

Introduction

Workers in the colony of New South Wales created a political party in reaction to the use by employers of the full might of government to defeat strike action. The year was 1891. Workers had organised themselves into trade unions to protect and enhance the rights and working conditions of their members by way of action in common. Trade unions formed a political party in their own interest by establishing local labour leagues which anyone with a commitment to a party of organised labour could join. The party was a localist party – a labour league for every suburb and town across the colony with sufficient local support.

The party grew from below. The leagues selected their own candidates to contest constituencies in the Labor interest. For the first time in the history of Westminster parliaments, a coherent mass of people without wealth, income, ancestry, property, social standing, patronage or powerful connections could seriously contest the constituencies where they lived. Labor candidates and MPs came from the communities they represented. Having themselves selected a local candidate, all of the members of the leagues united behind that candidate. In return, the candidates selected for the first outing in 1891, for all of the party's first century and beyond, were obliged to express the views of the membership below. Without that right to select their own candidates – the driving imperative for the party's founding – the Labor Party would have been nothing.

Being a member of the Labor Party was highly valued by those who became members. Through that membership, the dispossessed could feel empowered. Members in branches, acting in concert, could advance policy that eventually became law. There was never a golden age of membership involvement. There was, nonetheless, much of a century when ALP members valued their membership and, just as surely, the Labor Party valued its members. Labor

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governments treated with respect what emerged from below. From below was where all members of Labor governments had once come.

By the 1980s, this relationship had changed. The Labor Party was beginning to hollow out below. Members stopped bothering to renew, those who stuck were growing older. All too many members saw no point in continuing to belong to a party that did not value them. The leaderships of parliamentary parties addressed the problem of this death below by engineering operational independence from the party in whose name they governed. By the 1990s, the hollowing was affecting the life and health of party branches. Between 1999 and 2009, just over one hundred local branches folded. By 2010 membership numbers had fallen below a critical mass, the Labor Party had disappeared from the life of the Australian community. Labor MPs had come to represent a political class which enjoyed no social base beyond its own ranks. The quality of government was necessarily affected by the closing down of all but a narrow pool for future MPs.

This book is not about the case for or against privatising the electricity industry in New South Wales. Both sides were argued in commissioned reports and in the media. This book is about the internal life of the ALP, what remains of it after this dying of the party below and the loss by trade unions of their social relevance. It considers the rules of a party that bind all members, from premiers to the person who joined the party last week. It is a story told through the actions of key players.

At its birth the ALP had established principles of solidarity. The party had always adhered to those principles, sometimes at great electoral cost, down the decades. The party had asserted its prerogative to be involved in the policy-making of Labor governments. Candidates who sought Labor preselection knew those expectations. Labor MPs sought elevation to Cabinet well aware that there was a party beyond Parliament. They understood that policies sketched the expectations of the party and that there were rules

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which bound them to fulfil the party's expectations, even if, in practice, the implementation and the timetable for implementation were in the gift of Labor governments. Labor premiers accepted that there were restrictions imposed upon them by the party. Premiers had to find their own way through any conflicts between the party and what party leaders reckoned was their obligation to the electorate and the state. Ultimately, after all the deals were done and dusted, the party had to prevail.

Every candidate for election in the Labor interest signs a Pledge, an obligation enforceable by disciplinary machinery established by the Rules. Candidates who sign the Pledge are aware of its reach and the strict obligations imposed upon them. ALP Rules bind every member of the party to support endorsed candidates, regardless of personal disposition. The full resources of the party are committed to electing candidates endorsed by the party. In return, Labor candidates elected to parliament are bound by the Pledge, in writing, to support the party's policies and platform as decided by the party in Annual Conference. For over a century, the wider electorate has voted for or against the ALP in full knowledge of its organisational principles.

In 2008 the Iemma government argued that it had a separate obligation to the electorate – true of all Labor governments – which in the circumstances of the time overrode the Pledge each of its MPs had signed. Ministers relied upon a doctrine of financial necessity, an argument of last resort in which they defined the extent of the problem and pronounced the one and only solution. There was no alternative, argued the government, to the sale of the state-owned electricity industry. Members of that government claimed for themselves a freedom to defy decisions of Conference. Ministers, supported by a majority of Labor MPs, were going to choose when they would set aside the Pledge they had signed. They were daring the party to impose the discipline that the Rules prescribe for such defiance.

The history of the Australian Labor Party in New South Wales – some 117 years by 2008 – had involved previous acts of defiance,

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always with the same consequence: the offender placed himself or herself outside the party. In 2008, ALP-endorsed MPs, a majority in both houses, asserted that the Pledge bearing their signature was not a binding commitment, not an obligation of honour. As arbiters of their own behaviour, they would do whatever they thought necessary. An even bigger crisis, the like not seen in 92 years, was avoided only because their assertion did not face the ultimate test of a vote on the floor of Parliament.

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Chapter 1

New South Wales Labor and its leaders

Competition for power is the natural condition of political activity. At its first electoral outing in 1891, Labor won seats in large numbers – 35 seats on debut, an arrival not matched by the Country Party, One Nation, nor any other political force in all the years since. Seats won and held acquired status as ‘safe’, impregnable fortresses akin to the property of the party, the most valuable of spoils there for the taking. Or giving. Labor endorsement was tantamount to winning the seat. With payment of MPs and the achievement of government, membership of Parliament via ALP endorsement became an entrée to power and a glittering life. Men would do almost anything to win that prize. So, it has proven, will women.

The people in charge of party administration – and those who challenge them – have believed their pre-eminent task to be the delivering of the prize of Parliament to themselves and their supporters. If the master plan for local preselection required support in the higher levels of the party, the master plan warranted such

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an amendment. Preselection battles have echoed wider struggles for control of the administration and the right to write the rules of conflict; those wider struggles were preludes to the right to dominate the preselection process. Every serious schismatic struggle in the ALP is about determining who gets to select who goes into Parliament.

The means of choosing the candidate once seemed so straightforward. Given the party came into existence as a vehicle for expressing the will of working people by democratic means, only one approach was possible – a local ballot of the local members of the Labor movement. But what was membership?

The unions affiliated to the party regarded it as their own. Their sense of possession was the product of an indivisible sense of the Labor movement: union members were members of the Labor Leagues; union officials were league officials. The unions exercised hegemony because they imported their pre-history whole and without question to the embryonic party that they had created in their own image. Union members joined the leagues as individuals, mixing with other members who were not and could not be unionists. The ALP acquired a vibrant culture for internal transactions. The unions brought a program of action which long sustained the party's ideology and ideas. The unions at the party's birth did not enjoy a majority at conference. Why would they need their power entrenched when the entire culture of the party was a living expression of union principles of collective action and solidarity carried out by party members who were themselves union members and members of a family whose bread winner was a unionist?

For its first 25 years, the party survived and prospered with the ALP branch membership in unfettered control, unions in an honoured but minority role. The period 1891–1916, the founding decades, is the era of establishment, the creating of Labor Leagues across the state, growing membership, the birth of an entirely new political process. In this era the Labor Party acquired legitimacy. The party in Parliament evolved from being a third force, when it occupied a corner of the Legislative Assembly, from which it

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could negotiate support in exchange for legislation in the interests of working people. By the early 1900s the party was the alternative government, a threat sufficient to cause non-Labor forces to unite to meet the challenge. In 1910 Labor in New South Wales and in the Commonwealth became governments with a majority in their own right.

The union leaders who founded the party understood political reality and the need for maximum effectiveness: they perceived that their creation had to be self-governing. They established the Labor Party at a time when it was unimaginable that there was going to be any separation of personnel between league leadership, union leadership and parliamentary representation. People worked where they lived, they attended league meetings at night with their fellow workers and fellow residents. MPs came from their ranks. They did not expect that MPs would leave them or the towns and suburbs where they lived. The party was always more diverse than the myth that people in employment were its sole stalwarts and pioneers. From its foundations the party attracted small farmers, small shopkeepers, publicans, journalists, reformers who were materially comfortable and intellectuals, as surely as it attracted wire-pullers and ward-healers in for the take.

Before the 1890s standing political organisations did not exist. In Westminster-based democracies, campaign committees came in and out of existence, inordinate power accrued to grandees. Candidates standing in the interests of family or capital 'emerged', the choices of a narrow base of influence that had ruled Britain and the fledgling Australian colonies. Candidates did not have to be wealthy but they had to be connected. The Labour Leagues provided a new connection, a formalised and official endorsement which soon proved to be the only means of gaining election in a large number of constituencies.

Universal manhood suffrage, achieved in New South Wales for the Legislative Assembly in 1858, made possible a challenge to the old assumptions. Even though the ruling classes did exceedingly well in repelling the challenges through the ballot box, they were

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compelled to adopt the machinery of the challengers – a standing party organisation with a defined membership and a system of pre-selection so as to determine that only one candidate standing in their interest entered the field.

Australian Labor broke the mould of politics by vesting control in its own membership. Defining membership created a host of irremediable problems. Instead of birth and self-proclamation determining who was inside the Labor fold, the party established conditions for belonging and conditions for remaining. A physical ticket was the first essential proof of membership. Its printing and issue created a bureaucracy, an organisation based on documents and a retrievable records system. Someone had to keep the files. The Labor Party was not a turn-up-and-go-home-again affair. Chance assembly gave way to duly constituted meetings convened by notice at a time, date and place determined by the membership. The greatest tribute to the success of this internal governance was that all other parties (then and since) have imitated Labor.

Members of the party could and did gather at other times, they might discuss matters of moment and plan activities. A branch meeting was more than just a gathering of party members. A branch meeting was a properly constituted deliberative forum of the party below. A branch meeting enjoyed the status of a meeting of the ALP. That status conferred majesty.

Decisions of a branch meeting entered a minutes book, a marking up of deliberations which accorded those deliberations the full force of the Rules and the democratic assumptions that gave birth to the party below. Converting a motion into a resolution was a matter of moment. Once passed, it was recorded accurately and was the basis for those in authority to advance its text as far as the wider democracy of the party permitted. A second debate would surely ignite if anyone felt the Minutes were less than complete and fully accurate. Branches mattered. Decisions of branches mattered. Recording those decisions accurately mattered.

Branches were high maintenance. They needed officers and standing committees. A president would chair meetings. A secretary

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recorded decisions and took responsibility for dispatching correspondence based on those decisions. Fundraising was ongoing, as was accounting for those funds. Funds under branch control enabled branches to control local campaigns. Branches elected delegates to higher party bodies. Questions of party governance became an ongoing preoccupation.

The branches were known as leagues. They were free assemblies of working people and their supporters. They resolved to keep meeting. Those present identified themselves as bound to each other by the issuing and acceptance of membership tickets with which they could prove their membership to the world and each other. The leagues acted in concert with other leagues in the local electorate. They came together once a year, beginning in 1892, as the Labor Electoral League NSW Annual Conference. The local leagues conducted their own affairs for the most part, selected their own candidates and came together to create something akin to a modern political party when early success in parliamentary elections dictated the need to reach agreement on matters of detail in policy and platform. Other than when contesting elections, the leagues were largely self-governing.

If more than one person wanted to be the Labor candidate, success fell to he who persuaded a majority of the membership of the leagues in that electorate. Given that the membership was neither fixed nor permanent, the shortest course to victory became introducing as many as possible precommitted supporters to the ranks of formal membership. From its beginning, the struggle for preselection drove the membership base of the party.

The character of Labor governance

In the 1890s, Labor had to impose solidarity on all of its MPs in order to extract concessions from other parties. Individual conscience could not be a factor in how a Labor MP cast his vote in the Parliament and the ethos created tensions within the parliamentary party from the moment of its birth.

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The 35 MPs elected at Labor's first outing in the New South Wales election of 1891 sought to bind each other to take a Pledge which would override their personal views in favour of the collective obligation to vote as one for what a majority resolved. A large number refused and departed Labor's ranks within months of their election. The party had its first serious split inside its first year of operating.

The danger of such governance is that defeat for a minority meant total defeat, even on matters of personal principle, even on matters with an electoral cost in the local constituency. Victory when it is total can be a taste so sweet that hubris becomes a by-product. Defeat when it is total may result in bitterness, a sense of futility, a questioning of the value of ongoing loyalty. Labor's periods of sustained success have coincided with astute management of the party's minorities, shifting or settled, so as to avoid the conclusion that opposition is hopeless.

The ALP was created in the cause of Laborism, the notion that candidates representing the interests of working people and their families would contest free elections with a view to capturing control of the colonial Parliament, its government and instrumentalities. In control, acting as a government responsible to the Parliament and in accordance with the rule of law, Labor governments would use the authority of the state and its spending capacities to protect the interests of working people. Labor governments would direct resources however required to overcome the inequalities experienced by those without wealth and dependent on the earning power of their labour. No less crucial to Laborism is the acceptance that continuation in power depends on free elections and the will of the people. Labor has not been tempted by the Leninist alternative.

Labor has endured all of a passing parade of Trotskyists; the differing dispositions of Moscow to an authorised penetration of the ALP by its own members; the romantic longing of BA Santa-maria for a nation of Italian-style villages operating in an agricultural economy. The mainstream of the ALP has accepted as a given the democratic process of parliamentary elections and the right of an