INDUSTRIAL ORGANISATION:
Work Practices & Rituals in the Hunter District Water Board

Patrick Troy & Clem Lloyd

URU Working Paper No. 8
December 1988

SERIES EDITORS:
S.R. Schreiner and C.J. Lloyd
Established in 1966, the Urban Research Unit carries out studies in the social sciences on Australian cities. Work undertaken in the Unit is multidisciplinary and ranges widely over economic, geographic, historical, sociological, and political aspects of urban and regional structure and development.

URU Working Papers are issued on an occasional basis with the intention of stimulating discussion and making research results quickly and easily available. Most papers will be published in final form elsewhere. In some cases, material will be published which, although of specialist interest, has no ready outlet.

The views expressed in these papers are those of the authors and not the Urban Research Unit

Series Editors:
Shelley R. Schreiner & Clem Lloyd
ABSTRACT

This paper is part of a continuing program of work by the authors on the administrative history and practices of the Hunter District Water Board which is one of the principal statutory authorities in New South Wales. The program has been generously assisted by the Board. The centre piece of this series is a comprehensive administrative history of the Board since its establishment in 1892, scheduled for publication in 1989. An associated series of papers will cover a range of issues related to this core study. This paper deals with questions of industrial organisation and work practices. Companion papers will cover the Board's relationship with trade, unions, its pricing policies, and its attitudes to major industrial consumers such as BHP.

'Industrial Organisation' analyses questions of work practice and rituals in the day-to-day administration of the Board. It argues that patronage has been a major distorting influence in the organisation of the Board and that the structure created to justify patronage appointments has had a lasting negative impact. After briefly reviewing the history of the Board's creation, the paper examines the divisional structure, the use of temporary staff, the seniority system, the tensions between engineers and clerks, work practice infringements, efficiency and organisational culture.

The paper concludes that statutory independence is a fiction useful for Ministers to be able to claim the credits and dodge the brickbats. The paper serves to illustrate how and why industrial relations within public sector authorities differ from, yet are similar to, those in the larger private sector.
INDUSTRIAL ORGANISATION:
Work Practices & Rituals in the Hunter District Water Board

P.N. Troy and C.J. Lloyd
Urban Research Unit

Introduction

The Hunter District Water Supply and Sewerage Board, later the Hunter District Water Board, was created in 1892 because of the failure of local government in the region to discharge its responsibilities to provide a reliable supply of potable water. It took over the water supply scheme built by the Department of Public Works (PWD) to the design of William Clark, an English consulting engineer retained by the NSW government in 1877 to advise on the development of a water supply scheme for the Lower Hunter region. Construction commenced in 1879 and the system supplied water to local authorities for distribution in 1885. The government was anxious for local citizens to accept responsibility for managing and paying for their own water. In its structure and functions the Board was modelled on the Metropolitan Water Sewerage and Drainage Board (MWSDB) which also took over from local government the hydraulic services for metropolitan Sydney.

From the beginning there was considerable ambivalence about the nature of the Board. Its founding officers wanted the protection, status and conditions of employment of public servants, yet they sought the operational freedoms and independence of a statutory authority. The Board's support during these early years for its officers' quest to be

---

1 We would like to thank the Hunter District Water Board for their support of this Project. Alan Bradley and Shelley Schreiner in their different ways made the exercise feasible and for this we acknowledge our debt. Chris Fisher and Rosemary Pringle provided useful comment on an earlier draft of the paper.

2 References to 'the Board' are often confusing. The context, inflection and emphasis in the written and spoken word all provide clues to which meaning is being invoked. 'The Board' has several meanings for officialdom, the public and private interest and for its own employees. It may refer to the legal identity, the corporate body defined in the Act and having eight members. It may mean the senior management, the whole of the Salaried Division or the entire organisation. At times, the definition employed may be ambiguous or multiple.
brought under the *Public Service Act* was a measure of its naivete, showing no understanding of the political instability which existed in NSW State Government until early in the twentieth century.

Administratively, the task was clear. The Board had to operate an inherited system, accept extensions to it built by the PWD – including a comprehensive sewerage system, regulate the conditions under which water was supplied to consumers, and collect the rates and charges levied by it for that supply. The responsibilities fell broadly into two categories: the regulation and provision of 'engineering' functions, and the assessment and collection of revenue. Ever since, these responsibilities have been run separately, and not as an integrated, or even a dual, organisation. This structural division of responsibility has been accompanied by dissonance between the two sides. The Secretary was responsible for the administrative and clerical functions, the Chief Engineer for ensuring that the supply of potable water was maintained and, after 1908, for the operation of the sewerage system.

The administrative and clerical functions of the Board were relatively straightforward and presented few opportunities for growth other than by an increase in the number of properties serviced. These functions were largely routine. Properties which could be connected to a sewer and/or water supply were assessed in value and rated, the accounts were rendered and revenue collected. Essentially, the administrative functions were conceived in a manner providing little professional or intellectual challenge. In compensation, an authoritarian, hierarchic regime was created. Few white collar jobs were available in the Hunter region. The importance of providing services fundamental to public health was recognised and emphasised, and the rewards of public service were well known. Consequently, employment with the Board's administration was highly prized and even prestigious.

By comparison, the 'engineering' functions had greater opportunity for expansion. Initially, all of the Board's construction was done by the Public Works Department (PWD) which decided what, when and where facilities would be built. It then handed them over to be operated and maintained by the Board. This constraint was resented by the Board's engineers and it created many inefficiencies. It was not possible to define
precisely the boundary between the responsibility of the PWD and that of the Board. As the service gradually expanded and required maintenance, minor repair and remedial extension the Board accumulated more engineering responsibility. This incremental increase in engineering functions was facilitated because apart from the foundation President, Alexander Brown, all Presidents from 1892 to 1938 were resident PWD engineers who 'ran' the Board as one of their local duties. The PWD, which had a wide range of responsibilities in the region, could act as the backstop until the Board was big enough to accept wider responsibility. Increasing demand, growing concern about reliability in supply from the original plant, and complaints about water quality forced the Board to investigate additional, and alternative, sources of supply.

Pumping of water from the initial Walka plant to the various service reservoirs, its reticulation to properties and the operation of a sewerage system were routine matters which provided little challenge for the Board's engineering staff. The engineering services, however, were essential and continuing while the administration was not. Provision of a free service might have eliminated most of the administrative and clerical functions but engineering functions would still have been necessary. An administratively different organisation would have developed if the government had decided to finance the provision of hydraulic services by simply introducing a surcharge on the rates collected by the local governments provided with the services. There would then have been no need for the rating and many of the accounting functions which the Board discharged.

One of the principal reasons statutory authorities were created in New South Wales was a belief that they reduced the opportunities for Ministers to exercise patronage and engage in corrupt practices. The creation of the Board does not seem to have inhibited Ministers, with regard to patronage, at least. Technically, the Board was responsible for recruiting staff and deciding on their remuneration. In practice, the Minister for Public Works, William Lyne, exercised great influence in these matters. Lyne's first act of patronage was to appoint Alexander Brown, a local businessman, as President of the Board. Brown was a close associate of the serving Premier, George Dibbs, whose debts he was reputed to have paid when the latter was imprisoned some years before. Brown had served
as member for Newcastle in the Legislative Assembly from 1889 to 1891, when he was defeated, and from August 1892 to 1926, he sat in the Legislative Council. The appointment of 'Dibbs' poodle' as President drew frequent criticism from other members of the Legislative Assembly. Brown served as President until 1896, his departure not rating even a mention in the Board's Minutes.

**Board Structure**

*Historical Antecedents*

The new Board held its first meeting at 11am on July 11 1892. H.D. Walsh, the local PWD engineer and Board member, agreed to provide services until the Board appointed its own staff. The organisational structure and level of salary for the senior officers of the Board proposed by the Minister was generous. The man selected by the Minister to be transferred from the Public Works Department to become the first Secretary of the Board fell ill and was not confirmed in office, allowing Brown to nominate a local man, Alfred E. Fry, then 25, to the position. Although the Board first discussed Fry at its meeting of 12 August 1892 and did not decide until 20 August, his appointment was backdated until 1 August, the official starting date for others who had been chosen by the Board and the Acting Secretary. The appointment of the obviously junior and inexperienced Fry on a salary of £350 per annum was justified on the grounds that it would save £450 per annum (how was never made clear) and that he would be able to serve both as Secretary and Accountant, positions which Lyne had determined should be separate. Fry's benefactor, Brown, for whom he had worked for ten years, sought the high salary to preserve another anomaly because the Minister had insisted that the Board appoint Joseph Graham O'Connor as Chief Clerk at a salary of £300. The Board had proposed that O'Connor be paid £250 per annum and protested against Lyne's decision. This meant that, given the Public Service conventions, Fry as the senior administrative officer had to be paid more.

The reasons for O'Connor's appointment are now obscure but it is clear that the appointment was secured by his friends. He had briefly served as a member of the Legislative Assembly in 1873/74, had twice been declared bankrupt (1876 and 1890) and held the favour of Dibbs, Lyne,
and Brown. Much of the criticism of the Board which led to the 1897 Royal Commission into its management, although couched in terms of the Board being overmanned and its staff overpaid was directed at O'Connor and his high salary. Although the Commission recommended this be cut from £300 to £200, it concluded that he 'carried out his work in a satisfactory manner'. Part of the criticism of O'Connor was prompted by his avid Catholicism (he was a prolific writer of devotional literature), but most was due to the generous patronage he enjoyed at the expense of the rate payers. O'Connor remained as an officer of the Board until 1909, retiring at the age of 70. Other curious appointments made on Fry's recommendation were those of James Pritchard who was appointed in October 1892, aged 63, and served until 1908 when he was 79 and Edwin Thomas who was appointed in August 1892, aged 49, and served until he was 67. They were also given generous sick leave. The appointments were curious because of advanced age, lack of special skills and, unlike other staff, retention past 60, the 'normal' retirement age for public appointees at that time. Fry, O'Connor, Pritchard and Thomas were early examples of the exercise of patronage in making appointments to the Board's administrative staff. Many contemporary problems of the Board originated in these patronage decisions, the precedents they provided and the organisational structure created to validate them.

Joshua Henson, 35, took up the position of Board Engineer on the first of August 1892 when the Board had a total staff of 29. Nineteen of them had been transferred a month earlier from the PWD where they ran the water supply system and they lost entitlements under the Public Service Act, so they were keen to return to its protection. This little group set out to take over, operate, administer and extend the water supply system which had been built by the PWD under Vice President Walsh's supervision. They were an enthusiastic band committed to the ideals summarised in the Board's motto 'Pro Sanitate Civium'.

Henson was in a difficult position. The first Vice President was H.D. Walsh who became the second President (serving from 1986 until 1901 when he resigned to take up the position of Engineer to the metropolitan Harbour Trust). Walsh was the local senior engineer for the Public Works Department which was the constructing authority for all the Board's systems. This meant the President could always second guess and
'pull rank' on the Board's Engineer. All Presidents were in this situation until the reconstruction of the Board in 1938. The initial patronage appointments of Fry and O'Connor, in particular, had the effect of bolstering the salaries of the top administrative positions, creating in bureaucratic power terms a top-heavy administrative structure. The combined effect of the President's downgrading of the Board Engineer's role and the relative upgrading of the administrative structure created a management structure and style which were unusual for an engineering service authority. Brown, although not an engineer, had recognised the need for good engineering advice, and the importance of the engineering functions in the administrative hierarchy. The reduction of the Engineer's role after his departure sparked defensive attempts to sharply define the boundaries of responsibility between 'the engineers' and 'the clerks', and also led to several attempts to reduce the Engineers salary. This unfortunate division was facilitated by the Public Service Act and was common to many areas of administration. Every act perceived by the engineering staff as an intrusion by the clerks into their domain was resisted, heightening the tension between the two groups. It also helps to explain why the Board's administrative style became excessively concerned with rules and procedures, and oriented to accounting.

The 'style' of the organisation significantly influenced the way it functioned. Fry, Secretary from 1892 to 1932, and C.G. Schroder, President from 1938 to 1952, were strong autocrats who maintained rigid hierarchies. They seem to have subscribed to what Lockwood identified as "the clerical notion of gentlemanly behaviour, at least in its lower middle class admixture with respectability" (1966: 29), requiring top class high behaviour on and off the job. Under later Presidents, the regimes broke down until the present where a middle level officer was able to say that the prevailing attitude was "I don't care what you do as long as I don't get into trouble for it."

**Divisional Structure**

Employees of the Board are classified in two categories: the Salaried Division and the Wages Division. The Officers of the Salaried Division constitute the management of the Board. They are sub-categorised in four divisions: Professional, Engineers, Administrative and Clerical, and
The Wages Division includes all those employees who actually dig the trenches, lay the pipes, build the plant, maintain the pumps, clean the drains, operate the system, provide the emergency services and ensure that water of the highest possible quality at the correct pressure is available.

The language used to describe staff in each Division reflects and reinforces the difference in attitude. Staff in the Salaried Division are called 'Officers', while those in the Wages Division (formerly the Manual and Mechanical Division) are called 'employees', or sometimes, 'men'.

The nomenclature creates tension between the two Divisions because it implies a superior/inferior distinction. It is a middle class/working class dichotomy. Most 'Officers' are paid a 'salary' while all 'employees' are paid a 'wage'. Salaried staff can contribute to the superannuation fund; wages staff can not. In 1971 the Board introduced a Provident Fund with the object of providing retirement and/or death and invalidity benefits to 'employees' and salaried 'Officers' not eligible to contribute to the State Superannuation Fund.

Implicit in the distinction between officers and employees is the notion that somehow officers are 'key' staff while employees may be easily replaced. This argument is partly valid. The engineers and other senior professionals who necessarily require a high level of training are hard to replace, while the labourer on a sewer gang may be recruited with relative ease. It is difficult, nonetheless, for Wages Division employees who have accumulated particular skills and processes to accept that their contribution and services can be easily duplicated. They find it difficult to accept that they must work for long periods, and then only in certain activities, before they will even be considered for permanent appointment. Junior clerks with no special talent or qualification, on the other hand, may be appointed to the permanent staff and be entitled to contribute to superannuation before they reach their majority. Wages Division staff resent such a seemingly low valuation of their contribution.

3 To avoid confusion, in this paper upper case 'Division' is used to refer to the Salaried and Wages Division, while lower case 'division' is used for the subgroupings of the Salaried Division.

4 A distinction marked by stylistic devices such as using upper case for 'Officers' and lower case for 'employees' in Board records.
to the efficient running of the Board. They resent what they regard as the unfair advantage of Salaried Division staff in terms of employment and conditions. This resentment is reflected in their militancy in dealing with the Board and its officers.

From its origins, the Board has had different policies and attitudes to the two Divisions and consequently has treated them differently. It has recognised that Salaried Division officers need career paths, vacations, sick leave, long service leave, proper provision of meal allowances when travelling on Board business, support in their personal development, and security. Wages Division employees have had to fight to win such conditions and concessions from the Board.

Salaried Division officers had the rights and entitlements of New South Wales State public servants when the Board was created. Although denied the coverage of the Public Service Act, despite repeated attempts to have them brought under it, their salaries and conditions of employment have been comparable with those of state public servants throughout the Board’s history. The ‘culture’ of the organisation and its work environment have, more often than not, been more conservative, lagging behind the Public Service.

The growth in staff numbers is shown in Table 1, listing separately the Administrative and Clerical division staff since 1892. Staff records do not permit us to identify separately all staff in the Salaried Division, so we have grouped the Professional, Engineers and General officers together for most analytical purposes. Nor have we been able to disaggregate the figures relating to Wages Division employees.

Temporary Staff
In almost every year after 1910 the number of staff referred to in the official returns and reports is less than the number actually employed. The usual explanation is that the official figures relate to the numbers occupying authorised permanent positions. In some years there is a large discrepancy between the official figure and the actual number providing the services. The magnitude of this discrepancy varies according to the degree of concern expressed by the government in its directions to the Board as to appropriate staffing levels. In the case of the Salaried
Division, the discrepancy may be accounted for by the difference between those classified as 'permanent' and those classified as 'temporary'. Most officers appointed to the Board are required to work for a probationary period, after which they may be appointed to the permanent staff. In many cases, the Board chose to retain staff as 'temporary' for some years. For all operational considerations these officers were permanent but, largely to comply with government staffing criteria, they were not recorded as such. After three years, temporary officers accrue annual leave and other entitlements at the same rate as permanent officers. The essential difference between the two categories is that temporary officers can be dismissed with relative ease, and, at present, have limited appeal rights about promotion. There are, of course, officers and employees who have been temporary in the literal sense that they have been taken on for a specific short term task or period, leaving when it is finished.

Only a small proportion of Salaried Division officers are temporary, but the reverse is true of the Wages Division where generally 10-15 per cent are permanent (although in 1960, 11.7 per cent were permanent rising to 21.7 per cent in 1969), and the proportion is being reduced. In both Divisions, considerable time and energy has been devoted by the respective Branches of the Hunter District Water Board Employees Association\(^5\) to representation and remonstration with the Board to transfer workers from 'temporary' to 'permanent' status. The longest continuous period of temporary service for a Wages Division employee was a little over 46 years (tending to import a new meaning to the word). Many staff in both Divisions served long periods in a temporary capacity before their security was assured by promotion to 'permanent' status.

'Temporary' staff in each Division are treated differently compared with the permanent staff. Temporary officers now have basically the same entitlements as permanent Officers after three years service, but temporary employees for most of the Board's history have never enjoyed the same benefits as permanent employees, regardless of the actual period of employment. The discrepancies were huge. In periods when temporary employees had no annual leave, permanent employees had two

\(^5\) The Hunter District Water Board Employees Association has two Branches; one for the Salaried Division and one for the Wages Division. For most practical purposes, the two Branches act as though they are two separate unions. Each sets its own membership fees and separately negotiates with the Board.
weeks; when they got one week, permanent employees had three. When temporary employees got one week's sick leave, permanent employees had four; and when temporary employees had no long service leave entitlements, permanent employees were entitled to three months after 15 years' service. This helps explain why the Association makes such strenuous efforts to obtain permanent status for its members because the gains from a change of status are significant. Employees granted permanent status in 1950 had worked for the Board for an average of more than 11 years.

The conditions which had to be met before a Wages Division employee could be transferred to the permanent staff were first codified in 1921. An employee had to have five years' continuous service on operation and maintenance, could not be over 45 at the date of commencement of such service, and must have passed a medical examination, and must have qualifications and past good conduct which rendered him, in the opinion of the Chief Engineer, eligible for consideration for transfer. (Such qualifications include special personal merit, experience and training.) Finally, his service, in the opinion of the Chief Engineer, must be continuously required in the future. These provisions created opportunities for the Chief Engineer to exercise bias in making recommendations. There is popular folklore among past and present members of the Wages Division that some Chief Engineers discriminated against people on religious or political grounds. This is corroborated to some degree by the documented evidence of discrimination against an employee in 1971 who was alleged to have been a communist.

In 1927 the Association sought automatic transfer to permanent status for anyone who had worked for five years, and again in March 1933 the Wages Division branch of the Association claimed that if a man had worked five years in the one position and was engaged on maintenance work, his employment was of permanent character and he should be so regarded. Anomalous situations were created where men working side by side were treated differently and this did 'not make for harmonious working'. The anomalies largely related to the significantly better annual, sick and long service leave enjoyed by permanent staff as compared with casual or temporary staff. Anomalies also existed because men engaged on
construction would not qualify for permanency unless the Chief Engineer could guarantee work for them for at least a year.

The Association wanted all men to be accorded the same conditions of employment, which would have reduced the attractiveness of permanency, but it was prepared to concede long service leave entitlements in return for the same annual and sick leave. While the Chief Engineer, J.M.C. Corlette, opposed the Association's proposed innovation in 1933, he pointed out that the Board's policy was paradoxical because while the Board retained the more energetic, resourceful and capable men in construction, they had less chance of qualifying for permanent positions than the less capable who drifted, or were directed, into the more routine occupation of maintenance. He also acknowledged that 'the difference in privileges is not conducive to contentment' but continued to defend the practice on the grounds that similar anomalies existed elsewhere. The Chief Engineer reminded the Secretary that classifying more employees as permanent would create difficulties if the Board was required to cut expenditure.

Almost every year the Association took up the cases that it considered met the Board's criteria for permanency. Even where the men were recognised as being very capable and resourceful, and had been supervisory for some years, they were refused the transfer in status if they were not on 'maintenance' work or failed the medical examination. These conditions remained in force until 1975 when the Board decided to revise them, appointing a committee which had difficulty reaching agreement, but the need vanished when the Board effectively removed the attraction for permanency by resolving to make no more transfers after 1976 when all positions for the Wages Division received common privileges. The main advantage of permanency by 1976 related to sick leave provisions. The anomaly arose that temporary employees could accumulate and cash in their sick leave entitlements, but permanent employees could not.

The Board's managerial reasons for classifying staff as temporary are twofold. It is a device frequently used by government departments and statutory authorities to obscure the true situation from Ministerial and public gaze, and the Board believed that temporary staff give it flexibility in administration. In most cases, Ministers have approved the additional
staff and have implicitly approved the deception. This practice frequently has placed the Board in a difficult situation. The quest for flexibility was eroded by almost every other management policy and practice, and the nature of the Awards and Agreements that the Board reached with its Association. The fact that the main use of temporary appointments related to Wages Division employees suggests that it was also a device to reinforce the class differences between the two Divisions. It helped reinforce the 'them' and 'us' dichotomy identified by Bain (1970).

Both Salaried Division officers and Wages Division employees were concerned to ensure their security and to protect their opportunities for promotion. Classification as 'permanent' was the obvious method used to increase security. Another was the continuous attempt by both branches of the Association to get the Board to agree to increasing degrees of task specification. The process was most obvious in the Wages Division where the number of categories for which specific pay rates were identified grew from 45 in 1917 to 74 in 1922, 105 in 1927 and 180 in 1939 before falling to 150 in 1984. Often the rates of pay for each job differed by only the smallest fraction of a penny per hour.

The minute differentiation in skills in different jobs and the refusal to work in another category simultaneously made it necessary for the Board to recognise its employees' skills and to hire the appropriate number of 'specialists' to be able to function. The introduction of each new technology required classification of men for its operation. The Board sought flexibility in the deployment of its work force but its refusal to give permanency and its general confrontationist attitude ensured an industrial climate in which Wages Division employees militantly protected their situation.

In its first Award the Association secured a clause which gave preference to its members in employment with the Board. The purpose of the clause was to give a modicum of security to its members in the Wages Division by ensuring that the Board's casual labouring was given to them. After the 1914-18 war ex-servicemen were given preference when the Board recruited labour, and they were the last to be dispensed with when the Board 'shortened hands'. This policy rankled with the Association which in 1926 obtained agreement to modify it so that the principle of 'last to
come, first to go' was followed. The Association complained in 1928 that
the Board was not acting in the spirit of the preference clause of the
Award when it put on non-union members knowing that it would shortly
be laying off large numbers of men. The Board responded saying that
subject to the efficient and expeditious carrying out of its works it
endeavoured to arrange for continuity of employment. On occasion, the
Association issued membership tickets to men who had not previously
worked for the Board, which protested and pointed out that in its
agreement with the Association, its practice was to give preference to
Association members 'offering themselves on the job and, for any men
required when these men have been absorbed, application will be made to
the nearest Labour Exchange'.

These are illustrations of the continuing struggle between the Wages
Division Branch of the Association and the Board. Each was continually
'trying' the other out. The Association was always trying to gain security
for its members and to wrest from the Board the power to decide who was
to be employed; the Board always tried to diminish the power of the
union.

Whenever the Board 'shortened hands', as it did in 1928, the Association
was most vigilant in protecting its members' rights. The Association
fought for the principle of 'last to come first to go' and wanted this to be
an invariable rule. The Board was generally prepared to observe the
principle but maintained that it should only apply in the sections in which
it was shedding staff. It also refused the Association's request to re-hire
men in order of their length of service on the grounds that they had to
choose the most efficient. Early in 1940 the Board restated its policy of
giving preference to returned servicemen in both the engagement and
dismissal of employees. Married men with children received the highest
priority and single men the lowest.

Another illustration of the Board's view of the dispensibility of Wages
Division employees occurred in 1943 when it moved to lay off four
gangers who had been transferred in 1941 to the Salaried Division when
they were disciplined by the Association. The Board claimed that it had
transferred the men from the Wages Division to the Salaried Division
because it felt that 'men in control of gangs of men should not be in the
same union'. The point at issue was that Wages Division Branch of the Association took the view that Wages Division staff should not be laid off just to create jobs for men from the Salaried Division when jobs were being shed, even if the Salaried men had earlier been Wages Division employees. They argued further that in calculating seniority the service in each Division should be considered separately. The dispute was resolved in favour of the Wages Division Branch of the Association with the Arbitrator observing that the Board was simply taking an expedient position.

The Seniority System

The relative seniority of staff was a matter of great importance. In the Salaried Division, seniority was established by relative salary whereas in the Wages Division relative length of service was the appropriate measure. From 1924, seniority was the relevant factor in promoting or laying off staff. The rules were reformulated in 1943 and amended in 1953 when seniority formally was only taken into account in cases of equal 'efficiency'. From their induction officers of the Salaried Division became aware of the importance of seniority to their future promotion. Clerks progressed through a 15-year General Scale and then waited for a classified position. When their advancement to senior classified positions was under threat from Engineers and Professionals, the Clerks managed in 1953 to obtain the Board's agreement to amend the Staff Committee rules so that relative seniority for officers would only apply for officers of the same division. In spite of the strong commitment to seniority the Board was not free of the influence of patronage, favouritism or croneyism. On occasion, this was exercised at the highest level. One former President openly acknowledged the advantage he received from being given preferment in job location, saying that he was 'placed' in particular jobs or given tasks to enhance his career opportunities even though it generated some resentment among other officers.

The emphasis given seniority throughout most of the Board's history has meant that little attention has been given the concept of 'staff development'. Clerks were given some encouragement to undertake Technical College courses but until recently there has been no attempt to improve the skills of staff members other than the training they receive 'on the job'.

14
At times the determination to preserve seniority relativities led officers to apply for positions for which they were not suited, and in which they had no real interest, so as to preserve their later promotion opportunities. It was just such a case which led two officers of the General division to appeal to the Crown Employees Appeal Board in 1957 against a colleague who, although better qualified, was junior to them but had been appointed to a position which had a salary range with annual increments meaning that he would pass and eventually outrank them. The Association was similarly agitated when the Board sought in 1958 to require academic qualifications for clerical positions lower in status than that of Assistant Chief Accountant. The Board was trying to upgrade its staff, but the Association was worried that people could be appointed to positions because of their academic qualifications, gaining seniority over officers who were not so qualified but possibly obtaining preferment for subsequent positions which did not require academic qualifications.

In 1976 a position as chauffeur, normally the 'property' of the General division and traditionally an avenue of promotion for a Wages Division employee, was sought by a clerk who won the position on appeal to the Crown Employees Appeal Board on grounds of seniority. The Wages Division Branch of the Association felt aggrieved that 'their' job had been taken from them. The lack of clarity in specifying the rights of Wages Division employees was at the heart of the issue.

Length of Employment
Employees often stayed with the Board for long periods, members of their family or close relatives often joining or following after. The culture of 'service to the community' expressed in the Board's motto has always been firmly embedded in the attitudes of staff to their jobs. The Board is not unique in this. Adrian (1984) found similar traditions among those serving the NSW Board of Fire Commissioners. Anecdotal evidence suggests that similar traditions exist in many fields of public service, and this is consistent with the general observation that children often follow the occupations of their parents. The Board's record system does not permit easy calculation of overall length of service of its employees. As we have shown elsewhere, following removal of the prohibition against the employment of married women their length of service has increased (Troy and Lloyd 1988).
Salaried Division

The Salaried Division comprises officers appointed to one of four divisions: Administrative and Clerical, Engineers, Professional, and General.

Administrative and Clerical
Traditionally, communication between the Board and its staff was through the Secretary who was the highest ranking Officer in the Administrative and Clerical division. Apart from the earliest appointments to senior positions in which patronage was evident the Board, especially for its clerks, met Weber's criteria for a bureaucratic body (Parsons 1966:333). Initial selection and recruitment of young men as junior clerks was on merit. Similarly, young women were selected as typists. Secretarial or accounting qualifications were required for the most senior classified positions in the Administrative and Clerical division. At any time only 15 to 20 officers held such qualifications in spite of the encouragement given them to undertake part-time evening secretarial or accounting courses at the Newcastle Technical College. For the most part the training of clerks was advanced by promotion through sections of the division. Most clerks thus developed an intimate knowledge of the full range of the Board's administration. Many included a period as clerk to the Engineering division ensuring that they developed familiarity with engineering operations – especially of the major construction projects. A small number of Administrative and Clerical division officers took part-time studies for degrees at the University of Newcastle.

The numbers of staff in this division have increased over the Board's history. Before 1938, the increase was relatively steady but the reconstitution and reorganisation in that year was followed by a substantial increase. Part of the increase was to administer the large employment program embarked on by the Board in the early 1930s, and some of it was to administer war-time construction. The division, however, settled down to around 150 officers following the war and did not increase substantially until President F.J. Finnan arrived in 1952. Under his stewardship the division flourished. Part of the growth in the late 1950s was due to the extra administrative staff needed during the
construction of the Grahamstown reservoir but its completion was not followed by a slimmer administration.

Recently, the Board liberalised the policy and practices regulating assistance for study. Applicants had to be able to demonstrate that their proposed course of study was directly relevant to the job they were doing. Now, staff from both Divisions can undertake courses leading to formal qualifications from accredited tertiary institutions. Applicants may now be granted time off for study with the cost of compulsory fees and textbooks reimbursed. In partial recognition of the need to upgrade the Administrative and Clerical division, the Board in late-1982 responded to an officer's request to attend university full time by introducing a cadetship scheme for Administrative and Clerical officers. Its conditions were the same as those for engineering cadets.

Officers of the Administrative and Clerical division have always been determined to preserve and enhance their privileges and positions. They have been active in the Association and in establishing and defending the principle of promotion by seniority. Their access to senior posts has been protected by restricting consideration of seniority to those within the division and by strong opposition to 'external' appointees. Their privileges have also been protected by the development of 'boxing-in' which isolates specialist officers, especially those in the Professional and General divisions, making them ineligible for senior administrative posts. By developing an internal labour market the Board management was following a strategy which Gospel and Littler (1983: 176) observed had 'proved decisive for technologically based, large corporations'. Because of their multiple, even contradictory, roles as Association activists, rule setters, gate keepers and arbiters, they have been able, as a small group within the Board, to establish the boundary conditions and administrative style under which the Board has been run.

The avenues of promotion to the most senior positions in the Board have been through the Administrative and Clerical and the Engineers divisions. No officers from the Professional or General divisions have been appointed to senior posts. More than any other group in the Salaried Division, Administrative and Clerical officers have been limited in their range of experience and the breadth of their education. The policy of
recruiting intelligent juniors who spent their entire working lives in the Board unleavened by any other experience, except for the small number who took the Accounting and Secretarial courses at the local Technical College, hardly kept the Board in the vanguard of contemporary administrative practices. Apart from the few who spent periods in the armed forces, hardly an appropriate model, none of the senior officers have had experience in any other organisation.

Engineers
The Board has always needed engineers and from the early days developed its own training program. It recruited engineering cadets and gave them the grounding to sit for the entrance examinations of the appropriate learned society. Successful cadets went on to become assistant engineers, a fortunate few advancing to the handful of classified engineering positions. As university and institute of technology engineering courses became more readily available in the 1950s, the cadetship system was replaced by an insistence that young engineers hold a recognised tertiary education qualification. To attract graduates of quality, the Board offered a premium to those with Honours or an additional degree. Those holding the highest engineering positions in the Board have mostly been employed by it for the greater part of their careers. Since the 1950s, however, engineers in the middle levels have moved periodically in search of wider engineering experience.

Before the engineers were formed into a separate division, there was some blurring of the tasks allocated between engineers, engineering assistants and draughtsmen. Following the Association of Professional Engineers Association's (APEA) cases before the Conciliation and Arbitration Commission in the 1950 and early 1960s, engineers in all authorities were anxious to demonstrate their responsibilities and the rigour of their training. Consequently, they grew reluctant to allow anyone other than fully trained engineers to carry out engineering work. This rigid demarcation practice reduced the Board's flexibility. It was, nonetheless, a practice rich in precedent in the Board's industrial relations history.

Numbers in the Engineers division increased slowly over the first 30 years. With the retirement of J.B. Henson, their numbers quickly trebled and remained at that level until the Board's reconstitution in 1938. The
greater range of functions necessitated the employment of a large number of engineers. The increase in their numbers after 1972 reflects the changes resulting from a reorganisation imposed by President Alan Carmichael, himself an engineer.

Relations between the engineering and administrative arms of the Board have usually been tense, partly originating with Henson who as a highly-trained, broadly educated man, felt that he should take precedence over Secretary Fry, who was younger, had no special training and was appointed through patronage. For a few years, Henson received a salary higher than Fry, but the Secretary took formal precedence and was the only Board officer entitled to attend Board meetings. Fry succeeded in getting the Board to award him a salary higher than Henson, but this caused so much friction that the parity of salaries was restored in the following year.

The tensions were heightened because for five years Henson was also President of the Board’s branch of the Public Service Association (PSA). This meant that he was frequently on the opposite side to the Secretary on professional and industrial matters. Henson earned a reputation for empathy with Wages Division (Manual and Mechanical) employees who thought him tough but fair, and with whom he had more day-to-day contact than did Fry. This had the effect of sharpening differences between the two. When Wages Division staff sought an increase in their shovel allowance, Henson calculated that it was marginally cheaper to provide them with shovels, arguing the principle that manual and mechanical employees were entitled to have their job implements provided by the Board. He pointed out that clerks did not provide their own pens, ink or pencils and that it was illogical to provide picks and crow bars but not shovels. Fry behaved in a petty way at times, going to extreme lengths to prevent Henson having a Board motor vehicle. Henson felt that in making some 'engineering' decisions the Board gave more weight to Fry’s views than to his, and this aggravated frictions. The contrary interests and life styles of the two men brought the tensions into high relief. Henson was a strict Methodist who strongly disapproved of drinking, racing and gambling, interests which Fry shared with his patron Brown and cost him dearly in his retirement.
Henson was rebuked by the Board for his behaviour and attitudes, and he was reminded that Fry was the senior officer. The clash of personalities and different views on the nature of the organisation, particularly the respective roles of Secretary and Chief Engineer, were reflected in relations between administrative and clerical officers on one side, and engineers and other professional officers on the other. Tensions spilled over into union affairs.

Fry's antagonism to engineers was maintained by later Secretaries and by President C.G. Schroder. Apart from a period in the A.I.F., Schroder spent his working life with the Board, including terms as Secretary and President (1938-1952). Schroder had an irrational, almost obsessive, preoccupation with trying to 'best' the engineers and 'put them in their place'. His administrative style was direct and he did not shirk confrontation, although he disapproved of officers who were offensive or hectoring in tone towards wages employees. Schroder made frequent 'site' inspections without telling Chief Engineer Corlette, and he frequently offered gratuitous comment on the way jobs were being run or should be run. The engineers resented this intrusion into their domain. Schroder did not improve relations when he upbraided an engineer for failing to stand when he entered the room, claiming that the engineer lacked respect. Senior and middle level clerks were encouraged to find ways of putting engineers in their place, poisoning relations between the engineering and administrative arms of the Board and provoking the engineers to claim that the Board made wrong engineering decisions.

This open hostility to engineers found expression later in the 1950s and 1960s in confrontations between Presidents, Secretaries and Chief Engineers in front of junior staff which were corrosive to morale. Engineers adopted a policy of minimal cooperation with 'the clerks', providing them with as little information as possible. Some engineers even held the view that the only role for the administration was to collect the money needed by engineers to carry out the works. The situation deteriorated to the point where engineers determined to 'even the score'. They did so in a petty way when an engineer was appointed President, and at a ceremony where he opened a reservoir, no administrative officers were invited. The appointment of Carmichael returned the Board to the situation which applied prior to 1938 when Board presidents were also
engineers. President Carmichael involved himself in detailed engineering matters to the point where relations with the Chief Engineer became stressed and a second Chief Engineer was appointed.

**Professional**
The Professional division includes all groups of employees whose members receive some advanced training and who may be admitted to appropriate professional bodies if they have appropriate qualifications. It encompasses a diverse group of occupations such as chemists, laboratory assistants, architects, draughtsmen, librarians, nurses, surveyors, computer specialists. The need for such specialised occupations has increased as the Board's activities have become more sophisticated. For the most part, career opportunities for officers within each of the occupations in these ancillary or support groups is severely limited. People appointed to one or other position covered by the Professional division generally have to find opportunities for advancement in their field outside the Board. It is extremely difficult for them to be promoted into the Administration and Clerical positions which have paths to the top of the organisation. Professional officers have usually been 'boxed in' by appointment to a specific position.

**General**
The General division comprises all occupations which provide or supervise the technical operations of the Board. Those occupying the designated positions in this division mostly have trade qualifications obtained through a technical college. Many have worked in the Wages Division.

To some extent, the function of the General division is to provide security for selected members of the Wages Division. Appointment of Wages Division staff to the General division provides one method of incorporation into the ruling stratas of the Board. To the extent that the concept of 'key workers' may be applied to the operations of the Board, members of the General division earn the description. The original organisational structure of the Board did not include a General division within the Salaried Division. It was created in 1917 so that the Board would have a division, whose members could be called on to operate the Board's systems in emergencies. (They have not performed this role in
the industrial disputes which have occurred.) The Engineers and the General division officers provide the operational control for the Board's three main functions of water supply, sewerage and drainage. Without their contribution the systems could not be maintained and would quickly cease to operate.

The Board adhered to Weberian notions of bureaucracy for its Salaried Division and employed Taylorist notions of scientific management in its attitudes to its Wages Division. The creation of the General division is consistent with Taylorist notions of the 'structure of control' (Littler 1978: 193) as is both the careful delineation of the Wages Division and its separate conditions of employment.

Work Practice Infringements

Proponents of statutory authorities as appropriate vehicles for the delivery of public services, such as water supply and sewerage, rarely raise problems with work practices or efficiency, yet both are important factors. Infringement of work practice standards in the public and private sectors takes many forms. In some cases those are minor and regarded as inconsequential or a 'normal' part of the overheads of the organisation, such as making private telephone calls in work time, or walking out with a pencil, pad or other expendable supply used in the job. In others, a blind eye is turned to practices such as driving vehicles home, doing 'foreigners' in the workshops, having work done on a senior officer's property, inflating the time worked or incorrectly filling in time sheets. Others may involve secret commissions such as gifts or contractors doing small improvements to the private homes of officers, sometimes with the help of more junior employees, sometimes charging it to a contract they have or hope to get. In some industries employees feel they have a 'right' to help themselves to the product they produce. Often, this is recognised by the management who attempt to control it by offering employees the product at reduced price. In other cases, the forms involve major larceny which is not condoned.

The two Divisions of the Board have always had opportunities for infringing work practice standards, and past management has tended to react differently in each case. For example, Salaried Division officers
have made private telephone calls while at work, or put a biro and pad in their bag and taken them home. In many cases, stationery was used for work at night or on a weekend and not returned – usually a simple oversight. In the contemporary era, these are not seen as transgressions worthy of disciplinary measures. It was not always so. In earlier years, officers had to keep a record of all telephone calls, private calls out were strongly discouraged and even incoming private calls were frowned on. Officers had to produce the stub of a pencil before they were issued with another and coloured pencils were especially hard to obtain. The costs of controlling the use of such expendable supplies to eliminate petty infringement or to use them economically was excessively high, presenting endless opportunity for petty tyrannies, and attempts at control were quietly dropped.

Wages Division employees have fewer opportunities to make telephone calls or to appropriate expendable supplies. Few of the materials or tools they use in their work are easily secreted or domestically useful in small quantities and they are probably more closely scrutinised than Salaried Division officers.

The private use of Board vehicles has become a 'perk' of the job, one way in which the real income of officers has been kept in line with private sector income packages. This practice has developed in many public authorities and government departments; it is an informal practice which is not closely supervised nor officially condoned. There have been expectations that senior officers take advantage of their position to get little jobs done and, providing the practice was not excessive, it was mostly ignored

Board staff have sometimes 'borrowed' equipment to undertake private work. Mostly the work was completed without incident and the equipment returned or replaced, sometimes damaged but without note. Occasionally, staff were reprimanded for the practice. Sometimes, an incident such as a motor accident caused unauthorised use of equipment to be brought to the management's notice. In those cases, disciplinary action and punishment of the offender(s) usually followed. Punishments tended to be more severe on members of the Wages Division who were caught than members of the Salaried Division.
The tradition in some industries that employees have a 'right' to free and reduced price products has had its analogue among staff who felt they should enjoy free water supplies. Tampering with, adjusting or bypassing water meters have been methods of avoiding charges for water: each has attracted strong disciplinary action if discovered.

If detected, major larcenies have always been treated seriously and prosecutions and dismissals have followed. Periodically, the management felt that the level of petty infringement was unacceptably high and that it had to make an 'example' of one or more offenders to warn other staff that it was vigilant and expected a high standard of probity. Members of the Wages Division regarded this policy of containing infringement as capricious and unfair. They resented it when the staff administering the censures were known to have enjoyed privileges and considerations closer to the bone. None of these infringements have been peculiar to the Board or to public authorities. They also exist in private firms, but for some reason the public is more agitated when it occurs in public authorities, even where a private firm has a monopoly to supply a product or public service.

Falsification of time sheets and absences from the work place have always been regarded as reprehensible behaviour and the Board management has severely dealt with detected offenders. At least that is the view of Wages Division staff who observed what they regard as double standards in the correct estimation of work time. Salaried Division officers appear to have enjoyed greater flexibility in this respect than Wages Division employees.

Efficiency

Measures of efficiency are notoriously hard to construct. Where markets operate for goods and services the issues are resolved relatively easily but in the public sector, where monopoly of service provision is the norm, they are not. Measures which reliably disaggregated the costs of annually maintaining each service, the costs of adding to each, and the head works investment in each would enable comment to be made on the productivity of the staff. Because of the extent of mechanisation and automation, and the greater sophistication and complexity in contemporary decision
making compared with earlier periods, this would be a difficult exercise. We are forced by the unsatisfactory nature of the financial records to use physical output measures. It would be encouraging to report on the changes in productivity of each category of staff but the records are not organised to allow such analysis. In figures 1 to 4 we show the nature of the relationship between the numbers of connections to water and sewerage services and the number of staff in various divisions.

The number of water supply and sewerage connections per capita of Administrative and Clerical officers appears to have increased over the Board's history (fig.1) suggesting gains to productivity over the period. However, when looked at separately we find that there is no evidence of increasing productivity in the number of water connections per capita for Administrative and Clerical officers (fig. 2) although there appears to be a strong and continuing increase in productivity in terms of the numbers of sewerage connections per capita. The fact that officers once included in this group are now in other divisions and that changes in regulation, mechanisation and computerisation have altered or eliminated many procedures suggests that much of the increase in productivity is more apparent than real. We would expect increasing productivity of staff over the early years of the construction of a new system; as maintenance and renewal became more important there would be an apparent decline in the rate of increase in productivity. The continuous expansion of the system has masked these effects and we cannot separately identify them in the statistics we have. There appears to be no relationship between the water supply and sewerage connections per engineer, nor is there an identifiable trend in the amount invested per engineer per annum.

Organisational Culture

Staff Differentiation

The ambivalence of the Board about its staff is richly illustrated in its differing attitudes to the Salaried Division officers and Wages Division Employees. Since 1917 the Board has usually negotiated Industrial Agreements with officers, while employees work under Awards, an important distinction. Agreements are concluded where there is a congruence of values, attitudes and understandings between management and staff reflected in the 'civilised', or consensual, approach to the
resolution of differences. The officers can enjoy this 'we, us and Co.' sort of relationship because the drawing up of an Industrial Agreement is for them a kind of phantasmagoria where they argue the issues among themselves in the full knowledge that ultimately they cannot deny themselves the benefits they seek.

The employees on the other hand are 'them' and it is much easier to deny their aspirations. (Some officers seem to actually enjoy challenging, provoking or denying the employees their claims.) Tactically, even if management acknowledges that the employees have a good case which it will accept, employees are forced to go through a litigious, confrontationist process of preparing and arguing for an Award. This keeps employees bound up in a tiresome bureaucratic process which is expensive and may also be a device for keeping their ambitions and expectations in rein. It also produces a bloody-mindedness on the part of the employees who are not encouraged to be charitable, flexible or accommodating in their working relationships with the officers of the Board. They sense and resent the superior attitudes expressed, and greater power exercised, by officers who, in essence, have the same or similar class origins.

The language used by many officers to differentiate between themselves and employees of the Wages Division is to refer to 'inside' and 'outside' staff. The intention is to differentiate and identify by location of function, but a more appropriate meaning is implicit: inside staff are within the pale and outside staff are beyond it. Wages Division employees are alive to the subtleties in the shades of meaning. In some degree, that is the source of their strength. They recognise that they are not part of the establishment; that they are not on the inside, and have little chance of getting there and so are freed of the inhibitions that prevent officers from acting or expressing themselves in ways that might jeopardise their promotion.

The most obvious difference in the treatment of staff in the two Divisions relates to hours of work. Apart from a small number of specialist positions, Wages Division employees worked a six-day 48 hour week from 1892 to 1926, when the working week was reduced to a five-and-a half day 44 hour week from 1926 until 1950. In 1950 the five-day 40 hour week was introduced generally. Salaried Division officers,
however, worked a five-and-a-half day 35 1/2 hour week until 1926 when the week was reduced to five days. In 1950 the five-day 35 hour week was introduced. Lampmen and watchmen worked 56 hours until 1922 when their week was reduced to 48 and then to 44 in 1926. In the same period, the Board's worked a 36 hour week as did labourers in sewers.

There has always been a higher degree of flexibility. However, for the starting and finishing times of Salaried officers. At times, the Board has sought to improve the punctuality of officers, as in 1897 when it considered introducing a system of fines for lateness and disciplining officers who were repeatedly late. The 1916 General Regulations covering the Salaried Division set down the conditions relating to irregular attendance and these were later enshrined in the Awards and Industrial Agreements covering officers. Much of the authoritarianism of the Board in its first 85 years stemmed from a preoccupation by senior officers with punctuality. The introduction of staggered working hours in 1977 greatly reduced this source of administrative tension.

Employees have never enjoyed these privileges. The shiftwork nature of many of the tasks, the need for constant monitoring in some, and the interdependency of tasks means that staggered working hours can not be so readily applied to employees. Nonetheless, the records suggest that supervisors have frequently been excessively zealous in ensuring the punctuality of employees, sometimes to the point of creating the conditions for industrial disharmony and sometimes behaving in a brutish way so as to provoke sackings.

**Leave Entitlement**

Entitlement to annual vacations is now broadly the same for both Divisions. Each has had four weeks leave since 1966. Before that, officers had three weeks leave. When employees were first given annual leave it was called 'Good Conduct' leave. There were many cases when management judged an employee not to have been 'good' enough and he was denied leave. On occasion employees who took industrial action were punished by having their leave withdrawn. The system created opportunities for vindictiveness which further underlined the 'them/us' divisions. The requirements of 'continuity', 'satisfactory service', 'loyalty', 'efficiency' and industrial docility were all intended to break the
influence of the Association. Regulations gazetted by the Board in 1921 gave permanent employees annual leave entitlements similar to those of Officers. Temporary employees continued to be eligible for 'good conduct leave' but were finally granted one week's annual leave per year for the first two years' continuous service and two week's leave for each additional years' service in place of good conduct leave in the 1944 Award. From 1915 employees were allowed to take leave of absence owing to the death and funeral of a father, mother, brother, sister, wife or child. Where the employee had annual or good conduct leave due the leave of absence could be charged against such entitlement. In 1943 employees were granted one day in any twelve months for such leave. The concession was progressively liberalised to include 'de facto' relationships. Officers had always been able to take such compassionate leave.

Provisions for sick leave for staff in the two Divisions also differ. Employees who are at most risk of injury and illness, working in the sewers and trenches, on the scaffolding or handling noxious chemicals, receive less leave compared with officers who work in well lit, safe, temperature-controlled environments. Since the Board's inception, officers have enjoyed access to sick leave, the duration of which is increased with length of service. The precise amount of leave has increased slightly over the Board's history and currently is 44 days for up to nine years service and 65 for more than nine. Employees have had much shorter entitlements. In the early years, employees had no rights and depended on the Board's beneficence. The lack of sick leave sometimes forced employees to get members of their family to do their work for them as it did in 1906 when caretaker Stanton got his son to do his work. The Board initially suspended him for being absent without leave but subsequently granted leave when advised that he had been ill. The employees at the Walka Pumping Station could usually count on a sympathetic response to their plight if they were injured or fell ill but the Board was not so humane elsewhere in its operations. Permanent employees obtained sick leave entitlements under the 1921 Regulations but temporary employees did not do so until 1944 when they were given four days leave after one year's service.
Industrial Negotiations

Reference has been made to the different attitudes of the Board in its approach to negotiations with staff of the two Divisions. The Board is more likely to enter negotiations for an Industrial Agreement with the Salaried Division than the Wages Division. Important factors of class and power may be suggested to explain why this is so. It is extremely difficult, if not impossible, for the Board to conduct negotiations with the Salaried Division Branch because the officers who have the responsibility to conduct such negotiations are themselves members of that Branch of the Association. Senior office holders in that Branch often become the officers who actually have the responsibility for advising the Board or negotiating on the latter's behalf.

No implication is intended here that breaches of confidentiality have occurred or that officers can not be relied on to discharge their duties with integrity. The point is more complex: in situations where both sides to a negotiation share values and where, ultimately, both may benefit in the same way, the side taking initiative and setting the agenda is likely to win. If that side takes a series of small steps along the accepted ideological path, the probability of winning is increased. This is even more likely to eventuate when the outcome of the exchange can not be readily challenged, where the costs implicit in decisions may not be made explicit or where the parties to the exchange feel that costs can be readily passed on.

Much of the exchange and 'contest' between the Salaried Division Branch and the Board fits this description. Initiatives by the Branch on pay and conditions have been generally seen by the Board as reasonable. Mostly, the initiatives by the Branch have been widely discussed within the Division and a consensus has developed about their desirability or feasibility long before they are formally codified in logs of claims.

The increase in the number of classified positions is an interesting example of the Salaried Division Branch's conduct of negotiations with the Board. In 1922 the Board agreed that the Clerical Division would have six classified positions and the General Division eight. By 1938 this had reached 12 and 11 and by 1966 it was 41 and 48 respectively. Some of the increase can be explained by the increase in staff or the increase in
functions, but the greater part is to be explained in the processes by which the Salaried Division Branch set out to obtain salary increases for its members and exert dominant influence on the Board. The process of labelling and classifying positions in the Industrial Agreements and Awards is a device for securing positions with salaries above the normal range for clerks and others. By elaborating job categorisation and specification, a pool of higher-paid jobs is created for officers beyond their agreed salary scale. Combined with promotion based on seniority, almost everyone joining the Salaried Division of the Board and sticking with it could anticipate promotion to a comfortable salary level. This increase in classified positions was particularly important for the clerks. In theory, there was no qualifying period for occupation of the position prior to retirement and in practice some occupants held them for very brief periods. Promotion to a classified position shortly before retirement provided them with increased pension benefits. Recent changes to the superannuation scheme link the retirement pension to the averaged salary of the officer's final three years in employment. This will reduce the number of opportunities for gift promotions.

The Annual Picnic
Images of the past glow in the minds of the Board's officers. Fond memories are burnished each time the past are recalled. It is spoken of nostalgically as an era when 'we were all one big happy family'. Few seem aware of the irony. Officers speak about past Annual Picnics and reunions as simple occasions of fun and merriment, of comradeship and shared ideals. They possessed these qualities only in part.

The Annual Picnic partly originated in the social clubs and multifarious associations of the colony, and in the nineteenth century custom of owners or proprietors of businesses taking all the staff on an annual one-day excursion and 'treating' them to an excess of food and drink. The custom developed before workers received annual vacations and public holidays. It was practised by the more munificent employers for a mixture of motives, including self aggrandizement, and was regarded by some as an occasion when all members of the firm could share equally in the simple pleasures of life. Delgado points out that the 'annual outing' could be constricting for the employee. With the boss present "behaviour was watched, attitudes observed and taken note of" (1977: 58). The Board was
not the same as the firms to which Delgado refers but, undoubtedly, the bosses closely observed conduct.

The first official picnic was held early in 1893 when those 'who could be spared' were given permission to attend the Harbours and Rivers Department's annual picnic without loss of pay. They were not given permission to attend another until 1905 when they were again invited to attend a Harbours and Rivers picnic. Only the 'the men' of the Board asked for permission to attend and only those who could be spared were allowed to go, but without pay.

Wages Division employees or 'men' were given the right to an Annual Picnic Day in their Award of 1917 and have retained it. Those officers who could be spared without public inconvenience picnicked at Speers Point with their blue collar comrades at the courtesy of the Board in 1922, again in 1928 and in many following years, especially since 1950. For several years, only those officers who actually purchased a picnic ticket had the day off. The picnic was organised by the Wages Division Branch of the Association, included a large sporting program and was regarded generally as successful.

In 1942, the Board granted a day off in lieu of the picnic because of the war. There was no picnic in 1975 because of an industrial dispute or in 1978 due to the financial difficulties experienced by the Wages Division Branch of the Association. The picnic was held in various places in the region but most often at Speers Point. From 1950, the Board allowed the use of its motor lorries to transport food and equipment and Board members usually donated a trophy for the sports.

The 'happy' family image of the picnic varies according to the perspective. From some accounts of the journeys to and from the picnic they were not dissimilar to the boisterous tours of football clubs and only slightly less destructive than the European tour of the Huns. Some said it was a 'day they could park the wife and kids in the shade and shoot up to the pub for a drink' before sports. Single men said they often spent much of the day in the pub emerging in time for the sports and to dally with the young women: the women who recalled the picnic said they must have been at another picnic.
In retrospect, the picnic has grown in the telling, acquiring all sorts of connotations and resonances about romantic encounters and alcohol consumption. Some exploits, real or imagined, are now ingrained in the mythology of the Board. But the picnic clearly did not live up to the high expectations. It may have brought fulfilment in the early part of the century when general recreation opportunities were few but it became increasingly expensive to organise and was effectively discontinued in 1982. Presumably the benefits of the fellowship were exceeded by the material costs. This fall in popularity of annual picnics was experienced by most other clubs and fraternal organisations, particularly trade unions. Employees continue to have a Picnic Day holiday because it is in their Award. Officers have continued to enjoy this concession from the Board although it is not in any of their Awards or Agreements. To some degree, this benefit is a measure of the Board's generosity compared with other employers.

Re-union

From the outset sporting activities have been important in the cultural life of the Board's officers. The first recorded sporting activities in the 1894 season are for the 'Water and Sewerage Board Cricket Club' whose Patron was Brown, the President, and whose Vice-Presidents Board members. Both the Secretary and Board Engineer played occasionally in the 1895 season although neither figured among the team's stars. G.F. Beeston, W.P. Rodgers, A. Burke and A. Evans as all rounders were the backbone of the team with M.E. Cooke and J. Thompson its star batsmen and W. McCue its best bowler.

The Board's desire to build morale within the Salaried Division and maintain good relations with the MWSDB was expressed in the support it gave in 1946 to the formation of a Sports Club to engage each Bank Holiday in a sports competition and Re-union with the MWSDB sports clubs. The HDWB club has comprised mainly officers who were active in sport, although a few members no longer play regularly. The club has a membership of from 50 to 80. The two clubs take turns to host the annual event over a long weekend, involving a visiting team of 50 to 60 and including a mixture of business and pleasure. The exchanges involve an inspection of some installations and plant of each authority. The pleasure is derived from the social events as much as from the sporting exchanges.
Many of the HDWB Sports Club officials and activists have also been leading figures in the Salaried Division Branch of the Association which has always fostered sporting activity, beginning in 1922 with a donation to the Board's Swimming Club. The Sports Club is a well organised group which has recruited teams in Rugby League football, tennis, table tennis, squash, golf and bowls. Occasionally, the Club has included 'outsiders' such as Wages Division players to make up a team, especially in Rugby League, and on rare occasions it has 'rung in' players from outside the Board's employment.

The Club is financed by a regular subscription from its members. One of its early attractions was that it gave officers an opportunity for a cheap, if brief, holiday, an opportunity to 'get away from the missus and kids for a weekend'. The respective authorities allow the participants to travel each way in work time so the weekend is stretched. The two authorities make substantial contributions to the success of the weekend by picking up some of the costs. Usually, they pay the transport of visitors to the Sunday outing and contribute to the cost of a meal. In the 1950s, the Club competed for a trophy donated by President Frank Finnan of the HDWB. More recently, private firms have donated many trophies for the sports competitions. The traditional all-male dinner on the Monday night, usually attended by senior officers of both Boards, is often characterised by bibulous fraternity.

Over the past decade the Club has discussed whether it should be open to women members. In 1986 the HDWB Sports Club decided to have two clubs – one for men and one for women – which would run separate competitions. The MWSDB President, Dr. Rhonda McIvor, held that the Club should be open to both men and women and largely for that reason, the 1985 competition fell through. Including women in the exchange would require more organisation and would change the traditional character of the event. Some of the members were apprehensive that if women are admitted they would have to take their wives on the visit to Sydney.

There are suspicions that the Sports Club is a separate 'faction' within the Salaried Division, assisting the careers and advancement of members. It is always difficult to identify cause and effect in these aspects of an
institution's life. Any advancement members enjoy may come simply because they are active people for whom Sports Club membership provides an outlet among people with whom they share many values and interests. Their 'advancement' may simply reflect the valuation of these attributes by the Board and their Sports Club membership is coincidental. Encouraging women to join the Sports Club could reduce the suspicion that members enjoy preferment and demonstrate that the Board is a serious equal opportunity employer.

Comment

We have shown how patronage, which statutory authorities were partly designed to avoid, substantially distorted the initial staffing of a particular statutory authority, and had continuing impact on its organisational structure. Attempts to eliminate patronage often lead to codification of appointment and promotion guidelines. In our example, this produced promotion by strict seniority leading in turn to the loss of good staff and dampened interest, lack of initiative and reduced enthusiasm among those who remained. Although the HDWB had clear 'engineering' obligations and responsibilities it was, in effect, run by clerks with a relatively narrow range of skills and mediocre education but who convincingly won the struggle for power.

Another major reason for creating statutory authorities was that they were independent to a large degree. The history of the Board indicates that this independence is, and always has been, more apparent than real. When it has suited the Ministers and Heads of Government Departments like Works, Treasury and Premier's, they have claimed that the authorities were independent. At other times, they have not hesitated to issue directions or make ex cathedra pronouncements, expecting and receiving automatic compliance. The Board itself has behaved ambivalently, at times behaving as though it accepted and believed the rhetoric of independence, at others times behaving as though it were subordinate.

The language used about and by the Board has contributed to the confusion. Periodically, as in the Industrial Court, it has been reminded of its independent legal identity yet in the same counsels it has been
referred to as a Department of Government. The Board itself has sought coverage by the Public Service Act and also to emphasise its uniqueness and separation from the rest of the state administration. No President or Board has felt strong enough to tell any Minister to whom it reported that they would follow a course different from what the Minister wished.

The value of the device or fiction of statutory independence is that Ministers, Presidents and Boards have been able to have their cake and eat it too. They have created the ultimate device in that they each seem to have the ability to claim the credits and dodge the brickbats. The population of the Hunter who pay for the cake have never really had the opportunity to express a view on what sort or how big a cake they want. But they do not seem overly concerned.

Our study reveals something about the manufacture of class and class relations. In the HDWB, the cleavage was made conveniently on a white collar/blue collar basis and, in essence confirmed the division which Bain (1970) found in the operation of an industrial enterprise. It serves to illustrate how and why industrial relations within public sector authorities differ from, yet are similar to, those in the larger private sector.
Abbreviations

AIF  Australian Imperial Force
APEA  Australian Professional Engineers Association
Association  Hunter District Water Board Employees Association
HDWB  Hunter District Water Board
MWSDB  Metropolitan Water Sewerage & Drainage Board
PSA  Public Service Association
PWD  Public Works Department

Bibliography


### TABLE 1: Staff Numbers in Each Division

Salaried Division

<table>
<thead>
<tr>
<th>Year</th>
<th>Admin &amp; Clerical</th>
<th>Professional</th>
<th>Engineers</th>
<th>General</th>
<th>Prof, Eng &amp; General</th>
<th>Total Salaried Division</th>
<th>Wages Division</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892</td>
<td>14</td>
<td>0</td>
<td>1</td>
<td>5</td>
<td>6</td>
<td>20</td>
<td>16</td>
<td>36</td>
</tr>
<tr>
<td>1897</td>
<td>17</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>7</td>
<td>24</td>
<td>20</td>
<td>44</td>
</tr>
<tr>
<td>1902</td>
<td>20</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>8</td>
<td>28</td>
<td>26</td>
<td>54</td>
</tr>
<tr>
<td>1907</td>
<td>24</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>11</td>
<td>35</td>
<td>34</td>
<td>69</td>
</tr>
<tr>
<td>1912</td>
<td>59</td>
<td>9</td>
<td>3</td>
<td>9</td>
<td>21</td>
<td>80</td>
<td>53</td>
<td>133</td>
</tr>
<tr>
<td>1917</td>
<td>81</td>
<td>12</td>
<td>4</td>
<td>17</td>
<td>33</td>
<td>114</td>
<td>64</td>
<td>178</td>
</tr>
<tr>
<td>1922</td>
<td>84</td>
<td>9</td>
<td>4</td>
<td>23</td>
<td>36</td>
<td>120</td>
<td>74</td>
<td>194</td>
</tr>
<tr>
<td>1927</td>
<td>118</td>
<td>9</td>
<td>14</td>
<td>32</td>
<td>55</td>
<td>173</td>
<td>111</td>
<td>284</td>
</tr>
<tr>
<td>1932</td>
<td>114</td>
<td>6</td>
<td>12</td>
<td>29</td>
<td>47</td>
<td>161</td>
<td>110</td>
<td>271</td>
</tr>
<tr>
<td>1937</td>
<td>112</td>
<td>6</td>
<td>11</td>
<td>31</td>
<td>48</td>
<td>161</td>
<td>110</td>
<td>276</td>
</tr>
<tr>
<td>1942*</td>
<td>216</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>80</td>
<td>296</td>
<td>952</td>
<td>1,248</td>
</tr>
<tr>
<td>1944*</td>
<td>157</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>86</td>
<td>243</td>
<td>478</td>
<td>721</td>
</tr>
<tr>
<td>1952*</td>
<td>156</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>99</td>
<td>255</td>
<td>514</td>
<td>769</td>
</tr>
<tr>
<td>1957*</td>
<td>175</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>134</td>
<td>309</td>
<td>807</td>
<td>1,116</td>
</tr>
<tr>
<td>1962*</td>
<td>219</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>162</td>
<td>381</td>
<td>1,168</td>
<td>1,549</td>
</tr>
<tr>
<td>1967*</td>
<td>224</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>211</td>
<td>435</td>
<td>926</td>
<td>1,361</td>
</tr>
<tr>
<td>1972</td>
<td>232</td>
<td>115</td>
<td>49</td>
<td>113</td>
<td>297</td>
<td>529</td>
<td>948</td>
<td>1,477</td>
</tr>
<tr>
<td>1977</td>
<td>235</td>
<td>134</td>
<td>77</td>
<td>135</td>
<td>346</td>
<td>582</td>
<td>942</td>
<td>1,523</td>
</tr>
<tr>
<td>1982</td>
<td>263</td>
<td>154</td>
<td>77</td>
<td>155</td>
<td>386</td>
<td>649</td>
<td>915</td>
<td>1,564</td>
</tr>
<tr>
<td>1984</td>
<td>262</td>
<td>171</td>
<td>74</td>
<td>170</td>
<td>415</td>
<td>679</td>
<td>856</td>
<td>1,535</td>
</tr>
</tbody>
</table>

*There was no disaggregation of staff members in the Professional, Engineers & General division in this period.
FIGURE 1: WATER + SEWER CONNECTIONS: ADMINISTRATIVE & CLERICAL STAFF

FIGURE 2: WATER/SEWER CONNECTIONS: ADMINISTRATIVE & CLERICAL STAFF
FIGURE 3: WATER + SEWER CONNECTIONS: PROFESSIONAL, ENGINEERING & GENERAL STAFF

FIGURE 4: WATER/SEWER CONNECTIONS: PROFESSIONAL, ENGINEERING & GENERAL STAFF