INTRODUCTION

Two vignettes

Thursday 15 May 1969, Industrial Court, Melbourne

Thousands of workers take to the streets. Discarded and ineffectual police barricades trace their march route. The atmosphere is saturated with defiance and anticipation. A figure emerges from the Industrial Court: ‘Clarrie’s been sent down!’ and the crowd erupts.

Over the next six days, Victoria will experience the largest general strike in its history. Power and gas supplies will be disrupted, television broadcasts will cease and public transport will stop running in protest at the jailing of Tramways Union leader Clarrie O’Shea. Workers from as far afield as Townsville, Hobart and Sydney will walk off the job in solidarity. Decades of massive fines and jailing of union leaders will be brought to an abrupt end. An era of working-class militancy will be unleashed.

For the union leaders, turmoil ensues. Confronted with the very actions that they have attempted to avoid for years, they now face a choice – lead from the front or be swept to the back. Leaders of the left-wing metal trades unions, who previously accepted and attempted to pay the crippling fines, are now prepared to take action.

The right-wing leaders who have supported the penal powers – seeing them as a useful tool by which to contain industrial action and to discipline militants – are dismayed by the explosion of working-class activity. Yet they
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are powerless to contain it. Instead, the right-wing ACTU, along with the leaders of the New South Wales and Victorian labor councils, are forced to condemn the penal powers and urge unions not to pay fines.

Even the ALP is affected. At its 1970 conference it reverses its long-standing support for the powers and commits to their repeal.

O’Shea is released from jail the following Wednesday. The penal powers are rendered dead.

The Your Rights at Work campaign, 2005–07

It is now 2005 and a conservative Government passes laws to criminalise union activity and persecute militants.

Overwhelming opposition to WorkChoices is evident in demonstrations of hundreds of thousands of workers organised by the ACTU and its affiliates. Workers have suffered years of attacks on their rights and they are determined to resist this latest and most savage round.

The anger is there, but the union mobilisations are stage-managed, electorally oriented affairs, featuring slick broadcasts of pre-recorded addresses, stand-up comedians and musical video clips. The message throughout is the need for a change of government, not militant action by workers.

No union or union leader, even in Victoria whence some of the first calls for demonstrations came, is willing to challenge this agenda or call for strikes. Instead they, along with the ACTU and the labor councils, argue that such action would ‘play into the hands of the Coalition’. So after choking up the central business district of every capital city in protest against WorkChoices, workers return to work.

The conservative Government survives the immediate challenge with its laws intact, and the union leaders are free to pursue their electoral strategy without organised opposition from a dissatisfied rank and file.

No shopfloor organisation exists to pressure the union leaders, either right or left, to take more serious action and to give voice to workers’ desires to see WorkChoices scrapped immediately.

With no pressure from industrial action, an organised rank and file, or left-wing union leaders, Labor’s industrial policy shifts consistently to the right over the course of 2007. When it wins government in November 2007, it does so on a platform that retains many of the policies introduced by the Coalition, including much of WorkChoices.

Working conditions are under continuing threat.
These two episodes illustrate the sharp change in the fortunes of Australian unionism between the late 1960s and early 1970s and the 2000s. Underpinning the transition was a change in the terrain of class struggle in Australia—in the confidence of rank-and-file workers, the organisation of union militants, the attitudes of the union leaders, and the strategy of the government and employers.

The earlier period was marked by rising working-class confidence and assertiveness, a belief that taking on the boss was the way to get what you wanted, and demands on the ALP to act. The latter years were characterised by the domination of the union leaders, a lack of confidence to organise outside the boundaries of the law and a dependence on the ALP to save the unions.

This book tells the story of how and why unions in Australia underwent this transformation.

**Outline of this book**

After reviewing the story of unionism in the postwar decades through to 1967 in Chapter 1, this book will tell the history of Australian unionism between the 1960s and the 2000s in three phases. The first phase, which is discussed in Chapter 2, may be described as the flood tide. The flood tide occurred in the period 1968 to 1974 when Australian unions began an offensive for higher wages, improved working conditions and political reform. Nearly 30 years of full employment and a rapidly expanding workforce created the conditions for a union upturn. With tight labour markets unions began to use the strike weapon in earnest. As described earlier, in 1969 the government’s restrictive ‘penal powers’ were smashed by a general strike based in Victoria. This unlocked the floodgates and for the next five years workers conducted one of the biggest waves of strikes in Australian history. Industrial militancy spread from blue-collar to white-collar workers, particularly in the public sector. Strikes were accompanied by a political radicalisation based around the war in Vietnam but spreading to a host of other issues. Union membership surged by more than 20 per cent and union coverage rose by 5 percentage points.

The flood tide came to a halt in 1974–75 through a combination of economic crisis and the failure of the unions to halt a coup against the Whitlam
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Government, both of which are discussed in Chapter 3. The resulting stand-off between capital and labour continued for another eight years. Chapter 4 outlines the various stages in the struggle that unfolded between the unions and the Fraser Government at this time. Neither side made a decisive breakthrough and in 1980 unions went back on the offensive with a wages push that destroyed the economic and industrial relations credibility of the Fraser Government. However, as a result of a series of partial defeats suffered by unions in the latter half of the 1970s and a significant shift to the right in the ranks of the union leaders, who increasingly began to trade wage rises for no-strike agreements, the ground was laid for retreat.

The ALP–ACTU Accord marked the beginning of the ebb tide, which is described in Chapters 5 and 6. Chapter 5 discusses the genesis of the Accord and its first seven years of operation. Under the Accord, union leaders increasingly became industrial disciplinarians, driving an agenda of wage cuts and productivity increases. While union leaders were involved in peak discussions with government and employer representatives, the grassroots of the union movement were in marked decline. Employers, backed by conservative state governments, became increasingly emboldened to challenge the unions in the 1990s. This, together with the continuing productivity drive by union leaders and the federal government, is discussed in Chapter 6.

Chapters 7 and 8 review the operations of Australian unions under the conservative Howard Government. Chapter 7 covers the first three terms of this government, from its election in 1996 to 2004. This period is characterised by the determined efforts of the Howard Government to attack union power by a variety of legislative and political means. It encompasses the passage of the Workplace Relations Act of 1996, the waterfront dispute of 1998 and a series of industry-specific measures directed by successive industrial relations ministers and aimed at undermining unionism in its remaining strongholds. Chapter 7 also considers efforts by the ACTU to halt the slide in union coverage.

Chapter 8 focuses on the union campaign against the WorkChoices legislation, which was passed by the Howard Government in its fourth term in office (2004–07). WorkChoices was the most draconian anti-union legislation passed by an Australian government for many decades. It also sought to force down the wages and working conditions of the working class more generally. Unions responded with the Your Rights at Work campaign,
which played a very important role in the defeat of the Howard Government at the 2007 election.

The concluding chapter, Chapter 9, provides an overview of the 40-year period, drawing together the threads and recapitulating the main arguments. It then discusses the prospects for Australian unionism after the election of the Rudd Labor Government in November 2007.
Chapter One

TRADE UNIONISM IN THE POSTWAR BOOM, 1945–67

The flood tide of 1968–74 arose out of the contradictions of Australia’s postwar economic boom and the politics of the Cold War.

The postwar upsurge

In 1943, after a sharp drop at the height of the Pacific War in 1941–42, the strike rate in Australia began to recover quickly (see Figure 1.1). Workers went on the offensive for higher wages, better working conditions and an end to the speed-up of work associated with wartime conditions. The strike rate then exploded as the war ended. Workers were determined to make good the losses that they had experienced during the war and the Great Depression that had preceded it. Now it was time to turn the screws on the employers. They met stiff opposition not just from the employers but also from the new Labor Prime Minister, Ben Chifley, who was determined to continue the program of wartime austerity prosecuted by his predecessor John Curtin. However, workers were not to be deterred. Strikes broke out in a wide range of industries. Large May Day rallies marched through the streets in a parade of strength. Working-class women stormed shops protesting against the high price of goods.

Amid a range of workers’ demands, two emerged as central: a 40-hour working week and an increase in wages. The breakthrough came with a successful six-month strike by Victorian metalworkers in 1946–47, which
overcame all efforts by the state and federal Labor governments to defeat it. Notable among these was the Chifley Government’s decision in 1947 to grant powers to the Arbitration Court to fine unions for taking strike action (the ‘penal powers’). Union membership rose by one-third between 1946 and 1951 as thousands of soldiers returned to civilian occupations and as strikes drew in new recruits. Coverage rose from 51 per cent to 60 per cent.
This postwar strike upsurge was driven by mass working-class militancy—indeed, by something akin to a ‘thirst for revenge’, according to one account. It was not, as was argued in particularly fervent media coverage at the time, a communist grab for power. Nonetheless, the politics of the union leaders were not irrelevant to the major disputes. The Communist Party of Australia (CPA) had strengthened its influence in the trade unions during the war and led some of the country’s most significant unions, including the Waterside Workers’ Federation (WWF), the Seamen’s Union (SUA), the Federated Ironworkers’ Association (FIA) and the Australasian Coal and Shale Employees’ Federation (ACSEF, better known as the Miners’ Federation). The party also played an important role in unions covering engineers, boilermakers, shipwrights, sheet metal workers, the building trades and the sugar mills of north Queensland, among others. At the 1945 ACTU Congress CPA members and their allies came within a whisker of having a majority of delegates, and the CPA candidate for president was only narrowly defeated.

In the immediate aftermath of the war, the CPA maintained a policy of support for the Labor Government. With the onset of the Cold War in 1947–48, however, Moscow ordered the world’s communist parties to undertake a...
Figure 1.3  Union coverage 1946–96

Source: ABS Trade Union Statistics Australia, cat. no. 6323.0
Figure 1.4 Percentage change in union membership 1946–96 (five-year periods)

Source: ABS Trade Unions Statistics Australia, cat. no. 6323.0