Worker Voice

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Australia

This chapter explores the Australian experience with the various ideas of workplace employee representation during the interwar period. As in the other four countries, there was interest in exploring ideas of employee participation in the Australian workplace against a background of industrial and political unrest at the end of the First World War and during its aftermath. While Australians were interested in German works councils, Whitleyism, union-management cooperation and ERPs, they had very little impact in practice. The union movement was particularly hostile to the concept of ERPs and there were doubts about the relevance of the various forms of employee representation in an industrial relations system of state tribunals.

Influences

As in the other countries examined in this book, the industrial and political turmoil during the last years of the First World War and the immediate post-war period heightened Australian interest in ERPs and other management labour strategies. A major strike in NSW in 1917 centred on the state railways and tramways. In 1919–20, there was an unprecedented wave of strikes that included maritime workers and Broken Hill miners. The Russian Revolution and the movement towards the OBU led to conservative hysteria over a possible Bolshevik challenge to Australian capitalism. Some conservatives argued that the Bolshevik threat could be neutralised by raising workers’ living standards through increasing productivity and allowing employees to participate in management decisions. Fears also arose that Australian industry would not survive international competition in the post-war world unless reforms were introduced. While the Bolshevik threat declined in the 1920s, international competition remained an issue.1

The Australian state played an important role in promoting new ideas to deal with these issues. The British government communicated directly with the Australian government highlighting the benefits of Whitleyism. In 1919–20, the Commonwealth Advisory Council of Science and Industry published reports on industrial cooperation and welfarism, which included a discussion of Whitleyism and examined case studies of employee representation such as that at Rowntree in Great Britain and Filene’s Sons & Co. in the US. Following an overseas trip to the US and the UK in 1918, barrister George Beeby, former Labor Party parliamentarian and by then Minister for Labour and Industry in the Nationalist NSW government, issued a report that recommended the introduction of Whitleyism rather than ERPs to defeat worker militancy and increase productivity. JDR Jr. sent Beeby material concerning his plan. When Beeby visited New York in January 1919, JDR Jr. suggested that Beeby meet Clarence Hicks and McKenzie King. While Beeby did review the Rockefeller Plan, he noted that there was “smouldering resentment” among US labour over the non-recognition of trade unions. Beeby did not include the Rockefeller Plan in his proposals for legislative reform. J.B. Holme, Deputy President of the NSW Board of Trade, also published reports on Whitleyism in 1919 and 1920, which included a detailed discussion of Whitley works committees. Holme emphasised the need to recognise the “paramount” importance of the “human factor” in industry and of close cooperation between employers and employees.2

Beeby actively promoted Whitleyism through his role as Minister for Labour and later as a judge of the NSW Court of Industrial Arbitration. Beeby amended the NSW Industrial Arbitration Act in 1918 to empower a Board of Trade to establish “mutual welfare committees,” “industrial councils” and “shop committees.” Drawing directly from the British experience, it was

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Australia

hoped that the legislation “would find a solution for some of the graver of the industrial problems which militate against the internal peace and the prosperity of the nation.”³ As in Great Britain, there was a clear statement that these committees were not to be used by employers to undermine trade unions. The proposed shop committees would meet fortnightly to discuss grievances. If there were no grievances then meetings would still be held to discuss suggestions “tending to the improvement of industrial conditions or the better utilisation of the practical knowledge or experience of employees …”⁴ Beeby wanted to shift industrial regulation away from state tribunals and judges towards industry and the workplace, leaving the state tribunals to dealing with wages and hours. These provisions attracted little interest from employers and unions and while they persisted in the NSW arbitration system, they were practically moribund. In 1923, Beeby changed the Boot and Shoe (State) Award in his capacity as a judge, tying the implementation of a “satisfactory system of piecework” in the industry

with the establishment of joint committees of employers and employees to discuss any scheme.\(^5\)

Australian interest in ideas of employee representation continued during the 1920s. The Nationalist federal government led by Prime Minister Stanley Bruce had already tried to reform Australian industrial relations by unsuccessfully initiating a referendum in September 1926 that would have led to the federal government taking over state industrial jurisdictions and thereby removing concerns relating to conflicts of jurisdictions and potential industrial conflict. Bruce also hoped that the changes would allow for a more flexible approach to industrial relations, including the establishment of Whitley JICs.\(^6\)

The Bruce government sponsored an industrial mission to the US in 1927 to examine labour practices. It hoped that the mission “would increase the efficiency and promote the development of secondary industries in Australia” by examining issues such as profit sharing, the employer-employee relationship and “methods making for greater efficiency.”\(^7\) The government met all the delegates’ expenses and the mission, with the exception of one delegate, left Sydney for Vancouver on 10 February 1927. The mission consisted of four employer representatives, four union representatives, two press representatives, a civil servant representing the government and two women advisers, who were not members of the industrial mission and were not to be involved in drafting the final report, but were to draft a separate report relating to the employment of females in the US manufacturing industry.\(^8\)

Despite the initial interest of several state trades and labour councils in sending delegates, they refused to recognise the mission unless they could nominate and elect the union delegates. The government was willing to accept the union nominations but wanted the final right to choose the union delegates. When the trades and labour councils refused to nominate delegates, the government took nominations from any labour organisation, such as the moderate Australian Workers’ Union (AWU). The Queensland

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Trades and Labour Council condemned John Valentine, the Queensland Secretary of the Australian Federated Union of Locomotive Enginemen (AFULE), for his participation in the mission, even though the Council had initially nominated him. Valentine ignored the AFULE Federal Executive’s efforts to stop him going, but retained the support of his union state branch. A union moderate, Valentine was critical of the “red element” in the Australian labour movement. The AFL was willing to recognise the industrial mission, despite the controversy in Australia as AFL President William Green, who was in communication with the Australian government, was “a very level headed man … who also knows a good deal of the red leanings of many of the Trades Hall people in Australia who are voicing the protest against the composition of the Delegation …” The AFL Executive ignored pleas from the Melbourne Trades Hall Council to boycott the industrial mission; Eric Grayndler, a mission delegate and AWU General Secretary, addressed the AFL Executive in May 1927.

The industrial mission continued its investigation in the US until 15 July. It inspected a number of workplaces, including B&O, Goodyear Rubber, Ford and General Electric. President Calvin Coolidge received the deputation in Washington, DC and there were a number of conferences with employer and employee representatives. The Federal Council of Churches of Christ of America hosted a conference in New York, which was chaired by Mary Van Kleeck, the social researcher from the Sage Foundation who had undertaken a major study of the ERP at the CF&I coalmines. Other participants included Arthur Young, formerly from International Harvester and then with Industrial Relations Counsellors, an AFL and NAM representative. The mission reported on the “striking success” of union-management cooperation in the B&O workshops, but recognised that ERPs promoted “a better spirit of co-operation and understanding.” The report also contained a copy of the Union-Management Cooperation Plan and ERP rules of several


11 AFL, Executive Minutes, 12 May 1927, 13 May 1927, 16 May 1927. GMMA, RG4-001.
companies, including International Harvester and Goodyear. In a minority report, union representatives Grayndler and Archibald McInnes from the Adelaide Branch of the Boilermakers criticised the mission’s report for not containing “definite conclusions” and recommended union participation in any Australian scheme of workplace employee representation. They argued that ERPs had no place in Australia, where they would be regarded as “bogus” and create “dissension and disorder.”


14 Grant, An Australian Looks at America, pp. 68–70.


17 The Advertiser (Adelaide), 12 Jan. 1929, p. 25.
There was employer interest in Whitleyism in the private sector. The NSW Master Builders Association (MBA) examined the Whitley Scheme of Industrial Councils, while the NSW Chamber of Manufactures published a detailed analysis of the Whitley Report in its journal. Both bodies, however, were concerned that Whitleyism was incompatible with the Australian industrial arbitration system and would have to be redrafted to meet Australian needs. F.M. Mitchell, assistant works manager at the BHP Newcastle steelworks, visited the Orb Works Whitley committee in August 1922 to take “the opportunity of seeing a Whitley Committee actually at work.” BHP did not adopt this approach in its steelworks.

Australian academics were interested in overseas developments in employee representation. Frank Mauldon was a resident tutor at the University of Sydney in Hunter River Valley before being appointed to a senior lectureship in economics at the University of Melbourne in 1926. He won a Rockefeller Foundation Fellowship at Harvard University and obtained a chair in economics at the University of Tasmania in 1935. Mauldon visited the workshops of the Grand Trunk Western Railway, a US subsidiary of the CNR at Battle Creek Michigan, to research union-management cooperation in August 1931. He interviewed workers and used the material to teach economics students at the University of Melbourne. Mauldon also wrote contributions to newspapers on employee representation including German works councils. His 1931 study of 78 private Australian establishments revealed that only two had works councils. Mauldon concluded “that management sharing ... has scarcely come within the imagination of Australian business leaders.”

20 Orb Works Whitley Committee Minutes, 1 Aug. 1922. MSS.36/016, ISTC Collection, MRC.
The Impact

As Mauldon’s study highlights, while there was some public interest in Whitleyism, it failed to gain momentum. Beeby argued that state enterprises, such as the railways, should be the initial starting point for the introduction of Whitleyism. With Beeby’s encouragement, the NSW Government Railways had tried to establish Whitley committees in 1919. They were supposed to deal with all matters relating to “staff well-being and comfort,” excluding award matters dealt with by industrial tribunals. However, the bitterness between management and the railway unions following the 1917 General Strike prevented cooperation. Eveleigh workshop employees in Sydney rejected the scheme at a time when management was trying to introduce the unpopular Halsey bonus scheme. Workers saw the proposed committees and the bonus scheme as part of a “speed-up.” The Labor Council of NSW condemned the committees for being an objectionable form of “labour exploitation.” The Australian Socialist Party published a pamphlet entitled The Danger of the Whitley Scheme, which claimed that the scheme was against workers’ interests. It circulated the pamphlet widely among railway workers. Eveleigh workers adopted their own scheme for shop committees and a works committee, which had no management representatives and elected worker representatives. By August 1920, the works committee had dealt with issues such as superannuation, holidays and faulty drains. Nevertheless, it was defunct by June 1921. The Railway Commissioners were more successful at the Randwick tramway workshops in Sydney, where a committee was still operating in 1924.23

The federal Department of Defence did not share Beeby’s enthusiasm for Whitleyism. Senator George Pearce, the Nationalist Minister for Defence, requested in November 1920 that a report be made to investigate the application of the Whitley Scheme in defence factories. In November 1921, an internal memo concluded that Whitley committees were not needed in the defence factories due to the existence of industrial tribunals and the greater “power” of Australian workers through their strong trade union movement. In the factories, managers already recognised the union representatives of workers and therefore there was no need for works committees. The report also questioned the value of workers’ suggestions, claiming that workers lacked knowledge of prior patents and the costs involved in implementing new ideas.24

24 Memo, B. Chomley to the Controller-General, Munitions Supply, 8 Nov. 1921. Minute,
There was some interest in employee representation in the private sector. Employers and unions agreed to introduce Whitleyism in the NSW bootmaking industry in 1919. This scheme was little more than an attempt to formalise collective bargaining and it broke down in 1920 over the issues of the 44-hour week and unemployment. Joint committees also existed at the Broken Hill Associated Smelters (BHAS) at Port Pirie, the Sydney retailer Farmers and the Melbourne shirt manufacturer Pelaco. From 1917, the BHAS at Port Pirie had several committees with elected workers’ representatives, to manage welfarist programmes. Their decisions were subject to veto by the general manager. As Erik Eklund has argued, the committee system at the BHAS “gave workers a sense of participation without significantly altering management authority.” The BHP steelworks at Newcastle and Australian Iron and Steel at Port Kembla, which the BHP acquired in 1935, established safety committees without direct union representation. At the BHP’s Newcastle steelworks, workers served on the Departmental Safety Committees (DSC) on a rotational basis and management hoped that all workers would thus become familiar with safety practices. In some cases, workers nominated their representatives to the DSC. At Port Kembla, employees selected their representatives on the DSC for three-month terms.

Employers also experimented with an Australian version of company unionism, which remained within the conciliation and arbitration system. Workers formed unions with management encouragement and obtained registration within the arbitration system. Company unions could minimise outside intervention in the enterprise by unions with a wider coverage and the arbitration courts. They also reduced the gap between management and workers in large-scale enterprises. These unions were significant in NSW following the 1917 General Strike, when the NSW industrial arbitration tribunal deregistered over 20 unions. Employers took advantage of the deregistrations to encourage the formation of company unions. Such unions appeared at Arnotts Biscuits, the Newcastle steelworks of BHP, Elliot Brothers Chemicals, the NSW Government Railways, Schweppes Mineral Waters, the Riverstone Meatworks and the Vacuum Oil Company. They failed to


gain worker support in the Newcastle steelworks and the NSW Government Railways, despite management’s concessions to them. Arbitration generally provided the company unions with greater independence than management desired. The Newcastle steelworks’ management eventually persuaded its company union to amalgamate with the moderate AWU rather than the militant Federated Ironworkers’ Association. The company union secretary accused management of providing minimal support to his organisation. While BHP management was aware of labour practices at Bethlehem Steel, it saw more value in its bonus schemes than the ERP for increasing labour efficiency. The company unions in the NSW Government Railways eventually amalgamated to form the National Union of Railwaymen.28

Ironically, at least one official of a company union saw Whitley committees as a rival. The general secretary of the workshops union in the NSW Government Railways protested that the committees were a waste of time and money as “we are already doing the work which it is claimed the Whitely [sic] Scheme would do.”29

Though there were overseas firms operating in Australia, there is mixed evidence about the active promoters of these ideas in their home countries implementing them in Australia. H.R. Lysaght, the managing director of Lysaght (Australia), was encouraged to form a Whitley committee at its Newcastle plant on a visit to the Lysaght Orb Works Whitley committee in the UK in May 1922. R. Parry-Okeden, the manager of the Lysaght Newcastle plant, later claimed in September 1933 that the works committee there was modelled on the Orb Whitley committee. The ICI subsidiary in Australia, by contrast, did not begin experimenting with works councils at its Yarraville factory in Victoria until 1942, when it faced the wartime problems of labour turnover and training new staff.30

29 Minutes of general and special meetings of the NSW Railways Mechanical Branch Association of Employees, 14 Oct. 1919. National Union of Rail Workers of Australia, E/80/4/1, NBAC. NUR Australia not linked to NUR UK.
30 Markey and Patmore, “ICI Works Councils in Australia”, p. 61; Orb Works Whitley Committee Minutes, 22 May 1922, 1 May 1933, 4 Sept. 1933. MSS.36/016, ISTC Collection, MRC.
Electrolytic Zinc

One significant Australian case study of employee representation during this period is the Electrolytic Zinc (EZ) works at Risdon, Tasmania, then a wilderness area five miles from the state capital of Hobart. The plant was constructed to provide zinc for munitions during the First World War. Tasmania was attractive because of the abundance of cheap hydroelectricity, which was crucial for the processing of zinc. It produced zinc ingots through a process that involved an electric current running through cells containing a zinc sulphate solution, which led the zinc to precipitate onto cathodes. The plant was run on a continuous basis and required workers to be nearby for emergencies. This resulted in management building a workers’ village for its employees. Employment at the plant grew to 800 in April 1920 and 1,094 in March 1930.31

Tasmania, with its weaker legislative environment for industrial relations, few strikes and little union activity, proved attractive to investors. The state had a wages board system rather than a conciliation and arbitration system, which did not rely on registered trade unions and did not allow unions to present evidence. Wages boards consisted of an equal number of employer and employee representatives, nominated by their respective constituencies and appointed by the relevant minister, with an independent chair, who voted if there was a tie. The boards fixed minimum wages, maximum hours and other industrial matters such as overtime and leave entitlements. Unions objected to the legislation as it disqualified many full-time union officials from sitting on wages boards because it required employee representatives to have been employed in the industry for 12 months over the past five years. The unions also criticised the Tasmanian wages boards for paying lower wage rates than the Commonwealth Arbitration Court. The Hobart Trades Hall Council recommended that unions boycott the nomination of wage board employee representatives.32 As Ruth Barton notes, the Tasmanian wages board system “enabled the employer to set up a self-contained body free of formal trade union influence that could make binding decisions on the entire workforce.”33


The Collins House Group, the Melbourne-based company that owned EZ, was an alliance of Australian and British lead-zinc interests. The director of Collins House, W.S. Robinson, was strongly influenced by British management strategies, while American management strategies, particularly those with a focus on efficiency, influenced Herbert Gepp, EZ’s General Manager, and Gerald Mussen, the EZ industrial consultant. There was also a strong management interest in industrial welfarism and employee participation. Robinson was more interested in profitability and was increasingly concerned with Gepp’s expensive welfare programmes. As previously noted, the Port Pirie smelting plant of the BHAS, which was owned by the Collins Group and where Mussen served as industrial adviser, emphasised employee participation and industrial welfarism. While EZ’s management, like overseas employers, saw the need to maintain close links with employees in a large organisation and provide workers with a “fair deal,” EZ management used this combination of industrial welfarism and employee participation to weaken the appeal of unions.34

There were two forms of employee representation at EZ – the Works Committee and the Cooperative Council, which oversaw the EZ welfare programmes. Gepp spent four months in the US from August to December 1919 investigating several matters, including “the whole question of industrial relations and of co-operation, health etc., in relation to efficiency and logical contentment.”35 The trip included a meeting with CF&I to discuss its ERP. In January 1920, after Gepp had presented a report on his trip to a meeting of Collins House managers in Melbourne, he was asked to look into the idea of developing a works council alongside a works union where this did not disrupt “an already organised union.”36

While management did not proceed with a works union, a temporary Works Committee arose in early 1920 to discuss a management proposal to link wages to the cost of living, which later became permanent. The Works Committee consisted of employee representatives from each division, elected on an annual basis, the number of representatives determined by the number

of employees in each division. There were also management representatives and representatives from the EZ Cooperative Council. The ratio of employee representatives to company representatives on the Works Committee was to be at least 3:1. As President of the Works Committee, the General Manager nominated the Chair of the Works Committee. Chief Accountant George Mackay Hunter chaired the Works Committee from its inception until his death in 1936, when management replaced him with Chief Engineer Harry Warlow-Davies. Some unionists, such as George Hargreaves, President of the Hobart Branch of the Amalgamated Engineering Union (AEU), were elected to the Works Committee as employee representatives. Management allowed the employee representatives to meet separately during this period and to refer matters to the Works Committee, but the employee representatives complained in January 1926 that they had insufficient time to prepare for the Works Committee meetings, despite having two and a half hours for their discussions. While the wages board that covered EZ dealt with wage determination, and ratified Works Committee decisions concerning wages, it could only meet at the Works Committee’s request. Management used the Works Committee and wages board to justify exemptions from federal arbitration awards. As with ERPs in the US, EZ management used the Works Committee to legitimate wage reductions during the post-First World War recession. The Works Committee played an important role in handling grievances and communication between management and labour. A joint meeting of the Cooperative Council and the Works Committee, for example, was held in December 1920 for management to announce retrenchments at the plant.37

As with other schemes of employee representation, supervisors were concerned about challenges to their status and authority. Supervisors claimed that they would be “shot in the back” for worker representatives were bringing complaints to the Committee about which they had no knowledge. Management amended the Works Committee constitution in May 1923 to meet these concerns, requiring employees and their representatives to discuss all complaints with the relevant supervisor before taking them to the Works Committee. Despite this, management was still concerned in January 1924.

that the Works Committee was acting “improperly,” ignoring this grievance procedure and directly hearing complaints that had not been heard by the relevant supervisor. Management issued a further memo calling for this practice to stop and for the Works Committee to send back these grievances to the department concerned.  

Table 8.1 EZ Works Committee – Issues 1936–38

<table>
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<th>Issues</th>
<th>1936</th>
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<th>1938</th>
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<td>Employment %</td>
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<tr>
<td>External political %</td>
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<td>2</td>
</tr>
<tr>
<td>Hours %</td>
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<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Improvements to plant and machinery %</td>
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<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Industrial relations %</td>
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<td>4</td>
</tr>
<tr>
<td>Labour discipline %</td>
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<td>0</td>
<td>0</td>
</tr>
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<td>Train service %</td>
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<tr>
<td>Issues per meeting</td>
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<td>11</td>
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Source: EZ Works Committee Minutes, 22 Jan. 1936 to 16 Nov. 1938. NS569/1/551. EZCCTAH. The percentages in the table have been rounded up.

What did the EZ Works Committee do? A set of minutes survives for the period 1936–38 and Table 8.1 provides insights into issues dealt with by the Works Committee for this period. The meetings were held quarterly, which delayed the resolution of some key issues, and the minutes of the previous meeting were circulated around the plant before each meeting. While there are no data on the length of the meetings, 29 employee and management representatives attended on average. Welfare issues, such as the provision of

38 EZ Memo, 18 Jan. 1924. NS569/1/95. EZ Staff Note, 29 May 1923. NS569/1/67. EZ Works Committee Minutes, 16 Feb. 1938. NS569/1/551. EZCCTAH.
crib rooms, where workers ate their meals, notice boards, superannuation and water fountains, dominated the matters dealt with by the Committee and formed the majority of issues in 1936 and 1937. Wage issues, such as classifications and the Christmas bonus, were an important but declining issue over the three years and management relied on the current wages board award to deflect criticism. There was an upsurge in governance and work safety issues. This paralleled the growing unionisation of the plant, criticism of the Works Committee procedures and even an allegation of victimisation of an employee representative. The increasing dust levels at the plant were a major health concern in 1938. The Works Committee received many complaints about the frequency of the service and the cleanliness of the carriages provided by the Tasmanian Government Railways. The Committee strayed into broader issues in February 1938 when it protested against the Tasmanian state government for lifting restrictions imposed on the population due to an infantile paralysis epidemic.39

There were some gains, such as the provision of soap to transport workers and the granting of a request by carpentry labourers to gain additional work on the plant’s wharf. Management answered wharf labourers’ complaints in December 1937 about their work transportation, placing a cover over the truck provided for the workers. However, by August 1938 the workers were complaining again that there were no covers on trucks and they were cold. There were tensions between worker representatives and management over delays in resolving grievances. Employee representatives criticised management in January 1937 for their failure to investigate poor conditions, such as inadequate ventilation, at the cadmium crib room despite a promise made at the Works Committee. When it was inspected, representatives “were not satisfied” as management refused to make any changes to the room. Employee representatives were still raising the issue in June. Management defended its prerogatives at the Works Committee meetings, claiming that it alone determined promotion to senior positions, whether by seniority or other factors, and selected applicants for apprenticeships.40

The EZ Cooperative Council, which later became the Community Council, predated the Works Committee and commenced operations in 1918. The Council initially consisted of 12, and later 13, annually elected employee representatives and four company representatives appointed by the General Manager, who was also the President of the Council. As with the Works Committee, the General Manager appointed the Chair of the Community Council who, unlike his counterpart on the Works Committee, was always

39 Employees Section of the EZ Works Committee Meeting Minutes, 20 Jan. 1937. EZ Works Committee Minutes, 22 Jan. 1936 to 16 Nov. 1938. NS569/1/551. EZCCTAH.

40 EZ Works Committee Minutes, 22 Jan. 1936 to 16 Nov. 1938. NS569/1/551. EZCCTAH.
an employee. While the Cooperative Council had executive authority over the Works Committee in principle, the creation of the Works Committee allowed more contentious issues relating to labour management to be dealt with elsewhere and allowed the Council to focus on managing the company’s elaborate welfare programmes, which included employee housing, a company store, a doctor and a dental clinic. The Council also oversaw and funded various plant social and recreational clubs. Management circulated the Council minutes and, according to Alexander, “on the whole the council functioned harmoniously.” Employees participated in the elections for the Council, with 90 per cent, 70 per cent and 85 per cent of ballots returned in 1927, 1929 and 1938 respectively.

The elaborate participative practices at EZ did not prevent industrial action or the eventual formation of a union at the plant. During a dispute over the 44-hour working week in September 1922, members of the AEU, which covered skilled workers such as fitters and turners, walked out of the plant, which led to their dismissals and ultimately defeat in the worsening economic climate. An effort to form the EZ Employees’ Industrial Union to cover unskilled workers in 1923 was unsuccessful following management’s repeated refusal to allow an organiser in the plant. Workers did form the Zinc Workers’ Union (ZWU) in 1936, but management preferred to keep the union from being involved in the purely “domestic matters” that were dealt with by the Works Committee. As noted previously, the rise of the ZWU paralleled growing criticism of the Works Committee and in 1937 there were not enough nominations to fill the employee representative positions. A ZWU ballot that year on whether the Works Committee should continue, however, saw 318 workers voting for its continuance and 278 against. An effort by worker representatives to have the ZWU Secretary attend all Works Committee meetings in February 1938 was rejected by management on the grounds that it would set a precedent and all the unions would request the same right. When the matter was raised again in June 1938 it was unresolved. The EZ Works Committee was active until 1948, when a successful ZWU ballot that prohibited union members from serving on it led to its demise.


Conclusion

Though, as in the other countries examined in this book, an upsurge of interest in industrial democracy accompanied the political and economic crises at the end of the First World War, overall the forms of employee representation discussed in this book had the least impact in Australia. The small scale of Australian industry and the lack of a professional management ethos weakened management commitment to implementing these ideas. Policymakers viewed the Rockefeller Plan and its North American variants as inappropriate because of the strength of the labour movement in Australia and the presence of a compulsory arbitration system to determine wages and conditions. Even the preferred Whitley Scheme, which incorporated unions, had difficulties. The NSW Government Railways dropped the scheme in its Eveleigh workshops due to worker resistance. There was some support for union-management cooperation among union officials who participated in the 1927 industrial mission, but limited interest in German works councils.

One significant case in which employee representation did develop was EZ in Tasmania. The EZ plant was sophisticated by Australian standards as it relied on continuous production and had a relatively large workforce. It operated within a legal framework that did not give unions the full legal benefits of conciliation and arbitration enjoyed by their Australian counterparts, and the unions were particularly weak in the plant. Drawing upon overseas practices, including the Rockefeller Plan, EZ developed employee representation in combination with welfarism as a union-avoidance strategy. As elsewhere, supervisors at EZ were concerned with the loss of their status and authority and had to have their role in the grievance procedure reinforced by senior management. While the strategy was successful in the short term, workers grew dissatisfied with the Works Committee and had formed their own union by 1937.