

## **Exploring Peak Union Purpose and Power: The Origins, Dominance and Decline of the Barrier Industrial Council**

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This paper examines the power and purpose of union peak bodies, focussing on one particularly powerful organisation, the Barrier Industrial Council in Broken Hill. We argue that the power and purpose of all such bodies is multi-dimensional, historically contingent and spatially specific. The most illuminating studies conceptualise peak bodies as agents of mobilisation, a role conferred by the power of affiliates, and economic and political exchange, empowered by 'structural coupling' with the state and capital. However, there is a third possible peak body purpose: social regulation and, specifically, the regulation of labour and commodity markets. This was a conspicuous activity of the Barrier Industrial Council, underpinned by success in mobilisation and exchange and by 'place consciousness'. Understanding the variety of potential power sources holds the key to explaining not only why some peak bodies command more power than others but also why there is so much variation in peak union focus and behaviour.

### **Introduction**

For all of their importance in the history of organised labour in countries like Australia, peak unions (or union federations) have, until recently, been subjected to surprisingly little empirical study and theoretical analysis. Perhaps this is because peak unions are such remarkably heterogeneous phenomena. Some have a national focus, others a state or regional focus, and still others are local in scope; some are strong, some weak; some have lives which are short and tempestuous, others have managed to outlive all but a few of their founding affiliates. Furthermore, some have remained mere debating forums for affiliate unions; others have grown beyond their founding brief, assuming considerable autonomy in the industrial and political spheres. A select few - like Broken Hill's famed Barrier Industrial Council (BIC) - have come close to being a state within a state, exercising enormous control over both affiliates and the social and political formations in which they are embedded.

These observations raise a number of intriguing questions about the nature of peak unions. Why is it that unions form peak bodies in the first instance? Why is it that some peak unions prosper while others wither away? Why do some peak unions become powerful? Why is that that peak union power ebbs as well as flows? These are extremely complex questions and their very complexity perhaps explains why students of labour history and industrial relations have been loathe to ask them, let alone answer them. We certainly do not pretend that we have all the answers here. What we want to offer are some insights which we believe do have the potential to enhance our understanding of the purpose, power and historical experience of peak unions.

The BIC is one of the best known examples of a powerful union peak body in Australia. Upon its establishment in the early 1920s, it oversaw a particular form of working class mobilisation and, for many years, exercised something like a hegemony both for and over its affiliates. The BIC not only presided over a local system of collective bargaining largely outside the processes of compulsory conciliation and arbitration but also exercised a formidable control of local commodity exchange and consumption as well as social relations more broadly. This regime, which was consolidated in the Great Depression and lasted throughout the post-war boom, would stagnate and decline from the 1970s. How did the BIC come to exercise such power? And why has its power declined in the last generation?

In this paper we argue that peak union power and purpose is multi-dimensional, historically contingent and spatially specific. Building upon existing studies which conceptualise union federations as agents of mobilisation and economic and political exchange, we suggest that a further dimension to peak union purpose is that of social regulation and, specifically, the regulation of labour and commodity markets. We do not suggest that only local peak bodies are capable of wielding this sort of power but there are compelling reasons to think that they are more likely than national federations to do so. If the power of national and state peak bodies can be explained largely in institutional terms,

this does not quite explain the power of local peak bodies. The vital difference underpinning the exercise of social regulation is spatial. In the case of local peak bodies, the nature of labour markets, the proximity of employers and the presence of workers themselves are factors which shape the purpose and power of the institution. The BIC is an instance of social regulation *par excellence*.

### Theorising Peak Unionism

To date, explicit theorising about peak unions in Australia has been limited to considerations of the 'authority' of the Australian Council of Trade Unions (ACTU). Much of this emphasis flows from Martin's pioneering work. In his early work, Martin is concerned with developing the concept of authority, arguing that all organised interests groups have external authority (over 'outsiders') and internal authority (over 'constituents') (1966, 140). Martin comments that 'unions' acceptance of the Australian Council of Trade Unions as the body best fitted to handle claims on their behalf was natural enough, given the character of the arbitration system, once the Australian Council of Trade Unions had established itself as a reasonably representative organisation' (1958, 40). Dabscheck takes issue with Martin's use of the notion of authority, preferring to talk of 'leadership', and implying that affiliates incurred no loss through its formation. Dabscheck's preferred hypothesis is that 'the role of a peak trade union body can only be understood in the context of the industrial relations system of which it happens to be a member' (1977, 389) and that 'Australia's compulsory arbitration system lies at the root of ... leadership dominance *per se* and the corresponding needs of affiliates for such leadership' (1977, 393). Indeed, Dabscheck appears to ascribe ACTU authority to an inherent 'habit of reliance' by Australian unions on 'external' bodies (1977, 400). Following Martin, Griffin (1994) attributes the ACTU's authority to a combination of 'internal' and 'external factors', with the latter playing the more important role in the rise of the ACTU in recent years.

We see a number of problems with these approaches. Firstly, the concepts of 'authority' and 'leadership' are ahistorical. There is little acknowledgment that authority is variable - it can come and go. Checklists of activities or discrete events do not explain how authority is acquired, maintained and exercised. In these accounts, how the ACTU came to be representative is under-explicated. Secondly, while these authors recognise the dual nature of authority ('authority for/external authority' and 'authority over/internal authority') they fail to explain the linkages between these two dimensions. Thirdly, conventional measures of authority, such as numbers of affiliates, funding, rules and sanctions, may well be illusory and misleading. These measures of authority are fetishised manifestations of underlying power relations. In short, simply listing the industrial and political 'functions' of peak bodies and then describing the apparent authority to execute these functions tells us little about how peak bodies are constituted or how they change. There is no treatment of the sources of power, merely an assumption that the index to be 'measured' is (legitimate) authority. Moreover, there is insufficient recognition that the 'authority' and power of peak bodies are not given but variable.

To appreciate this latter point more fully, we need to recognise that peak body purpose and power are not immutable but shaped by the interactions of competing and often contradictory social forces. In essence, all union structures, including federations, represent negotiated and historically contingent compromises between these two opposing pressures (Hyman, 1975, 41). Where the forces of fragmentation predominate, union confederation will be either irrelevant or unsustainable; where those of unity override, loose confederation is likely to give way to formal amalgamation and the calls for 'one big union'. Peak union power and importance varies across space and time precisely because of the shifting balance between pressures for unity and fragmentation.

How then do we conceptualise power relations in and around specific peak bodies in liberal democratic societies? A notable recent attempt to explain the nature of peak body power is in Chris Briggs' study of the ACTU (1999). Drawing upon the work of European labour movement scholars, Briggs argues that a peak body possesses 'unique capacities' (1999, 28) which distinguish it from the unions which make up its affiliate body. In evaluating peak body power, we follow his formulation: that a peak body's power lies in 'its ability to mediate and reconfigure the relations of autonomy and dependence which exist within the union movement and between trade unions and other social forces' (1999, 31). That is to say, there are structured, historical relationships which determine the powerfulness of each peak body. Power cannot be read off from the characteristics of the organisation itself.

Briggs points to three purposes of peak bodies: as agents of mobilisation, as agents of exchange and as providers of collective services or goods. The last of these is plainly the least important. A peak body which merely provided training and specialist advice would be a weak one, as it is difficult to conceive of a group of unions that would delegate their own authority in return for this particular form of collectivity (1999, 28-31). The key lies in understanding the purpose and power of union peak bodies in terms of mobilisation and exchange. Mobilisation takes two forms, the political and the industrial: the former involves organising specific campaigns and promoting political ideologies; the latter involves managing inter-union relations, running industrial campaigns and co-ordinating collective bargaining. Having aggregated the interests of unions, a peak body then stands at the intersection between unions and other social forces (1999, 28-9). In its capacity as an agent of exchange, a peak body acts for unions in relation to these social forces. It may engage in economic exchanges, directly bargaining with employer associations, and in political exchanges, ranging from simply lobbying over specific issues to entering into corporatist political arrangements. The gains a peak body delivers through these exchanges are of course premised upon member unions supporting what it does. Put more generally, a peak body must have power as an agent of mobilisation in order to act as an agent of exchange (1999, 29).

Each form of peak body purpose relies upon a particular power source. The power of a peak body as an agent of mobilisation is drawn from the general power of the affiliated unions. We describe this as a delegated power. The power of the peak body as an agent of exchange relies logically upon its prior power as an agent of mobilisation; it is a derived power. It, too, has a specific source: it is drawn from what Briggs and others call the 'structural coupling' that a peak body forms with the state and employers. In Briggs' account of national peak bodies this coupling, in particular with the state, is the essential component in explaining how those bodies become powerful. In short, they are empowered as agents of exchange by the state's granting them a degree of legitimacy (1999, 11-12, 18, 52-6). Briggs and the authors upon whom he draws argue that many of these bodies become 'governing institutions' in corporatist social arrangements (Briggs, 1999, 60). This is not the whole story, though. Within the union movement, there needs to be what Briggs calls a 'normative view' which allows for and privileges the role of a peak body as the legitimate expression of general union interests (1999, 69, 72-3). The solidaristic norms of the union movement, without which the formation of peak bodies would be unthinkable, also act as a counter to the constraints which the state and capital impose upon peak bodies.

However, to understand the BIC, we must add to this framework, for the BIC was a 'governing institution' whose activities ranged far beyond even those of the most powerful national or state peak bodies in Australia. The BIC exerted a very significant, if not dominant, influence over local labour markets and commodity markets. We describe this peak body purpose as 'social regulation'. It takes two forms: the regulation of labour markets and the regulation of commodity markets. These are capacities unique to a peak body. Only a peak body can intervene across different industrial and occupational labour markets; only a peak body can intervene in commodity markets.

The sources of power for social regulation build upon the other purposes of a peak body. In order to engage in social regulation, then, a peak body must have capacities as an agent of mobilisation and of exchange. But just as each of these capacities has its own, specific source of power, so too does social regulation. For social regulation, the normative view of peak body purpose assumes a particular importance. We argue that a 'place consciousness' is a necessary underpinning for this activity. Place consciousness lies in the ideas and social practices of the working class families and local labour organisations and in a sharing, or enforcement, of these ideas more widely in a particular space. For social regulation to be one of the activities of a peak body, there must be a broad acceptance or toleration of such a role.

How, then, might place consciousness arise? As spatial considerations are largely overlooked in the industrial relations literature, we must turn to the work of human geographers. In the words of Doreen Massey: 'The fact that [social] relations *occur over* space matters. It is not just that 'space is socially constructed' ... but that social processes are constructed over space (1984, 54-55). For our purposes, this is particularly important because spaces come to have different meanings for capital and labour. Building upon Massey's work, Storper and Walker point out that, typically, labour is less mobile than capital. Labour is 'place-bound' and will generate social institutions which may eventually outlive those who establish them. Thus, there develops 'a fabric of distinctive, lasting local

communities and cultures woven into the landscape of labor' (1989, 157). For Jamie Peck, local labour markets are pivotal in shaping place consciousness because they constitute 'the scale at which labor is mobilized and reproduced' (Peck, 1996, 11). It is here that the supply of labour is shaped by the structures of families, by education policy and training, by custom and practice surrounding the gender division of labour and by institutions, including unions. In short, all labour markets are '*locally constituted*' (1996, 95, original emphasis), and the supply of labour '*socially regulated in geographically distinct ways*' (1996, 106, original emphasis). We argue that this helps explain not only the BIC's role in the regulation of labour markets but also the second site of BIC social regulation, namely, commodity markets.

Drawing together these ideas, we suggest that the BIC can be understood in terms of mobilisation, exchange and social regulation. Peak body mobilisation is based upon power drawn from unions themselves; it is a delegated, institutional power. Peak body exchange is based upon a prior mobilisation and structural coupling with other social forces; it is a structurally derived power. In addition, an ideological commitment to united action is a necessary underpinning for both of these peak body purposes. Similarly, social regulation is built upon mobilisation and exchange. While it is not necessarily the case that the local is the only scale at which peak bodies can exercise social regulation, local bodies do seem 'best placed' to do so. The locally specific nature of labour markets and the proximity of employers and workers themselves shape the purpose and power of these institutions, along with specific forms of place consciousness.

We turn now to a discussion of each form of peak body purpose as pursued by the BIC from its inception until the present. We examine the sources of the BIC's power and, in so doing, explore both the hegemony and decline of this peak body.

### **Mobilisation**

The creation of the BIC was itself an act of mobilisation and, like all union federations, the BIC was the product of the competing forces of unity and fragmentation. During World War One, mining unionism in Broken Hill was rent by sectionalism, with the smaller craft and occupational unions establishing a peak organisation of their own - the Broken Hill Trades and Labour Council - in opposition to the industrial union agenda of the largest union, the syndicalist-led Amalgamated Miners' Association (AMA) (Dale, 1918, 185-246; Kennedy, 1978, 128-149; le Duff, 1969). The turning point towards a new unity was really the 18-month-long 'Big Strike' of 1919-1920. As a result of this marathon strike, the underground miners, represented by the AMA, won some unparalleled gains, including a 35 hour week and their own joint union- and company-administered workers compensation scheme (Kennedy, 1978, 158-174). In the immediate aftermath of the strike, the AMA even refashioned itself as the Workers Industrial Union of Australia (WIUA). However, the recession which followed the strike left the WIUA financially and organisationally depleted and its remaining membership less enamoured of direct action and syndicalism. At the same time, the introduction of the state-sponsored workers compensation scheme, and the accompanying system of compulsory medical inspections, widened the field of mutual interest between the two largest mine unions, the WIUA and the Federated Engine-Drivers and Firemen's Association (FEDFA). The two unions also had a shared interest in reviving employment and union membership on the mines. Within the existing local peak body, the Trades and Labour Council (TLC), the Engine-Drivers worked to remove the impediments to the WIUA's affiliation with the Council but it took a further two years for the forces of closer unity to gain the ascendancy. Gradually, the WIUA leadership came to the realisation that it could not subordinate the other unions, while most of the TLC unions no longer believed that this would happen. In September 1923, the Engine Drivers' and WIUA jointly ran the first post-strike campaign for a union shop amongst underground workers, in the form of a 'ribbon show' day. The next month, the WIUA membership voted join the TLC, opening the way for the Council's transformation into the BIC (Ellem & Shields, 1996, 398-404).

For the WIUA, though, affiliation had its costs. The BIC's delegate structure was weighted so as to minimise the possibility of the Council being dominated from within by the WIUA. In the end, the miners were limited to nine delegates, and other unions anywhere between two and nine, depending on their size. The BIC officials and the craft unions could therefore enjoy the power of the WIUA without that power being directed against them (Ellem & Shields, 1996, 404). The delegate structure also gave the smaller unions greater collective say in who was elected to the Council's

highest post - the presidency. This largely explains why the leadership of the BIC was dominated by individuals from smaller unions until the 1970s.

In its initial incarnation, the new all-encompassing peak body was invested with the double role of industrial *and* political mobiliser. It was to be called the 'Barrier Industrial and Political Council' and was intended absorb the local branch of the ALP. However, the new body's brief as a political mobiliser proved short-lived. In 1924 the Labor Party State Executive intervened, insisting that the local party remain a separate entity and refusing the Council's application for affiliation. In November 1924, the Council was unobtrusively restyled the 'Barrier Industrial Council'. The BIC was reborn – with the party politics left out (Ellem & Shields, 1996, 406).

In its first year of existence, the BIC instituted a system of quarterly 'badge' shows to achieve, firstly, a union shop on the mines, then a closed shop. By 1925 both underground and surface operations were fully unionised and the mining unions, under the BIC, were organised into a powerful coalition (Ellem & Shields, 1996, 405-6). As pivotal as it undoubtedly was, the mobilisation of mine workers still left an important component of the local paid workforce largely unionised. While Broken Hill is frequently characterised as a 'one industry town', the BIC and its affiliates were actually operating in a dual economy; an economy of town as well as mine (Ellem & Shields, forthcoming). Once it had consolidated closer unity and coalition bargaining on the mines, the BIC moved to organise town workers along similar lines.

The drive to unionise town workers was master-minded by E.P - 'Paddy' - O'Neill, the BIC's first and most long-serving president (1923-49). One of O'Neill's motives in unionising the town sector was to further strengthen the influence of non-WIUA unions within the BIC - and the strategy worked brilliantly. As a town worker himself, O'Neill was well-placed to oversee the town drive. Quite literally, he knew every lane-way and back alley. O'Neill worked as a night-soil carter for the local council and was president of the local Municipal Employees' Union. A tough and wily industrial negotiator, O'Neill was also well connected with the underground fraternity, having previously worked on the mines and participated in the rough and tumble of AMA politics prior to World War One. An equally important formative influence was his devout Irish Catholicism (Anon., 1952). O'Neill's brand of industrial assertiveness and Catholic social conservatism left an indelible mark on the BIC. His election to office also began a succession of Catholic or lapsed Catholic BIC presidents which continues unbroken down to the present day.

The town mobilisation drew on strategies which had characterised the earlier era of radical unionism: mass meetings, the use of 'badge shows' to enforce union membership, a preference for direct bargaining and direct action, inter-union support and the use of consumer boycotts to force recalcitrant traders into line. There were two main phases to this process. The first, in 1924-5, involved wages and hours campaigns by several strategically well-placed town unions, including the Town Employees Union (covering mainly hospital workers) and O'Neill's own union, the MEU. The second phase, beginning in 1926 and extending through to the early 1930s, entailed a series of highly successful membership drives in occupations where unionism was weak or non-existent, particularly among male and female workers in retail shops and hotels (Ellem & Shields, forthcoming). In the space of five years, Broken Hill had been transformed into the all-union town that it would remain until the 1980s.

This is not to suggest that BIC's control over the local labour movement went unchallenged. In its first two decades of existence, its power was subject to three major internal challenges. The first came with the emergence of a numerically large movement of unemployed workers in the later 1920s and early 1930s. By 1932, the local Unemployed Union was the second largest labour movement organisation in the locality - second only to the WIUA - and it was not affiliated to the BIC (Ellem & Shields, 1999). A second challenge came with the rise of Third Period communist influence in the WIUA and local unemployed. From 1930, Communist Party cadres and Militant Minority Movement activists were openly critical of the BIC leadership (Ellem & Shields, 1999). In 1932 militants in the WIUA initiated a move for disaffiliation from the BIC. The proposal was rejected by a large majority but the possibility of WIUA disaffiliation remained very real (Maughan, 1947, 133). A third and still more formidable challenge came with the emergence of Communist-inspired rank-and-file job committees on the mines in the mid-1930s. The job committees challenged not only the BIC's role as apex of the local labour movement but also its role as local mine workers' principal agent in negotiations with mine management (Kimber, 1998, 46-66). Even though the BIC weathered each of

these challenges, they signify that the BIC's growing influence over local union affairs remained open to internal contestation.

### **Economic Exchange/Collective Bargaining**

What distinguished the BIC from most other newly-established peak bodies, though, was its almost immediate elevation to the status of principal intermediary between its affiliate unions and local employers. With the WIUA on board, the BIC quickly positioned itself as the chief bargaining agent for the mining unions in a new regime of non-arbitral industry bargaining. Rather than submitting logs of claims separately to mine management, affiliates were required to hand them to the BIC, which then prepared and served a general log of claims. The upshot was the introduction, in early 1925, of the first comprehensive agreement for all mine workers. This confirmed existing standard hours arrangements (35 hours underground; 44 hours for surface workers), introduced a 'lead bonus' linked to movements in lead prices and provided for the automatic quarterly adjustment of the miners' base wage (Howard, 1990, 77-78; Maughan, 1947, 65-82). Although meant to run for a three year term, the 1925 agreement remained in force until 1931 (Maughan, 1947, 83-128), setting the pattern for a system of triennial unregistered agreements which ran from 1932 until 1986.

The local mining unions adopted coalition bargaining (i.e. peak level collective bargaining) because it represented a pragmatic compromise between those mining unions which had previously advocated arbitration (particularly the metal trades unions) and those which had eschewed arbitration in favour of direct action (particularly the WIUA). Coalition bargaining for formal triennial mines agreements kept faith with the arbitrationist desire for formal, non-conflictual industrial regulation, while at the same time addressing the basic demands of the anti-arbitrationists (Walker, 1970, 222-3).

The BIC's role as the sole bargaining agent with the Mining Managers Association (MMA) not only widened the scope of its delegated functions, but also invested it with significant additional power, flowing from a 'structural coupling' with the mining companies. The BIC was involved not only in negotiating the mines agreement, but was also a party to each agreement and therefore jointly responsible with management for ensuring that the agreement was honoured for the full term. If the BIC's role as the broker and guardian of the mining agreements enhanced its power to act *for* its affiliates, then, in the eyes of its leadership, and that of the MMA, it also extended its power *over* its affiliates.

Unlike most other local peak bodies, then, the BIC was empowered through structural coupling virtually from the outset - through a formalised bargaining relationship with industry employers. At the same time, the abandonment of arbitration resulted in a significant (though not total) structural *uncoupling* from the state. If other peak bodies have derived strength through forging alliances with the state (as did, say, the ACTU under the Accord system), then the BIC chose a structural coupling of a different sort.

The new bargaining system faced a serious challenge in early 1931 when the mining companies pressed for a substantial cut in the basic wage during negotiations for a new mines agreement. When the WIUA threatened to derail the negotiations through strike action, the BIC leadership responded by initiating a change to agreement ratification procedures which had the effect of enhancing the Council's autonomy in the bargaining process. Up to that point, tentative agreements arrived at between the BIC and mine management had to be ratified by each affiliate union, meaning that a recalcitrant union could stall the whole process. Under the new ratification procedure, agreement proposals were to be submitted directly to a combined mass meeting of unionists, which meant that an uncooperative union executive could be effectively bypassed. The tactic worked. The BIC retained control of the bargaining system, and mine management got its way on a wage cut (Maughan, 1947, 115-25; Walker, 1970, 209 & 216).

It was the 1935 mines agreement, though, which confirmed centralised bargaining as a permanent feature of industrial relations in Broken Hill. Negotiated under circumstances of strong industry recovery, the 1935 agreement delivered surface workers a 40 hour week and all mine workers two weeks paid annual leave and a more generous lead bonus formula (Maughan, 1947, 152-72). The 1935 agreement negotiations also had an even more significant outcome - the forging of a remarkably close and cordial working relationship between BIC president Paddy O'Neill and the new President of the MMA, Andrew Fairweather (Carroll, 1986, 90; Fairweather, 1996; Maughan, 1947, 153). This

formidable partnership, which endured until Fairweather's retirement in 1944, shaped the course of formal industrial relations in Broken Hill for many years to come.

Yet it was the apparent cosiness of this relationship that gave rise to the single most serious challenge to the BIC. From 1933, communist activists and fellow-travellers established job committees at particular mines to pursue direct workplace bargaining, particularly in relation to safety issues and tonnage rates for underground miners. While inspired in part by the ACTU's 1934 call for the organisation of such committees in all workplaces, local factors were equally important in the rise of the job committees. The committees sought to bypass the centralised bargaining system with 'point of production' negotiation and, in so doing, posed a direct threat to the BIC's strategic coupling with mine management. The level of rank and file support for job committees was such that neither the BIC leadership nor mine management could afford to ignore their existence. Indeed, the 1935 mine agreement not only acknowledged their existence but also empowered them to represent workers in negotiations and disputes at individual mines (Kimber, 1998, 56-64; Maughan, 1947, 147-50; Walker, 1970, 214.) This may well have been a calculated attempt by the BIC leadership to co-opt the committees, but it also served to undermine the BIC's own power.

These tensions came to a head in 1937-38, when committees at a number of mines initiated 'go slow' campaigns for increased contract rates. The MMA demanded that the BIC bring the committees to heel, but O'Neill was either unwilling or unable to act (Kimber, 1998, 71-80; Maughan, 1947, 184-88), prompting Fairweather to harangue the BIC for its apparent ineffectuality:

Do you say you have no power over the rank and file in these things? We have a mild case of anarchy existing? If you come to us and make an agreement aren't you bound by the legal document that you sign? Don't you stand as custodians of that, not only in your own interests but in ours? (Maughan, 1947, 188.)

Just days after this managerial rebuke, the BIC leaders suffered another humiliation when a BIC mass meeting affirmed the right of rank and file unionists to take 'spontaneous action' (Maughan, 1947, 189). A further wave of job committee inspired 'go-slows' and stoppages followed in 1941-42 (Maughan, 219-20; Walker, 1970, 215).

More ominously still for the BIC leadership, in 1942 job committee activist and communist candidate John Virgo wrested the presidency of the WIUA from an ALP moderate. Although Virgo held the post for only two years, and was the only communist to have held the position, the fact that the BIC's largest affiliate was now communist-led placed the Council's structural coupling with mine management under severe strain. Indeed, the 1943 agreement negotiations produced a stalemate which precipitated the first outside intervention in the local bargaining regime. The Communist-led Miners' Federation, to which the WIUA was affiliated, threatened to intervene to force a settlement and the deadlock was only resolved after intervention by a Commonwealth Conciliation Commissioner acting under wartime regulations (Howard, 1992, 721; Maughan, 1947, 225-33; Walker, 1970, 225). If the lead up to the 1943 agreement marked the high point of job committee influence, the agreement also heralded their decline. With the apparent acquiescence of the BIC leadership, the MMA withdrew recognition of job committees from the mines agreement (Maughan, 1947, 220). Although the committees remained active until after the war, their leadership was taken over by moderates and Industrial Groupers as communist influence in the WIUA receded (Kimber, 1998, 97-104; Maughan, 1947, 257-59).

The job committee challenge was a close-run thing. Had the WIUA disaffiliated under communist leadership in 1942-43 the BIC's power as a mobiliser and coalition bargainer would have been gutted. Ironically, one of the reasons why the WIUA remained within the BIC fold was that the communist officials who controlled the Miners Federation would not have countenanced such a disruption to the war effort in support of the Soviet Union. As it happened, the structural coupling which Paddy O'Neill had forced with mine management outlived both job committees and O'Neill.

### **Social Regulation**

If structural couplings of this sort are rare, then rarer still is the third facet of the BIC's power and purpose – that of regulator of local labour and commodity markets. While predicated on the powers of mobilisation and mediation, these initiatives saw the BIC extend its purpose and power into a realm which few other peak bodies have penetrated. These initiatives invested the BIC with a power and purpose which was as much social as it was industrial.

Within its first few years of existence, the Council embarked on a program of direct intervention to regulate local commodity prices – everything from beer, milk, and bread, to house rents and cinema tickets - all in the name of protecting working class family living standards. This intervention followed attempts by the mining companies to establish company-controlled retail outlets and the limited success of repeated attempts by the WIUA leadership to drum up support for a union-run co-operative (Ellem & Shields, forthcoming). Price control was extended through the creation in 1948 of a permanent BIC Prices Committee (O’Neil, 1969, 7). At the same time, the Council intervened to regulate workers’ savings habits by having of half of each worker’s lead bonus earnings channelled into a compulsory savings fund (Howard, 1990, 84; Shields, 1996, 230).

The BIC’s regulation of local labour markets proved even more effective, in part because this process overlaid class consciousness with a collective consciousness of place. The two main features of labour market regulation were a bar on the paid employment of married women and enforcement of residential qualification for union membership and hence access to local jobs. The enforcement of a ban on paid employment by married women dates from the economic downturn of 1926-27 and was applied in conjunction with drive to unionise unmarried women working in shops and pubs. O’Neill argued that the bar had to do with protecting the concept of a family living wage, but it was also part of a new patriarchal moral economy championed by the male and predominantly Catholic union leadership (Ellem & Shields, forthcoming). The imposition of a strict residential qualification for union membership and, hence, access to paid employment, served social ends of an equally exclusionary nature. From 1931 only those males who had been born in Broken Hill, or resided there for at least eight years, or married a woman meeting these residential requirements were admitted to union membership and local jobs. Although initiated by the WIUA, local labour market closure was fully supported by O’Neill and the BIC and was taken up by all affiliates, with the BIC assuming the mantle of guardian of the local interest (Ellem & Shields, 1999; Howard, 1990, 87-89).

The BIC’s regulatory influence peaked during the later 1950s and 1960s, when the Council functioned under the watchful eye of W.S. (‘Shorty’) O’Neil, who held the Council presidency from 1957 until 1969. Despite at times poisonous relations with the Grouper leadership of the WIUA, O’Neil, a one time job committee activist and WIUA Check Inspector, drew on the support of smaller affiliates to consolidate his hold on the BIC leadership (Howard, 1990, 41-76, 86; Tsokhas, 1986, 179-182). While his Catholicism was largely nominal, O’Neil asserted a place consciousness and social conservatism akin to that of Paddy O’Neill.

By the late 1950s outside observers were referring to the BIC as a state within a state, regulating everything from labour supply, job access and shopping hours to leisure activities (de Vyver, 1960; Howard, 1992, 724-25). Its localism even led it to place a ban on door-to-door canvassing by travelling salesmen (O’Neil, 1969, 10). At the same time, it turned a blind eye to illegal gambling and after hours and Sunday pub trading, all in the name of workers’ welfare (Howard, 1990, 71-74). In 1962, at O’Neil’s instigation, the BIC extended its social control by buying up the languishing WIUA paper, the *Barrier Daily Truth*, and making it compulsory for every local unionist to subscribe (Howard, 1990, 105-106; O’Neil, 1969, 10-11). Occasionally, though, the BIC’s place consciousness ran counter to local consumer tastes - quite literally! In the early 1960s, an attempt to ban Adelaide pies and bread from local shops cause an outcry from local consumers who claimed that the local product just wasn’t up to standard (Howard, 1990, 107). When it came to consumer sovereignty, even the collective power of the BIC had its limits!

### **Disintegration**

The era of unchallenged BIC dominance was brought to a symbolic end by Shorty O’Neil’s retirement in 1969 and the closure of the town’s oldest operating mining company, Broken Hill South, in 1972. From 1970, the power built up by the BIC over the previous four decades began to unravel and its ability to shield its domain from the outside world began to crumble. The structural coupling with mine employers began to come unstuck; at the same time the state began to intrude in local affairs. In 1970s, two of the three operating mines introduced long-hole mining techniques. As a result, employment and union membership began to slide, depleting the Council’s constituency and resources. As compulsory unionism slipped, so too did the BIC’s ability to regulate local labour markets. By the 1980s, the residential qualification could no longer be policed. Nor could the marriage bar, as more and more local women and employers openly flouted the BIC.

State intervention in local social and industrial affairs increased dramatically, undermining the BIC's power as both agent of exchange and as social regulator. State Conciliation Commissioners became increasingly involved in mine agreement negotiations, eroding the system's celebrated autonomy from outside interference (Howard, 1990, 91-92). The most telling interventions, though, came from other elements of the state apparatus. In a protracted and at times farcical dispute which ran from 1977 until 1981, local Council employee Noel Latham mounted a successful Supreme Court challenge to a longstanding BIC rule banning a union member from informing on another. Latham was summoned before the BIC and fined for dobbing on a workmate but refused to pay. Latham eventually lost his job after unionists refused to work with him. He then sued the workers concerned and won \$70,000 in damages, which the BIC decided to pay by means of a compulsory levy. The case was fuelled by both personal animus, political-motivated outside interference, and a demarcation dispute between the MEU and the Amalgamated Metal Workers Union, to which Latham belonged. The sheer pettiness of all involved exposed the BIC's bureaucratic rigidity for all the world to see (Howard, 1990, 130-43; Howard, 1992, 725-6). The BIC's ability to enforce the marriage bar, arguably the core of its social regulation, was dealt a fatal blow in 1981 when a local dental assistant named Jeanine Whitehair successfully challenged the bar using the Wran Government's equal opportunity legislation (Howard, 1990, 101-103). The social changes with which these developments were associated also signalled the collapse of the particular form of place consciousness which had underpinned the BIC's social regulation.

The slow retreat from dominance which had begun in the 1970s was turned into a rout in 1986 when mine management effectively walked away from the decades-old system of non-arbitral peak level bargaining. In 1986, mine management demanded an end to a number of work practices which had been in place since the Big Strike. The main demands were for the reintroduction of the night shift and a reduction in the time lapse required before re-entry to a mine after firing had taken place. In response the WIUA struck work for eight weeks - the longest strike since that of 1919-20. Management responded by doing the unthinkable. It applied to the NSW Industrial Commission for an award; and the Commission obliged. The unions then challenged the Commission's right to issue an award and, under conciliation, the parties agreed not to give effect to the award but to accept the recommendation of the Conciliator that the management demands be met (Flynn, 1988; Howard, 1992, 728-33). Despite the non-activation of the award, the outcome signalled the abandonment of the 61 year old industrial relations regime from which the BIC had derived much of its power and legitimacy.

### **Conclusion**

The BIC is one of Australia's longest surviving local union federations, having operated continuously since 1923. Because it exercised such an extraordinary degree of power, the tendency has been to view it as exceptional - if not 'freakish' - and therefore not comparable with other cases. We take the opposite view, suggesting that the very power of the BIC is replete with wider significance. The BIC successfully pursued all three broad purposes open to a peak body: inter-union mobilisation, external exchange, and social regulation. As a mobiliser, it continued to focus on economic issues (although it was certainly not above political involvement); as an agent of external exchange, it focused on relations with industry employers rather than the state; as a social regulator it engaged in the regulation of both labour markets and commodity markets. As such, the BIC drew on three distinct power sources: that of affiliate unions; that of industry employers and that of an increasingly 'place conscious' local social formation. The one power source which the BIC quite deliberately eschewed was structural coupling with the state. In the end, though, it was intervention by the state which contributed materially to the erosion of its organisational power.

To understand the significance of any peak union body, we believe that it is necessary to grasp two essential features of their existence. First, like individual unions, peak unions occupy a constantly moving point of intersection between two competing sets of forces: those of organisational unity and class solidarity, on the one hand, and the forces of fragmentation and sectionalism, on the other. The second, more novel, point to grasp is that peak union purpose and power are multi-dimensional. To be sure, peak bodies acquire their initial or primary purpose and power from the affiliate unions from which they arise. But this refers only to *founding* purpose and power. Purpose can change over time and so too, by definition, can the source of the peak body's power. This array of potential power

sources holds the key to explaining not only why some peak bodies command more power than others but also why there is so much variation in peak union focus and behaviour.

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