.P. suffered a devasting blow in the election: the thirty seats it had held in the previous parliament were reduced to sixteen. Defeat had been almost a foregone conclusion, and after 14 May not all union journals even bothered to announce the results. It was asserted that electors had been stampeded by unscrupulous propaganda, and in his weekly article in the Labor Call (19 May 1932) W. Wallis announced that it was a 'Victory for the Unattached Vote'. But the Industrial Herald (19 May 1932) explicitly declared what was undoubtedly in the minds of many: 'The Labor Party...has paid dearly for tolerating Parliamentary leadership that supported the Premiers' Plan'.

Although thoroughgoing post-mortems of Labor's debacle were

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4 The expenses of the election amounted to over £750, but the party's appeal resulted in only £244 10s.
5 In 1929, fourteen sitting Labor members had been returned unopposed. There was one Communist candidate, E. Thornton.
rare, there were many indications that the collapse had cleared the air. The Labor Call (19 May 1932) now declared that the defeat of the Hogan government was a cause for satisfaction rather than regret, as an end was put to its administration of anti-Labor policy. Labor was not weakened, but strengthened by the change, it argued, and Labor had originally made a serious blunder in accepting office as a minority government. As the Industrial Herald (26 May 1932) put it, Labor 'was kept in office just so long as it did not attempt to put Labor's platform into effect'. Now the movement was released from the dilemmas of the past two and a half years. Ministers and politicians who had defied the authority of the party need no longer be propped up or apologised for, to guard against the greater evil of a U.A.P. government. The President of the A.L.P. (Don Cameron) predicted that the defeat would make Labor a more efficient fighting force, having in mind, no doubt, that it cleared the way for removing from the party those who were out of sympathy with its policies. The Labor Call (19 May 1932) insisted that in future Labor politicians must be subjected to sterner discipline, and stressed the need to counteract the belief that politicians were mainly concerned about personal gain and could not be trusted.

Before long these opinions received sharp practical expression. On 22 May, the Central Executive of the A.L.P. discussed the position of those parliamentarians who had supported the Plan during the elections. Then it expelled Bailey (17 June) and Hogan, Bond, Williams, and Kiernan (1 July). These expulsions were endorsed at the A.L.P. Conference of January 1933, which also issued a directive that no leader of the S.P.L.P. should in the future be permitted to form a government unless he had a majority in the Legislative Assembly.

After the Victorian elections the T.U. movement had also dis-

Like many Labor politicians before him, Jones, who had been expelled during the elections, transferred to the other camp to become a minister in the new Argyle government. Bailey later joined the Country Party and became a leading minister in the Dunstan government. Jones had been associated with the labour movement since about 1892, and had been a prominent pioneer socialist. He had been a Labor M.L.C. since 1910 and a member of four Labor ministries. After an early union career, Hogan became a Labor M.L.A. in 1913. He sat on the Victorian A.L.P. Central Executive from 1914 to 1931 and was president in 1922. He became leader of the P.L.P. in 1926. He had been a minister in the 1924 Labor government and was Premier in 1927-8 and 1929-32. Bailey had been a Labor M.L.A. since 1914 and a minister in three Labor governments. With records like these, it can be seen that it was no simple step to take disciplinary action against such Labor representatives.
played a new leftward trend in its attitude to affairs in New South Wales, where the Lang government had been dismissed and elections were to be held on 11 June 1932. On 19 May the T.H.C. urged all possible pressure on the federal A.L.P. to prevent the federal Labor Party opposing any candidates of the New South Wales Labor Party. Then, at its next meeting, the Council requested unions to release their officials in order to assist the N.S.W. State Labor Party 'in its determined fight in defence of the economic conditions of the workers'. On 9 June the T.H.C. sent greetings to the Lang Party, wishing it success in its fight on behalf of workers. However, Labor in New South Wales was likewise defeated at the polls.

In retrospect, disaster at the Victorian elections can be seen to have followed logically from the impasse into which the unions and the Labor Party had been drawn, step by step, during the previous two and a half years. In many respects, the outlook for the unions after the election was very bleak indeed. Politically the movement had been shattered, and its opponents were in power. Nevertheless, the extreme right-wing leaders had been removed - albeit after the damage had been done - and the authority of the party over the politicians had been reasserted. Scarifying experiences and a deeper awareness of the problems political power posed for labour, could, it seemed, help now to fashion an instrument for workers' emancipation. It is a matter of history, however, that this promise was not to be fulfilled.
Postscript

The brief period covered by this study was one in which, with capitalism experiencing an unprecedented crisis, the Victorian T.U. movement was confronted with problems of a magnitude far greater than any it had faced before. The trade unions had developed as the basic industrial organisations of the working class, but were also deeply involved in politics for the realisation of their objectives: in Australia the A.L.P. had always been regarded as the party of the trade unions. The basic purpose of the unions was at least to preserve standards of living and to win improved conditions for their members. But they had also come to believe that many of the wrongs they sought to set right were the inevitable result of the capitalist system, and that labour's goals would not be fully attained until capitalism was replaced by socialism. Both immediate policy and ultimate objectives were sternly challenged by the catastrophic situation into which the unions were plunged in 1930-2. In the outcome, the standard of living was not preserved, and although the unions insisted that capitalism was responsible for the debacle and socialisation the only real solution, no serious moves were made towards the attainment of the movement's avowed Objective. Labor governments, installed amid optimistic hopes in 1929 and 1930, provided little protection for the working class against the terrible economic storm, and in fact adopted the anti-Labor policy of imposing wage-cuts to stabilise capitalism.

The story of how the T.U. movement was overwhelmed by these fearsome difficulties and swept along largely at the mercy of events without offering effective resistance, has been told in the foregoing pages. It is a story of hopelessness and helplessness, whose central theme appears in retrospect to be that of tragic dilemma. It begins with the simultaneous onset of the depression and the triumph of Labor at the polls at the end of 1929. This phase ends with the fall of the Scullin government and then the Victorian Labor government in 1932, which removed a major dilemma, but only after bitter suffering and political disintegration had been endured, and at the cost of defeats which shattered the movement.

The labour movement was, on any test, ill-equipped to cope with the ideological challenges thrust on it by the depression. It had no accepted corpus of economic or socialist thought, and it is a truism
among historians that its inclination towards working out coherent theory had traditionally been weak. The labour movement embraced a range of interests, which had common agreement on certain broad and general principles, like opposition to social and economic injustice and the desire to secure and maintain improved standards of living. The extreme pressures generated by the depression were calculated to bring differences within this loosely-structured movement to the fore, and reveal - to its agony - that it embraced men with often radically different ideas about the practical application of generalities upon which all had been nominally agreed.

As an inbuilt component of the movement, the unions faced particularly painful dilemmas. Their raison d'être was protection of standards of living, so that under no circumstances could they accept cuts in wages. Their methods were essentially pragmatic; they were committed by tradition and practical experience to the gradual reform of capitalism in the workers' interests. In so far as the movement's goal of socialism affected them, it was as a long-term objective to be won by piecemeal advances. In periods of prosperity, the union leadership was able to proceed comfortably with day-to-day struggles for small gains, scarcely obliged to face up to the implications of the assumptions on which its actions were based. But with capitalism in crisis, fundamental challenges to these assumptions raised intractable questions which had a practical as well as a theoretical import. The realities of the situation - falling national income, unprecedented unemployment, the need to avoid overseas default - pointed to a need for sacrifice on the part of workers if the capitalist system was to be stabilised. The unions, ipso facto, could never agree to such sacrifices. But the most obvious alternative - to take direct action, based on a clear recognition of their socialist goal, to assist in replacing the social order - was even more repugnant to them. When forced to adopt an ideological stance, union spokesmen thus took an uneasy middle course. Following the lead of men like Anstey and Theodore, they agitated for inflationary policies, seeking recovery by means of

1 A principal contributor to the L. Call was 'Scrutator', who was a poet, a Labor pioneer, and a sincere socialist propagandist of left-wing persuasion. In the L. Call of 23 July 1931 he explained: 'My religion I call 'The Religion of Humanity' - It is a mixture of Christian, Confucian, Buddhistic, Marxist, Leninist and Aurelian philosophy, with a dash of Renan, Rousseau, Spinoza, Omar Khayyam, Thomas Paine, Bradlaugh, Bob Ingersoll, Walt Whitman, Bob Ross, Jack Lang, Will Craig and Harry Langridge in it. 'Tis also streaked with Mark Twain, Aristophanes and Bernard Shaw, and spotted with Shelley, Keats and Shakespeare. . . . Perhaps, if I were less circumspect, or more courageous, I would call myself a Communist.'
increased purchasing power through higher wages and monetary and banking reforms. In the circumstances this was no real solution, and could only lead to an uncertain, contradictory course. Inflationary ideas, in this pre-Keynesian era, had no chance of success against the overwhelming opposition of orthodox financial opinion. In addition, the unions themselves, where they advocated such policies coherently, fought from a losing position. Reeling under the impact of the crisis, the greatly weakened unions were in no position to exert a dominating influence. They could neither contrive effective propaganda weapons nor impose their will on the Labor politicians. In the last resort, ideas had to be underpinned by the power to enforce them, and this the unions did not have.

But during this period there was evidence of an increasing interest in socialism and a new emphasis on the movement's Objective. Communists, though isolated on the extreme left wing and advancing policies which, given the temper of majority opinion in the unions, were unreal as practical objectives, undoubtedly played an important part in this connection. The decision of the Victorian A.L.P. Conference at the beginning of 1932 to set up a Socialisation Committee and organise socialisation units within unions and Labor Party branches, was partly a reaction to the pressure of communist propaganda. But it was also a manifestation of the general leftward swing in union opinion, as worsening conditions strengthened the belief that capitalism was breaking down and must inevitably be replaced. Not that revolutionary action was given a moment's thought: as the Australian Worker (17 February 1932) insisted, 'the capitalist system is destroying itself' and 'there is no need to kill it'. At the same time, too, the T.U. movement's preoccupation with monetary reform represented, in a sense, a sidestepping of the real issues. Whereas classical socialist thought saw the workers' lack of purchasing power as fundamental to the capitalist system, it was now being said that purchasing power was an element in the system which could be regulated to the workers' advantage or detriment. Attack on the power of financial institutions, with the object of taking control of monetary regulation out of their hands, was seen as a fruitful undertaking which would at

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2 L. Call, 18 February 1932. For some time the A.R.U. had been urging the creation of a Socialisation Committee on the N.S.W. pattern, and following the A.L.P. Conference decision it set up an 'A.R.U. Socialisation of Railways Committee'. Increasing interest in the U.S.S.R., together with the spread of communist influence, were reflected in the decision of the A.R.U. to send a delegate to the Soviet May Day Celebrations in 1932.
once promote recovery, raise living standards, and mark a consider­
able step towards socialism. In many ways, this was a comfortable -
if not entirely realistic - position to adopt. It fitted the gradualist
tradition of the movement; allowed its proponents to have the best of
both worlds - appealing to the electorate as the champions of stability
and recovery and to the unions as champions of socialism; and envis­
aged far-reaching change within the limits of legality and without the
prospect of open social conflict.

But an attitude of this kind could only bring other difficulties. With
Labor governments in office and with the opposition to monetary reform
so powerful, the unions' demands exacerbated tensions within the move­
ment, and ultimately raised that fundamental question: did a Labor
government represent the workers' interests or was its primary duty to
national interests? Persuaded that there was no practical alternative,
the governments came to accept the necessity for wage cuts as the only
means of achieving stability. Union spokesmen, though they said capi­
talism was breaking down, denied the necessity for sacrifices by
workers, and tended to regard the cuts as the products of weak govern­
ments and a 'biased' Arbitration Court. Previous assumptions that
Parliament was paramount in the nation's life, and that a Labor govern­
ment could function under capitalism in the workers' interests, in­
creasingly gave place to the belief that Money Power was supreme.
Meantime, neutralised both by their ambivalent attitudes to capitalism
and by their fear that loss of the Labor governments would lead to
something far worse, the unions equivocated on the issue of disciplin­
ing Labor's representatives and drifted from one defeat to another.

Retreat was a cumulative process, and, once begun, led the unions
progressively deeper into a bog of ineffectualness. The depression
followed so quickly upon the optimism engendered by the electoral
triumphs in 1929 that there was little opportunity to assess the situa­
tion and calculate how to take resolute action under determined leader­
ship. Union leaders, entrenched in their positions, used to making
decisions on short-term issues, and ill-equipped theoretically to face
so catastrophic a phenomenon as the depression, were not of the
calibre to elaborate long-range plans with initiative and decisiveness.
It was some time before they began to realise that recovery was not
just round the corner: meantime unemployment sapped the strength of
their organisations and raised immediate practical problems which
increasingly absorbed their time and energy. And it should be added
that, though difficult to assess precisely, an important factor in
further neutralising the union approach to policy was the constant
Trade Unions and the Depression

barrage of propaganda about the need to accept sacrifices. Although the movement sought to rebut the arguments on which this propaganda was based, its appeal to patriotism, and the moral pressure it imposed in its demand that sacrifices must be made to assist the unemployed, could not but have cut across many workers' determination to resist the cuts with which they were faced - especially as they saw that the crisis was practically world-wide.

But when this has been said, the crucial question of discipline remains. Conference after conference did criticise the Labor governments for failing to carry out previous decisions, made new sets of demands, but refused to attach clear penalties. Some Labor members attempted to conform, or at least stressed - as for example Scullin did - their pain at being obliged to act in ways unpalatable to the movement, while voicing their sincere conviction that there was no alternative. Others - like Hogan - in effect rejected conference demands, making clear enough that they had no intention of carrying them out.

In the face of this situation, the governing policy of the movement became that of preserving the outward unity of the party by hesitating to enforce discipline which would mean a split in the movement and bring 'anti-Labor' into office. Only a minority - though it was a significant one - favoured a thoroughgoing purge, and was prepared to face the prospect of forming a breakaway party if necessary. The alternative to precipitating an overt split of this nature was to 'clean up' the movement from the inside, and this, in fact, was the course that the majority of the union leadership opted to follow. But its success could not but be limited, and in the meantime the Labor governments implemented the policies of 'anti-Labor', thus losing their essential purpose and identity and becoming discredited in the eyes of many workers.

It has of course to be recognised that, even if it had been firmly united behind a positive policy, the potential influence of the Victorian T.U. movement was limited. It could certainly exert pressure on Labor politicians; and did, on occasion, actually stepping beyond its province to give directives to Labor members, federal and State. But this was the way of wrecking the foundations of the party. Moreover, the special nature of the Victorian political situation set limits to such bold expedients. The fragmentation of political groupings had long created an unstable balance in the Assembly, and it was most unlikely that Labor could ever hope for a clear majority there without electoral redistribution; and there was always the reactionary upper House to reckon with. In the federal sphere, Victorian union influence was
Postscript

naturally very limited: the Victorians constituted but a small segment of a large and complex machine working on federal lines.

With worsening conditions, the unions became more dependent on the Labor governments as the 'lesser evil' in the face of the danger of putting their enemies into power. This was their central dilemma, from which they could not escape. Only a minority were prepared to insist that this unsatisfactory compromise must be abandoned as being a source of more damage than good to the T.U. movement, and that constructive and unified opposition to non-Labor governments would in the end be a preferable position to occupy. Far fewer still saw an alternative in action outside the framework of parliamentary politics.

But, by January 1932, the unions were moving towards a showdown. The A.L.P. Conference of that month, under strong union pressure, took a firmer stand against politicians who supported the Premiers' Plan and other violations of Labor policy. There were immediate circumstances which accelerated the movement in this direction: most notably the workers' part in defeating the Scullin government and the prospect of elections in Victoria, in which Labor candidates could scarcely appear as the champions of wage-cuts. In a sense this hardening attitude was born of defeat. Then the collapse of the Hogan government brought the final liquidation of the dilemma and facilitated a return to traditional postures in which radical demands could be made without the limitations of a responsibility to implement them.

A central theme of the story is the disillusionment of the unions as they were dealt severe blows by what had hitherto been regarded as the two traditional instruments for achieving their ends - Labor governments and the Arbitration Court. The unions were wedded to the arbitration system which had been seen as a means of peaceful, gradual, and continuous improvement of living standards. But they had also assumed that a Labor government would do what was necessary to make this concept a reality by undoing the work of the Bruce-Page government which, they claimed, had perverted the system. The Court in fact became a major instrument for readjustment, and the Scullin government failed to reform it. Confused thinking and disillusion followed. There was a tendency for the problem of halting wage cuts to be seen largely as a question of reforming arbitration. Meantime, the alternative of taking direct action to resist cuts became less and less feasible, as, lacking militant leadership and unity of purpose, the movement found its industrial strength shattered by unemployment. Strong organisational links with the unemployed
Trade Unions and the Depression

were essential to the interests both of the unions and of the unemploy­
ed themselves. But, in fact, the interests of both were crippled, as the unemployed drifted out of the T.U. movement and hostility and friction developed, and, further, rival unemployed organisations (the C.U.C. and U.W.M.) grew up.

In the face of the challenges posed by the whole situation we have been examining, the moderate, reformist leadership of the unions had been found wanting. While the policies to which they were wedded were appropriate enough during periods of prosperity, it may well be argued that the unprecedented difficulties presented by the depression demanded a new type of leadership. The entrenched union bureaucracy rested on the convenient precept that leaders were a reflection of the rank and file and could go only as far and as fast as the rank and file were inclined to go. It had not been vitally concerned to mobilise or inspire the fighting potential of the movement, or to test the possibility that a rousing forward policy might lead to a successful mass movement. A minority within the official labour movement, however, sensed that weakness begets weakness, and that there is a reciprocal interaction between leaders and the led. After all, to blame the rank and file - whatever their apparent shortcomings - suggested a lack of faith in them, and such an attitude could only lead to further defeatism. On one view, the tragedy for workers was that a left-wing alliance between militants who thought in these terms and might have offered dynamic leadership more suited to the unique challenge of the times, was ruled out by the Communist Party.
Appendix I

Trade Unions: Number and Membership *

<table>
<thead>
<tr>
<th>End of year</th>
<th>Victoria</th>
<th>Australia</th>
<th>Victoria</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of separate unions</td>
<td>No. of branches</td>
<td>No. of members</td>
</tr>
<tr>
<td>1929</td>
<td>151</td>
<td>410</td>
<td>240,809</td>
</tr>
<tr>
<td>1930</td>
<td>151</td>
<td>410</td>
<td>229,322</td>
</tr>
<tr>
<td>1931</td>
<td>150</td>
<td>408</td>
<td>203,956</td>
</tr>
<tr>
<td>1932</td>
<td>151</td>
<td>406</td>
<td>196,989</td>
</tr>
<tr>
<td>1933</td>
<td>149</td>
<td>406</td>
<td>195,089†</td>
</tr>
<tr>
<td>1934</td>
<td>149</td>
<td>406</td>
<td>195,877</td>
</tr>
<tr>
<td>1935</td>
<td>147</td>
<td>399</td>
<td>199,132</td>
</tr>
</tbody>
</table>

* Compiled from Official Year Books of the Commonwealth of Australia.

† In Victoria on 30 June 1933 there were 348,405 wage or salary earners 20 years of age and over. This figure is derived from the Census of the Commonwealth of Australia, 30 June 1933, and does not include those who were employed part time or were unemployed.
Appendix II

Notes on Union Officials

(a) Examples of Victorian union officials, 1930–2, who had held office for lengthy periods


J. Bradshaw: Sec. Plasterers' Society 1912–35; T.H.C. delegate 1915–35; a member of T.H.C. Building Committee for many years.

P. Brandt: Born 1854. Sec. Pastrycooks' Union for many years.

H. Carter: An official of the Clothing Trades' Union since about 1908.

W.G. Cook: Died 1931. One of the founders of the Cold Storage Emp. Union, and secretary since its inception (for over twenty years).

J. De Gruchy: Sec. Sheet Metal Workers' Union c. 1912–33.

G. Dupree: Sec. Tanners' Union; T.H.C. delegate c. 1898–1934.

R. Elliott: Born 1864; died 1931. Helped found and build P.I.E.U.A.; an official since 1909, secretary from 1912. Foundation member of Essendon branch of the A.L.P.

A.E. Huckerby: Sec. Theatrical Emp. Ass. since its formation in 1908; a member of T.H.C. Disputes Committee.

H. Keiley: Sec. Wool and Basil Workers' Union, had been an official of the union for many years.

R. Large: Sec. Operative Bakers' Union since 1903.


W. Mears: Sec. Bricklayers' Society since 1907; a member of T.H.C. Building Committee for some years.


R. O'Halloran: Sec. Boilermakers' Society since about 1913.

T. Price: Sec. Fed. Ironworkers' Ass. since about 1890.

P.J. Smith: Sec. Builders Laborers' Federation for many years.

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Appendix II

J. Walsh: Hawkers' and Dealers' Union; T.H.C. delegate 1908-35; by 1935 had been a delegate to every Victorian A.L.P. conference in the last twenty-four years.


(b) Some union officials who were municipal councillors at some time during 1929-32

<table>
<thead>
<tr>
<th>Name</th>
<th>Union</th>
<th>Municipal council</th>
</tr>
</thead>
<tbody>
<tr>
<td>G.R.A. Beardsworth</td>
<td>Sec. Hospital Emp.Fed</td>
<td>Chelsea (mayor)</td>
</tr>
<tr>
<td>(J.P.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>J.J. Behan</td>
<td>Sec. Melb. Branch Carters' and Drivers' Union</td>
<td>South Melbourne (ex-mayor)</td>
</tr>
<tr>
<td>H. Carter</td>
<td>Gen.Sec. Clothing Trades' Union</td>
<td>Melbourne City</td>
</tr>
<tr>
<td>W. Divers</td>
<td>Organiser, Municipal Emp. Union</td>
<td>Essendon</td>
</tr>
<tr>
<td>W.J. Duggan (J.P.)</td>
<td>Official of Plumbers' Union' See (c)</td>
<td>Coburg (mayor)</td>
</tr>
<tr>
<td>J. Elliott</td>
<td>Organiser Carters' and Drivers' Union</td>
<td>Essendon (mayor)</td>
</tr>
<tr>
<td>H. Foster</td>
<td>Sec. Plumber's Union</td>
<td>Melbourne City</td>
</tr>
<tr>
<td>M. Kennedy</td>
<td>Sec. Rubber Workers' Union (since 1916)</td>
<td>Richmond</td>
</tr>
<tr>
<td>H. Maynard</td>
<td>Sec. Bread Carters' Union since its formation in 1906</td>
<td>Preston</td>
</tr>
<tr>
<td>G. McPherson</td>
<td>Sec. Fodder and Fuel Trades Union; and for many years a member of the T.H.C. Executive Committee and T.H.C. Disputes Committee</td>
<td>Preston (mayor)</td>
</tr>
<tr>
<td>F. Richardson</td>
<td>Organiser A.W.U.</td>
<td>Oakleigh</td>
</tr>
<tr>
<td>W.H. Turner</td>
<td>Sec. Carters' and Drivers' Union</td>
<td>Northcote (ex-mayor)</td>
</tr>
</tbody>
</table>
Appendix II

(c) Union officials who held positions in the A.L.P. in Victoria at some time during 1930-2


C.J. Bennett: Sec. Blacksmiths' Society since c. 1914. C.Ex. Vic. A.L.P. (had been on C.Ex. for over twenty years, and was a past Pres.).


Appendix II


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Appendix III

Weekly Basic Wage Prescribed by the Commonwealth Court
of Conciliation and Arbitration *

<table>
<thead>
<tr>
<th>Date payable</th>
<th>Melbourne</th>
<th>Six capitals (weighted average)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1930</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 February</td>
<td>£4 10s</td>
<td>£4 10s 6d</td>
</tr>
<tr>
<td>1 May</td>
<td>£4 6s</td>
<td>£4 7s</td>
</tr>
<tr>
<td>1 August</td>
<td>£4 5s 6d</td>
<td>£4 6s</td>
</tr>
<tr>
<td>1 November</td>
<td>£4 3s</td>
<td>£4 3s</td>
</tr>
<tr>
<td><strong>1931</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 February</td>
<td>£3 10s 2d</td>
<td>£3 11s 1d</td>
</tr>
<tr>
<td>1 May</td>
<td>£3 8s 5d</td>
<td>£3 9s 4d</td>
</tr>
<tr>
<td>1 August</td>
<td>£3 5s 8d</td>
<td>£3 7s 6d</td>
</tr>
<tr>
<td>1 November</td>
<td>£3 3s 5d</td>
<td>£3 5s 3d</td>
</tr>
<tr>
<td><strong>1932</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 February</td>
<td>£3 3s 5d</td>
<td>£3 4s 4d</td>
</tr>
<tr>
<td>1 May</td>
<td>£3 3s 11d</td>
<td>£3 4s 10d</td>
</tr>
<tr>
<td>1 August</td>
<td>£3 3s</td>
<td>£3 3s 11d</td>
</tr>
</tbody>
</table>

* Compiled from Official Year Books of the Commonwealth of Australia. But note that an examination of the level of the basic wage does not give an accurate indication of the income being actually received by many workers at this time. The census of 1933, for example, revealed that of a total of 645,424 male breadwinners in Victoria, 334,317 were in fact receiving less than the basic wage. (This figure was compiled from the Census of the Commonwealth of Australia 30 June 1933.)
Appendix IV

### Percentage of Members of Trade Unions Returned as Unemployed*

<table>
<thead>
<tr>
<th></th>
<th>Australia</th>
<th>Victoria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1929</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st quarter</td>
<td>9.3</td>
<td>8.6</td>
</tr>
<tr>
<td>2nd &quot;</td>
<td>10.0</td>
<td>9.4</td>
</tr>
<tr>
<td>3rd &quot;</td>
<td>12.1</td>
<td>13.0</td>
</tr>
<tr>
<td>4th &quot;</td>
<td>13.1</td>
<td>13.5</td>
</tr>
<tr>
<td><strong>1930</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st quarter</td>
<td>14.6</td>
<td>14.1</td>
</tr>
<tr>
<td>2nd &quot;</td>
<td>18.5</td>
<td>17.6</td>
</tr>
<tr>
<td>3rd &quot;</td>
<td>20.5</td>
<td>19.4</td>
</tr>
<tr>
<td>4th &quot;</td>
<td>23.4</td>
<td>21.9</td>
</tr>
<tr>
<td><strong>1931</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st quarter</td>
<td>25.8</td>
<td>24.4</td>
</tr>
<tr>
<td>2nd &quot;</td>
<td>27.6</td>
<td>26.5</td>
</tr>
<tr>
<td>3rd &quot;</td>
<td>28.3</td>
<td>26.8</td>
</tr>
<tr>
<td>4th &quot;</td>
<td>28.0</td>
<td>25.6</td>
</tr>
<tr>
<td><strong>1932</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st quarter</td>
<td>28.3</td>
<td>26.0</td>
</tr>
<tr>
<td>2nd &quot;</td>
<td>30.0</td>
<td>27.7</td>
</tr>
<tr>
<td>3rd &quot;</td>
<td>29.6</td>
<td>27.0</td>
</tr>
<tr>
<td>4th &quot;</td>
<td>28.1</td>
<td>25.2</td>
</tr>
<tr>
<td><strong>1933</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st quarter</td>
<td>26.5</td>
<td>23.9</td>
</tr>
<tr>
<td>2nd &quot;</td>
<td>25.7</td>
<td>23.0</td>
</tr>
<tr>
<td>3rd &quot;</td>
<td>25.1</td>
<td>22.5</td>
</tr>
<tr>
<td>4th &quot;</td>
<td>23.0</td>
<td>19.9</td>
</tr>
</tbody>
</table>

* Compiled from Official Year Books of the Commonwealth of Australia
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Federated Liquor and Allied Trades Employees' Union, Victorian Branch
Melbourne Trades Hall Council
Operative Painters and Decorators' Union of Australia, Victorian Branch
Plumbers and Gasfitters Employees' Union of Australia, Melbourne Branch Committee of Management

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Many issues are missing from the files of the State Library of Victoria

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