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Under Pressure: The Whitlam Labor Opposition and Class Struggle, 1967-72

Ashley Lavelle

In periods of opposition, the Australian Labor Party (ALP) can be exposed to the influence of radical activists and movements. This article argues that a clear case in point is the ALP’s response to the intensification of class struggle in the late 1960s and early 1970s. Not only did Labor Members of Parliament (MPs) endorse strikes, they defended such actions as the most effective method of improving wages and conditions. The escalation of industrial conflict also empowered the unions to press the ALP for key policy concessions, such as the withdrawal of strike penalties from the party’s policy program in 1971. Yet, Labor’s sympathetic response to the upsurge in militancy was not simply a case of tapping into a radical mood for electoral purposes, but was also designed to contain the discontent within mainstream political channels.

A major rise in industrial disputes occurred in Australia between the late 1960s and the mid-1970s. Focusing on the period of Labor Opposition from 1967-72, this article argues that one of the most visible effects of the biggest upsurge in trade union unrest since World War I was the militant, class-conscious rhetoric of many Labor Members of Parliament (MPs). The effects were not, however, simply rhetorical: in the aftermath of the Clarrie O’Shea strikes in 1969, Labor adopted a firmer policy on the abolition of penal clauses; also, as a direct result of union pressure, the party leadership was forced spectacularly in 1971 to remove strike penalties from its policy program. More generally, the opposition’s formulation of an industrial relations policy dominated by collective bargaining is intelligible only in the context of growing disenchantment with arbitration and greater enthusiasm for direct action.

Parliamentarist politics did not appear to be a barrier to endorsing strikes – an action which social democratic parties such as the ALP would normally shy away from as part of their general desire for class peace and mediation. It is argued, however, that the overtures to the union movement were borne of self-interest for Labor which sought not only to benefit electorally from the upheaval, but also to contain working-class discontent by promising legislative changes to quell the unrest. Through its ties to organised labour, the ALP was able to position itself as the party best equipped to negotiate industrial harmony.

The article concludes by positing a number of factors that might have shaped union capacity to influence the Federal Parliamentary Labor Party (FPLP) during this period, including union density, the labour movement’s level of confidence and independence in a period of economic buoyancy, and the broader political climate.

The ALP, the Whitlam Opposition and Rising Class Struggle

Being in opposition can expose the ALP to more radical influences from unions and extra-parliamentary bodies whose impact when the party is in power – and more
subject to the conservative pressures of commercial interests, the media and the public service – is likely to be considerably less.¹ The Whitlam Labor Government's more abrasive relationship with unions thus stands in considerable contrast to that of the Whitlam Opposition.² For this reason alone, the FPLP's response to the growing workplace unrest between 1967-72 provides an interesting case study, and it also challenges the revisionist history of the Whitlam Opposition, much of which is sanitised of class and radical politics.³

Conceding to radical pressures may be in Labor's own interests when it is in opposition. As a party founded by organised labour, to ignore the mood reflected in renewed class conflict would likely be detrimental. This is likely to be true not just in the electoral sense of tapping into a mood of discontent: for a reformist social democratic party,⁴ responding to such radicalising pressures can play the no less important role of helping to contain such discontent within the political-economic institutions – such as parliament and the legal system – to which the ALP is bound by politics and history.⁵

At the time of Gough Whitlam's ascension to the leadership of the federal ALP in 1967, there was little forewarning that industrial relations would feature so prominently in political debates in the coming years. Thus one commentator in 1966 was able to dismiss the two million-strong trade union movement as, in principle one of the largest and most powerful pressure groups in the country, but in practice pathetically weak.⁶ During the post-war years of the 1950s and early 1960s, Australia was, like many countries, seemingly more affluent and less marred by the social conflicts of the past. As Craig McGregor wrote of Australians in 1966: 'They are content with the present, eager to forget the past, optimistic about the future ... The climate of class warfare is rapidly receding'.⁷ The low levels of industrial disputation provided few grounds on which to challenge such superficial analyses (see Table 1 below). As the statistics in Table 1 indicate, however, over the next five years industrial disputation, as measured across a range of indices, rose sharply.

**Table 1: Industrial Disputes in Australia, 1966-72⁸**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of disputes</th>
<th>No. of workers involved</th>
<th>Days lost/worker</th>
<th>Wages lost ($,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>1,273</td>
<td>394,851</td>
<td>732,084/19</td>
<td>7,302.5</td>
</tr>
<tr>
<td>1967</td>
<td>1,340</td>
<td>483,274</td>
<td>705,315/18</td>
<td>7,263.1</td>
</tr>
<tr>
<td>1968</td>
<td>1,713</td>
<td>720,321</td>
<td>1,079,464/27</td>
<td>12,115.2</td>
</tr>
<tr>
<td>1969</td>
<td>2,014</td>
<td>1,285,198</td>
<td>1,957,957/46</td>
<td>22,985.7</td>
</tr>
<tr>
<td>1970⁹</td>
<td>2,738</td>
<td>1,367,400</td>
<td>2,393,700/55</td>
<td>30,883.3</td>
</tr>
<tr>
<td>1971</td>
<td>2,404</td>
<td>1,326,500</td>
<td>3,068,600/68</td>
<td>45,241.3</td>
</tr>
<tr>
<td>1972</td>
<td>2,298</td>
<td>1,113,800</td>
<td>2,010,300/45</td>
<td>32,074.4</td>
</tr>
</tbody>
</table>

Every indicator in Table 1 increased significantly between 1967 and 1970. Even in 1971, when there was a fall in both the number of disputes and the number of workers involved, the amount of working days lost rose to over three million – over 400 per cent higher than in 1967 when Whitlam assumed the leadership. Despite being an election year, when unions are more likely to exercise restraint out of concern for the potential electoral repercussions, 1972 still saw over two million working
days lost. This represented nearly twice the maximum recorded in any one year between 1951-68.\textsuperscript{10} Whereas on average just 13.2 per cent of workers were involved in industrial action each year between 1952 and 1968, in 1971 the figure had risen to almost a third.\textsuperscript{11} That same year, a Sydney Morning Herald editorial warned that ‘in parts of Australia ... we are approaching a situation intolerably close to industrial anarchy’.\textsuperscript{12}

The statistics by themselves may not necessarily equate to a rise in ‘class struggle’, but as G.E.M. de Ste Croix argues in his classic *The Class Struggle in the Ancient Greek World*, class struggle is about the ‘relationship between classes ... involving essentially exploitation, or resistance to it’.\textsuperscript{13} As a manifestation of resistance to exploitation of employees by employers, the rise in strikes during this period was a clear indication of intensifying class struggle. The goal of increasing workers’ share of the proceeds of production – and, *ipso facto*, reducing exploitation – was never far from the picture. One of the sources of the upsurge in strikes was opposition to the Arbitration Commission’s December 1967 ‘absorption’ decision\textsuperscript{14} which effectively enabled employers to absorb increases in awards by reducing over-award payments. For the class struggle to have been accentuated did not require actors to be conscious that this had happened. As Marx argued, classes – and consequently class struggle – exist independently of individuals’ perception of them: ‘insofar as millions of families live under economic conditions which separate their way of life, their interests and their education from those of other classes of people and oppose them to these, they constitute a class’.\textsuperscript{15} The rising tide of workers taking action to improve their condition – either in the raw economic sense in their workplace or through broader political activity – thus constitutes clear evidence of rising class struggle during this period, regardless of whether or not individuals understood their actions through the prism of class analysis.

On the other hand, there was also evidence of proletarianisation and increased class consciousness among new sections of workers.\textsuperscript{16} Moreover, as we shall see, the higher number of strikes was accompanied by a sentiment that workers’ interests are best served by a more militant approach to relations with employers, and the broader political climate was characterised by radicalisation. Rank-and-file confidence to take action independent of union leaders saw shop stewards and their committees assume an increasingly prominent role.\textsuperscript{17}

Proletarianisation, a greater sense of class consciousness, and an understanding that militancy obtained results all contributed to the spreading of strikes to areas beyond those with which they are normally associated, such as white-collar workers.\textsuperscript{18} Whitlam wrote in 1972 of the ‘unrest which stretches across the whole range of callings and occupations’.\textsuperscript{19} Sydney council workers struck in September 1967 for the first time in 50 years.\textsuperscript{20} New South Wales cinemas had been free of industrial disputation for a similar length of time when in 1970 the industry was hit by a pay stoppage.\textsuperscript{21} Women in occupations synonymous with industrial passivity, such as nursing and the airline industry, also were part of the growing conflagration.\textsuperscript{22} Even the military was not immune.\textsuperscript{23}

The greater preparedness to opt for direct action extended beyond industrial questions to include more overtly political issues.\textsuperscript{24} Perhaps most prominent among these were the actions of the NSW Builders Labourers Federation (NSWBLF), which used its industrial might in the early 1970s most sensationally to prevent construction
in environmentally sensitive areas, but also to support women’s entry into the industry, and to provide solidarity to other oppressed groups such as prisoners, gays, Aborigines, students, the women’s movement, and poorer home-buyers.25 But the trend was broader than the NSWBLF. Unions had been prominent in taking action against the Vietnam War and the all-white South African Springbok rugby tour in mid-1971, and had, the year before, staged an unprecedented strike against the federal budget.26

The O’Shea Strikes

In May 1969, a strike with important political consequences erupted when Tramway Employee’s Association Secretary, Clarrie O’Shea, was imprisoned for unpaid fines incurred under the penal clauses of the Conciliation and Arbitration Act. Two hundred thousand workers struck in Victoria, and 150,000 in New South Wales on the day following O’Shea’s incarceration.27 Sun-Herald Industrial Correspondent, Fred Wells, reported on the volatility of the situation: ‘Demonstrations I have seen accompanying the strikes have been the most intense since the coal strike in 1949. How widespread fighting and arrests were averted at Friday’s Melbourne demonstration I do not know’.28 An Age editorial warned of ‘total industrial disintegration’ as the strikes continued ‘to gather momentum’.29 The strikes were not simply the result of left-wing union leaders. According to The Sydney Morning Herald: ‘Moderate union leaders ... are being exposed ... to pressures from their own rank and file’.30 Over one million workers in all States were involved.31 Labor’s Shadow Industrial Relations Spokesperson, Clyde Cameron, compared the dispute to the great Maritime strike of 1890.32

The ramifications of the strike could have been major indeed had a mysterious retired newspaper executive not volunteered to pay O’Shea’s fines, in the process almost certainly averting a general strike. It is likely that fear of the latter motivated one employer organisation and a Sydney newspaper independently to offer to settle the debt.33 Still, the strike had political consequences, the most important of which was the virtual destruction of the penal clauses. With the exception of the payment of outstanding fines by two unions in order to amalgamate with the Australian Engineering Union (AEU) to form the Amalgamated Metal Workers Union (AMWU) in 1971, no union paid another fine before Whitlam’s election in 1972.34

An additional important political consequence was the impact on the FPLP, which initiated in the House of Representatives a ‘Discussion of Matter of Public Importance: Industrial Relations’.35 In the course of the discussion, Whitlam located the roots of the O’Shea strikes in the penal powers ‘attempt to make industrial agitation or resistance a crime’, something ‘not done anywhere else in the English-speaking world’.36 For Clyde Cameron, the clauses violated the inalienable right of working people to withdraw their labour, and represented rank hypocrisy in the absence of restrictions on employers raising prices:

The right to strike is the one thing that distinguishes the free man from the slave. The right to strike is the lifeblood of unionism because it is the only weapon with which organised labour can defend itself against greedy employers and biased industrial commissioners. Deprive the unions of this weapon and you rob them of their justification for existence. What
could be more unjust than a law that fixes the price of the only thing that a worker has to sell — his [sic] labour power — but which places no restraint on the price of the things he has to buy? The savage penalties imposed upon unions whenever they attempt to meet rising costs contrast with the absolute freedom with which the employing classes may fix the price of the things they have to sell.37

Cameron, as Shadow Industrial Relations Minister, sought more consciously than any other FPLP member during this period to respond to the growing class conflict.38 He was not alone, however, among Labor MPs in situating the O'Shea dispute in the broader context of intensifying class struggle. Even the right-wing Rex Connor considered the fundamental problem in Australia to be the ‘struggle to sell labour’.39 Tom Uren contrasted the protection afforded the ‘monopolistic interests’ with the Government’s mistreatment of workers: ‘A worker has only his [sic] labour to sell and he should be able to withdraw it’.40 Such rhetoric was not confined during this period to the O'Shea dispute. Whitlam, for example, wrote in 1972 that:

The McMahon Government has declared war on the wage and salary earners of Australia. What is the basic cause of industrial unrest which stretches across the whole range of callings and occupations? It is the profound conviction on the part of wage and salary earners that they are not getting a fair share of the wealth that their own country provides and that they produce ... Wages are to be repressed by the bludgeon of unemployment. Prices and profits are to remain untouched ... IT’S TIME to restore the fairer distribution of the nation’s wealth.41

Similar statements by Whitlam led the Sydney Morning Herald to scold the FPLP Leader for harking back to ‘an old-time, unreal contest between worker and boss’ and for his ‘tactical resort to a mythical class war’.42

That the relation between employer and employee was fundamentally an exploitative one in which the latter was deprived of the wealth created by their labour was an assumption that underpinned the comments of many Labor MPs during this period. As we have just seen, Whitlam himself argued that the origins of the increases in industrial action lay in the belief among workers that they were not receiving a ‘fair share of the wealth ... that they produce’.43 Senator Albert Poke took up the Government’s refrain that strikes were detrimental to the health of the Australian economy by asking:

Who does produce the wealth of this country? Is it the mine manager? Is it the big station owner? Is it the person occupying an executive position? Or is it the man [sic] who is working on the job? The worker ... produces the wealth of this country.44

The O'Shea dispute had repercussions for ALP strategy beyond more militant and class-conscious rhetoric. Less than a month later, Whitlam informed the NSW ALP Conference that penal clauses, along with the Vietnam War and conscription, would be a major issue on which the party would campaign in the forthcoming federal election — a move condemned by the Sydney Morning Herald as an appeal by Whitlam to ‘emotionalism’.45 Meanwhile, the Federal ALP Conference in July that year directed Whitlam to include in his election speech ‘a promise to repeal Sections
109 and 111 of the Act [penal clauses] and such other sections as the A.C.T.U. may recommend.46 This was a noticeably firmer position than that taken at both the 1965 Conference and the 1967 Conference, where no specific reference was made to the penal clauses.47

**Strike Penalties**

A clear demonstration of the way in which the sharpening of class antagonisms – and the broader radicalisation it reflected – impacted on Labor policy throughout this period was in relation to its proposal to penalise employers and unions in breach of negotiated industrial agreements. The policy laid down fines for unions when they struck against agreements negotiated voluntarily between parties (over-award payments), but not in the case of strikes against arbitration decisions. Union opposition to the policy as originally formulated by the party’s Industrial Relations Committee, chaired by Clyde Cameron and including then-Australian Council of Trade Unions (ACTU) President, Bob Hawke, saw it withdrawn even before the Federal Conference in June 1971 could debate it. As one journalist commented: ‘Mr Cameron, Mr Hawke and others had got the message: Hands off the unions’.48 All references to penalties were removed, and the Committee was forced to accept the ACTU and state affiliates’ monitoring of agreements.49 According to Cameron’s biographer, Bill Guy, union opposition was ‘sufficient to have the plan watered down into a mealy-mouthed and virtually meaningless recommendation that ‘voluntary agreements, freely negotiated, be honoured by the parties thereto’’.50 One element of union opposition to the penalties was the belief that responsibility for the determination of the policy on penal sanctions lay not with the FPLP but with the ACTU Congress.51

The Committee’s retreat, however, did not end the matter. Displaying scant regard for the decision of the party’s most sovereign body, Whitlam and Cameron resurrected the policy at the beginning of Labor’s ‘mini-election campaign’ in October 1971. The policy this time involved penalties ($20) for individual employees and employers ($200) who breached negotiated agreements. In (re)announcing the policy, Whitlam promised that a government led by him would ‘not be the unquestioning mouthpiece of union officialdom’.52 Apart from the political message this was designed to send, an additional reason for persisting with the policy was possibly the desire on the part of the ALP to deliver on its promise to reduce strikes.

Whatever their motivations for reintroducing the policy, it provoked a storm of opposition. Union leaders of all political and factional persuasions strongly condemned Whitlam, and threats were made to withhold funding for the election campaign.53 After being similarly attacked at a Shadow Cabinet meeting, Whitlam threatened to leave, only to be told that the meeting would continue with or without him.54 Just two days after the press conference at which the policy was re-introduced, Caucus vetoed it: ‘The $20 and $200 fines are out’, Whitlam was forced to concede.55 One complaint of the Caucus members was against the policy’s intention to convey an impression of belligerence towards the unions. Cameron subsequently argued that not having such a policy would be electorally damaging.56 Clearly, however, his Caucus colleagues were not persuaded, as Cameron related in an interview with Mike Carleton on *This Day Tonight*:
Cameron: [Il]t's [not retaining strike penalties] the decision of the caucus. I had my say. I had 45 minutes more than anybody else. My opponents only had five. I stated my case. I got beaten ...

Carleton: Were you badly beaten [?]  
Cameron: I would think badly beaten, yes. There was no vote taken, but I would think [if] there'd been a show of hands, I'd have been massacred, to use a political term. 57

Cameron may have been motivated to exaggerate the scale of opposition if it demonstrated his lack of choice in backing down over the policy. Yet, according to press reports, only one voice was raised in support of the policy in the final verbal vote. 58 In defending the rebuff to the FPLP Leader, one Labor MP demonstrated remarkable irreverence by stating in a published letter to The Age that Whitlam's was only one of 85 votes in Caucus. 59 In the event, Cameron subsequently produced a new policy that would legislate to allow employers and unions to contain penalties for breaches of agreements, but which would not enforce their inclusion. 60 For Kathryn Cole, the episode constituted:

a rare illustration of union power being exercised in a relatively unanimous fashion, which indicated that unions could potentially press an alteration to party policy ... It indicated the influence unions could bring to bear on the political wing. 61

The Sydney Morning Herald, meanwhile, regarded it as a demonstration of 'just how susceptible the political wing of the Labor Party is to pressure from the industrial wing'. 62

The ALP and Direct Action

Another useful gauge of the unions' influence on the ALP during this period in opposition was the latter's approach to direct action. There are numerous explanations for the penchant for direct action displayed by many workers and unions. In part, it reflected simply a growing sense that direct action was the best means by which to advance wages and conditions. The Arbitration Commission's determination to restrain wage increases through the 1950s and 60s was a factor in the shift to a de facto system of collective bargaining. 63 Acting as a catalyst, as was noted earlier, was the Commission's December 1967 'absorption' decision and its subsequent back-down following a series of protest strikes, which only 'demonstrated to many unions who had previously felt reticent about striking that more militant action could pay off'. 64 According to NSW Industrial Commission President Justice Beattie, 'the significant thing is that, in the majority of cases, direct action has been successful – and this success has bred further direct action'. 65 As then-NSW Labor Council State Organiser, Barry Unsworth explained:

It is no small wonder that workers today can be encouraged to bypass lengthy award-making, of which they usually know or care nothing, in favor of the much speedier process 'walking out the gate' until their employer, who up to now has probably been sheltering behind the arbitration system, succumbs to their demands. 66
Labor's unveiling in May 1971 of an 'industrial relations policy based firmly on the principle of collective bargaining' thus was consistent with both the dissatisfaction towards arbitration and the enthusiasm for direct action.67

The latter in part was predicated on the strength of the economy, which, by delivering virtual full employment, substantially improved workers' bargaining power. The tendency in the Australian labour movement has been for unions to use direct action in times of economic buoyancy, and to revert to 'political' – that is, parliamentary – action in times of economic downturn.68 But the relation between strikes and the economic cycle is not a simple one: the overall political picture needs to be taken into account.69 Recall that the period of militancy described above set in towards the end of the post-war boom, not during its peak.

This leads to the consideration of an additional influential factor: the coincidence of industrial militancy in Australia with similar trends overseas, and the political and social commotion in general that characterised the period globally.70 This was 'the age of protest'.71 Bentley suggests that, while the initial response to youths demonstrating over issues such as Vietnam was one of reaction, eventually these events served to drive home the efficacy of direct action, leading to a 'spill-over into the industrial relations area'.72 The O'Shea victory, in particular, not only rendered the penal powers unenforceable – thereby paving the way for further action – it proved dramatically the power of strike action.

Labor MPs sought to channel this combative mood into electoral support for the ALP. To do so effectively, it needed to espouse direct action but also to point out its limitations in the absence of a Labor government, which would negate many of the sources of discontent. As Cliff and Gluckstein noted of early British Independent Labour Party leaders, by expressing sympathy for strikes they were better positioned to control them.73 There had been little, if any, pro-strike rhetoric by federal Labor MPs in the lead-up to this period – their avowals of support came as strikes themselves took off. In 1968, ALP Senator James Ormonde emphasised the importance of strikes and parliamentary action if the lot of working people was to improve.74 In the wake of the O'Shea dispute, even Deputy Leader Lance Barnard, who, like Whitlam, was a firm parliamentarian, conceded the possibility that more could be achieved through industrial rather than parliamentary avenues.75 According to frontbencher Frank Stewart, 'the people of Australia now realise that without demonstrations and without industrial strike the unions cannot get far'.75 Recent history, Jim Cavanagh suggested, proved that 'duress – strike action to stop the profits of employers – is the only action that the employer seems to understand when workers are under government domination'.77 Don Cameron, citing just one of what he claimed were 'hundreds' of examples of unions only achieving wage justice through strike action, felt that he had no alternative but to advocate such action in the case of shift workers in the cement manufacturing industry in South Australia:

The employees in that industry asked me how they were going to get an extra week's leave ... I said: 'The only way you will get it is to go on strike. You will not get it any other way'. They went on strike. The matter came before the Commission and the same judge who had rejected applications by the Australian Workers Union for the extra week's leave on 2 previous occasions ... granted the extra week's leave. That happened only after the employees had taken strike action.78
Clyde Cameron was moved to argue in 1972 that landmark gains in Australia for workers – including the eight-hour day, a shorter working week, annual leave, sick leave, and paid public holidays – had been won through resort to the ‘strike weapon’.\(^7\) Similarly, Fred Daly invoked the historical importance of strikes: ‘men ... by resorting to strike tactics, were responsible for many of the reforms which people in Australia enjoy today’.\(^8\)

Class struggle represents a dividing line between reformist social democrats and others on the left, especially Marxists; witness Marx’s lauding of the ‘struggle of class against class’ as ‘the prime mover of all social progress’.\(^9\) Social democrats, on the other hand, historically have abhorred class struggle and favoured social peace and mediation.\(^10\) Yet, Labor’s endorsement of strikes at a time of rising class struggle does not necessarily contradict this. As Cliff and Gluckstein pointed out in the British context, Labor leaders can encourage extra-parliamentary activity at crucial junctures because it is not the commitment to parliamentary change that is the sine qua non of reformism, but rather its role of mediating between classes in the longer term. If they ‘feel that parliamentarism is actually an obstacle to the process of mediation it may be put aside’.\(^11\) In other words the appetite for direct action, if not satiated with sympathetic noises from reformists, might develop into support for more radical action down the track.

In order to successfully channel the desire for direct action into electoral support and to confine the movement within existing political-economic institutions, Labor did three things: it portrayed itself as in favour of direct action, it pledged to reform the industrial relations system so as to negate the necessity for much of this action, and it highlighted the limitations of strikes in the absence of a Labor government.

We have already seen many instances of the first. In the case of the second, Labor MPs were willing to argue the merits of strikes in relation to their ability to achieve just outcomes for workers. But this was not the same as embracing strike action in principle as a means by which workers exercise their collective power, much less as a prelude to an uprising, as Rosa Luxemburg argued in the case of the general strike.\(^12\) Nor was it the same as viewing strikes as inevitable in the context of an ongoing conflict between capital and labour over the proceeds of the production process. Strikes, from the perspective of the reformist parliamentarian, are rather to be lamented as a sign of the failure of the political process to resolve the particular grievances underlying them. Labor MPs therefore held the policies of the Liberal-led Coalition Government responsible for the industrial unrest, many of the reasons for which Labor would address through legislative reform. The most obvious example of this was in regard to penal sanctions, the removal of which, according to Charlie Webb (speaking at the time of O’Shea dispute), would have avoided ‘the calamitous strikes which have disrupted the nation in the last few days’.\(^13\) More broadly, one can see in the same vein Jim Cavanagh’s qualification (see above) that the strike is the only option ‘when workers are under government domination’. Clyde Cameron’s claim that workers were resorting to strike action because the ‘system ... has become bogged down with legal technicalities and Government interference’ ignored the many countries around this time experiencing bigger upsurges in industrial disputations than Australia.\(^14\) Yet Cameron’s claim suited Labor’s objective of benefitting electorally from the upheaval since it alluded to the ameliorative action Labor would take once elected to power.
Such claims were also part of the objective of containing the discontent within the political-economic institutions to which the ALP is bound by politics and history: parliament, the state, the legal system, and wider capitalist social relations. The ALP might have consented to strikes in the absence of just wage outcomes, but it was not, as its spokespersons stressed, committed to abolishing the system of arbitration whose outcomes had compelled unions to resort to strikes. Labor emphasised its peace-making abilities and its unique capacity – as a party affiliated with organised labour – to quell union unrest and prevent the emergence of more radical political activity down the track. Clyde Cameron, for instance, charged the government with ignoring the iniquitous outcomes associated with its laissez-faire approach to industrial relations, in the process failing to heed the lessons of events in late eighteenth century France and Russia in 1917. Indeed, the Government risked sparking no less than an uprising that could bring damage to private property and threaten ‘arson, destruction, physical violence and revolution’.\(^9\) In contrast, Labor’s more conciliatory approach would remove such threats. The attractiveness of Labor’s promise that it would reduce strikes because it ‘understood trade unions’ may have been one factor in business support for a change of government in 1972.\(^9\) As Geoffrey Barker put it in relation to Chifley’s use of armed forces to break the 1949 coal strike, the ALP’s strongest argument to business was that ‘a Labor Government ... can take anti-union action which would not be tolerated if it was attempted by a Liberal Government’.\(^9\)

In relation to the ALP’s third objective of highlighting the limits of direct action, Ormonde’s comments cited above suggested that it was parliamentary activities by which direct action needed to be complemented. Many Labor MPs expressed their support for strikes over political issues during this period.\(^9\) But it was clear that these would be rendered largely unnecessary under a Labor government.\(^9\) The necessity of parliamentary action was affirmed across the ALP spectrum. For instance, the Communist-turned social democrat, Ian Turner, challenged Victorian ALP Socialist Left faction leader, Bill Hartley’s counter position of direct action to parliamentary initiatives on the basis that history proved the futility of concentrating solely on strikes and demonstrations. Turner called upon the Labor movement ‘to find the way of so combining popular action and electoral and parliamentary activity’.\(^9\) In a reply to Turner’s comments, even Ken Carr, an unabashed advocate of direct action and leader of one of the 27 ‘rebel’ unions in Victoria, suggested that:

> It is up to the Labor Party to keep abreast of these trends [towards direct action] so it can be an effective channel for this activity. For the Labor Party to do this, it will have to orient its activities bolt towards pressure grouping and parliamentary action.\(^9\)

The difference between the Labor Left and Right on direct action was largely one of emphasis: the Right were willing to concede the utility of direct action, and even on occasion that its importance was in equal measure to that of parliamentary work. But those on the far Left of the party such as Hartley, while at times identifying more stridently with the radical movements existing around this time, still found a crucial place for the state in the process of social change.\(^9\) The direct actionist sentiments of the time did not lead the ALP away from parliamentary politics.
Factors Determining Union Influence on the ALP

From the examples such as the ones cited above it is important not to generalise too much – as conservative commentators often do – about the power of unions to influence the ALP, because the extent to which the former is able to exert influence over the latter varies considerably across time. As we saw earlier, in opposition the FPLP comes under greater influence from extra-parliamentary bodies such as trade unions. Had the ALP been in government at the time, the response would likely have been very different – a point underlined by the earlier mentioned testier relations between unions and the party during the years of the Whitlam Government.

The strength of the union movement at the time also shaped its capacity to influence Labor. The unions during this period exhibited a high level of confidence, reflected in rising industrial disputation and evidence of support for direct action at the rank-and-file level. One manifestation of this confidence was the heckling of Clyde Cameron by 150 Victorian union officials when he suggested to them, not long after his defeat over strike penalties, that the unions could not survive a confrontation with a re-elected Liberal Government. Based on the success achieved by the unions through direct action, most notably the virtual destruction of the Government’s penal powers by the O’Shea strikes, it is likely that a significant number of union officials simply did not agree. The strength of unions was underlined only a few years later by one manager who told business leaders to face the fact that ‘organised labour has reached the stage where it can call the tune’.

Associated with union strength is the rate of density, which has been positively correlated with union ability to influence the political wing. Union density rose from 50 per cent in 1969 to 58 per cent in 1975. This was a period in which the union movement strengthened its bargaining position in its relationship with the party, enabling it to force some policy concessions. In this sense, the period is somewhat reminiscent of the major industrial upheavals at the end of World War I, which saw the rise of the Industrialists in the ALP and the ‘reassertion by the mass unions of trade union independence of and control over the political party’. Though the reassertion was not as pronounced, and the period of the Whitlam Opposition did not produce as bitter a contest between the two wings of the party, it too was a period in which the union movement, by exerting its independence through the success of direct action, was able to reclaim some control over the politicians.

To a considerable degree, economic conditions underpinned this strength: the recession of 1974, rising unemployment, and the impact these had on unions’ willingness to take independent action, were yet to come. The union movement’s agreement to wage restraint via the Accord in the lead-up to the election of the Hawke Labor Government in 1983 is understandable only in light of rising unemployment and falling profits – which in turn led employers to adopt a tougher stance in wage negotiations – and the beginning of the downward trend in union density following the collapse of the post-war boom in 1974. These developments had damaging consequences for the bargaining power of labour, though the role of union officialdom, whose natural inclination to ‘manage discontent’ had partially been subsumed by the economic prosperity, also was important. The Accord reflected both the union movement’s lack of confidence in its capacity to independently achieve gains for its members, and its consequent reliance on the FPLP, thus providing strong evidence for Ian Turner’s proposition that unions tend to turn towards ‘politics’ [i.e. the ALP] at the low point of the economic cycle.
As well as factors related to the strength of the unions, the overall political context is important in determining the degree to which unions are able to influence the policies of the party. This phase of opposition coincided with a general political radicalisation and a leftward shift, which in turn infused the ALP. Sir Zelman Cowen remarked in 1976 about Australia:

There has come to be a veritable passion for equality, marked by a growing impatience with privilege or authority, whatever its source ... Equality and togetherness have been seen as important values; elitism and meritocracy as divisive and morally and socially abominable.

An Institute of Public Affairs Spokesperson lamented, in 1972, the ‘alarming amount of anti-business sentiment in the community and public criticism of the free enterprise system’. The period saw the emergence of a ‘New Left’, whose ideology centred around personal liberation, participatory democracy, anti-racism and anti-sexism, direct action, community decision-making, and environmentalism. As a result of this political and ideological climate, the unions were better placed to press their demands, and these demands were in turn more favourably received.

By comparison, the contemporary FPLP is much less favourable to union demands. The ALP membership has become increasingly middle-class and professional. Moreover, the notion of class struggle — widely assumed in the late 1960s and early 1970s among Labor MPs — seems utterly foreign to the contemporary party. As a current federal Labor Minister argued in 2006:

We represent and support all working people regardless of ... how they want to organise themselves in the workforce, whether it be through the organised trade union movement, as genuine independent contractors or through the choice of small business as a career. They are all workers, they all create wealth, they all take risks, they all deserve reward for effort.

In any meaningful policy sense, the ALP is no longer a party of labour. Former ALP national president, Stephen Loosley noted current Labor Prime Minister Kevin Rudd’s adoption of a policy towards Work Choices that was only vaguely pro-union in the sense of recognising the right of unions to organise — something accepted even by former Republican US President and renowned union-basher Ronald Reagan. Loosley detected a shift in the balance of power within the Labor movement in favour of the political wing, which has ‘become the senior player in the relationship with organised labour. The trade union movement needs parliamentary Labor far more than the reverse’. This almost certainly overstates the case, for the ALP still relies heavily on the unions both financially and in the provision of candidates and party activists. Unions were also critical to opposing the NSW Labor Government’s plans to privatise electricity in 2008, culminating in the downfall of the Premier, Morris Iemma. But the distance between the two wings was reflected in the call from some prominent unions and their leaders at the 2007 federal election to vote for the Greens, whose industrial relations policy was deemed more pro-union. The point is that the ALP that responded to the movements of the late 60s and early 1970s is clearly not the ALP of today.
Conclusion

This article has shown the various ways in which the ALP was influenced by class struggle in the form of a major escalation in industrial disputes in the years leading up to its federal victory in 1972. The effects on Labor were considerable: the militant, class-conscious rhetoric of many Labor MPs; support provided for direct action as an effective way to achieve improvements in wages and conditions; and, in policy terms, the stronger stance on the abolition of penal clauses, the spectacular volte-face over strike penalties in 1971 in direct response to union pressure, and a broader industrial relations policy dominated by collective bargaining. The latter, in particular, was a product of growing disenchantment with arbitration and a thirst for direct action among many workers.

Labor's sympathetic response to the rise in class struggle, however, was not simply about tapping into the mood of discontent for electoral purposes: for social democratic parties such as the ALP, which are committed to gradual reforms, such discontent needs to be contained within the parameters of the political-economic system. An additional objective of the ALP was thus to convince striking workers of the limits of direct action without the election of a Labor government, which would resolve their grievances through the parliamentary process. As the alternative manager of the capitalist economy, Labor was able to offer what the conservative parties could not: a more conciliatory approach that – they hoped – would get the strikers back to work and produce industrial peace.115

The impact of the rise in class struggle on the ALP was nonetheless significant. Yet this ability to influence the political wing was dependent upon several factors coming into play, including the context of a radicalisation in Australian society, union self-confidence and strength in a period of low unemployment, high job security and increased union density, and the ALP being in opposition. In the absence of such factors, and without a reversal in political trends in the party itself, it is unlikely that an upsurge in class conflict would have a similar impact on the ALP in the future.

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Endnotes

* The author thanks the two anonymous referees from Labour History for their helpful comments and criticisms.
4. The term reformism encompasses both ‘labourism’ and ‘social democracy’, whose differences, according to Berger, are often overstated. In referring to social democracy, Birchall mentions ‘a group of parties which have a programmatic commitment to


9. From this year on, the Australian Bureau of Statistics (ABS) recorded both workers involved and working days lost in thousands, meaning that figures given in Table 1 are approximated to the nearest hundred.


14. Bentley, 'Recent strike behaviour', p. 27.


16. The approach to class adopted here accordingly follows De Ste Croix, *The Class Struggle in the Ancient Greek World*, pp. 43, 44.


24. The question of what constitutes a 'political' strike as opposed to an 'industrial' one is not dealt with here (see the example of the O'Shea strikes below). It would not be controversial, however, to claim that industrial action taken against the Vietnam War was 'political'. See the discussion in P.R. Hay, 'Political strikes: three burning questions', *Journal of Industrial Relations*, vol. 20, no.1, March, 1978. According to *The Australian*, there were more political strikes between 1966 and 1971 than during any other five-year period in Australian history. 'The place of trade unions', *The Australian*, 3 February, 1972, p. 8.


35. CPD, House of Representatives, 22 May, 1969.
36. Ibid., p. 2119.
37. Ibid., p. 2115.
38. See, for example, his speech in CPD, House of Representatives, 7 December, 1971, p. 4197.
40. Ibid., p. 2153.
44. CPD, Senate, 25 August, 1972, p. 504.
56. Letter to Mr S.P. Hale, Otway ALP Branch Secretary, from Clyde Cameron, 15 October, 1971.
57. C. Cameron, Transcript of Interview with Mike Carleton on ‘This Day Tonight’, 13 October, 1971.
61. Ibid., pp. 89, 92.
64. Bentley, ‘Recent strike behaviour’, pp. 27, 28.
68. I. Turner, Industrial Labour and Politics: the Dynamics of the Labour Movement in Eastern Australia, Hale & Iremonger, Sydney, 1979, p. 82.
74. CPD, Senate, 23 October, 1968, p. 1506.
77. CPD, Senate, 23 May, 1972, p. 1937.
78. CPD, Senate, 19 June, 1970, p. 2716.
80. CPD, House of Representatives, 24 February, 1972, p. 245.
83. Ibid., pp. 89, 90.
85. CPD, House of Representatives, 22 May, 1969, p. 2109.
86. CPD, House of Representatives, 10 May, 1972, p. 2336. Clyde Cameron himself cited figures from the International Labour Organisation showing the number of hours lost in 1970 per 1,000 workers: while Australia had lost 810, the US had lost 1,390, Canada 2,550, and Italy 4,440. CPD, House of Representatives, 7 December, 1971, p. 4198.
87. Clyde Cameron, CPD, House of Representatives, 22 May, 1969, p. 2114.
88. CPD, House of Representatives, 23 August, 1972, pp. 562, 563.
89. Cited in Sydney Morning Herald, 3 November, 1972, p. 2. For example, the business organisation ‘Business Executives for a Change of Government’, took out advertisements in major newspapers emphasising crises that had enveloped the Government in recent times. See, for example, The Australian, 8 November, 1972, p. 6.
91. See Lavelle, In the wilderness, pp. 91, 92.
92. Thus McAuliffe, while exalting the union movement’s proud history of involvement in political issues, at the same time pointed to history’s demonstration of the dependence of unions on the election of a Labor Government for the fulfillment of its demands. CPD, Senate, 26 August, 1971, p. 409.
98. Manning, ‘The ALP and the union movement’, p. 27.
100. Turner, Industrial Labour and Politics, p. 231.


103. See the case of Bob Hawke in Lavelle, *In the wilderness*, pp. 166, 167.


105. See Horne, *Time of Hope; Lavelle, In the wilderness*, pp. 36-45.


115. Their hopes were dashed: the number of strike days lost actually peaked at around six million in 1974 under the Whitlam Government. ABS, *Official Yearbook of Australia: 1974*, p. 305.