

Transcript

Film—Waltzing Matilda & the Sunshine Harvester Factory

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Why is the film and the book it is based on called *Waltzing Matilda and the Sunshine Harvester Factory*? Waltzing Matilda is a song about a sheep thief dying in a billabong; an unusual sort of story to be Australia's unofficial national anthem.

But it is also a story about the terrible shearers' war of 1894 or shearers' strike. It was strikes such as these that led the Australian Parliament to set up the Arbitration Court to settle them and to stop them happening. They were damaging to workers, industry and the whole community.

The Arbitration Court then made what became Australia's National Minimum Wage in the Harvester Decision of 1907. This was a case about the wages paid at the Sunshine Harvester Factory just outside Melbourne which made machines that harvest wheat and grain. This decision still forms the basis of the minimum wage that applies to most workers today.

So this is a story about history but also about how we work today. Every person who gets a job and goes to work goes to work with the benefit of a minimum wage, sick leave and annual leave, developed because of these mostly forgotten events. Events remembered, if they are remembered at all, in the song Waltzing Matilda.

This is a story about the start of our nation, but also about how we work today. I enjoyed researching and writing the book and the film, and I hope you find the stories interesting, as I do.

MCDERMOTT: A soccer match, Friday night in Melbourne. The crowds, the players, and at the centre of it all the ref. Just him and a whistle Behind the whistle is the referee's knowledge of the game and behind that, obviously, an international rule book which dictates how the game is played so it's fair for both teams whether it's played here or in Moscow, in Barcelona or Ho Chi Minh City. It's always strictly the same game and it's been that way for a very long time.

Behind all this, something else is happening. People are making money, selling coffees, pies, drinks, snacks. Behind me are security guards. Behind them, cleaners. Downstairs, the ticket sellers and so on. I want to talk about these and others; ordinary Australians who work.

Where is the rule book for them? Who sets rules at work? What are the wages and conditions and who decides if it's even fair? Is it the same in Barcelona or in Moscow or Ho Chi Minh City? No, absolutely not.

The Australian system is unique. It affects all of us. It affects us every day and yet few of us even think about it.

Obviously employers and business owners need to keep costs down to run competitive businesses, so they may not always want to increase wages or better conditions.

So, a worker who wants more can either negotiate directly with their employer or let a union do it for them. In theory, these two groups discuss things then just agree on setting wages and conditions.

But what happens if they don't agree? What happens if one group wants more money and the other won't pay? What if workers refuse to work? What happens if employers lock them out until they accept less? What happens if they fight? What if there are guns, riots and the police, even soldiers, are called in? It's happened. It's happened here in Australia and it is the closest we ever got to a very bloody civil war. And it came as a great shock.

That's because it came after a very prosperous time in Australian history. The 1850s gold rush was a boom time, a working man's paradise. Money flowed freely and people invested in both land and housing.

But boom is often followed by bust. Banks collapsed in Britain and here. Overseas investors withdrew funds. Property prices collapsed and a severe depression followed. The river of money just dried up.

WHITE: The failure of banks, the financial pressure, makes hard times everywhere in this country. We hear of people starving to death in the cities and nearly every day persons come to our door begging for something to eat. They are never turned away and we are constantly called upon to hand out money.

MCDERMOTT: The shipping industry was in chaos. In 1890 workers on ships began to strike for better pay and better conditions. The owners of the shipping lines though closed ranks to ride out the strikes and ruin the unions. If the unions went broke, the workers would accept what they were given or be replaced by the many who were now out of work.

Here, in Victoria, there was real outrage. In 1890, on the last day of winter, about 50,000 people who all supported the strikers and the unions converged in Melbourne for a public demonstration. The governments and plenty of the public started to get very nervous. Now behind this building, Victoria's Parliament House, machine gun nests were built and 1000 military volunteers called up to keep control. The lieutenant colonel in charge told them not to hold back. He said, "If the order to fire is given, don't let me see one rifle pointed up in the air. Fire low and lay them out". So, stakes were high.

This time bloodshed was avoided but for how much longer would that be the case?

Of course it wasn't just in the cities. People in the bush were doing it tough too. In the early 1890s there was a drought which added to the financial misery. On top of that wool prices had crashed. In Queensland especially, farmers were pushed to the edge of bankruptcy. So they decided to pay shearers less than what they'd received last year.

The shearers and their union said, "No way" to lower rates and went on strike. They refused to be pushed aside and got militant. They set up camps, found some rifles and started military drills. They set fire to shearing sheds which employed non-union labour. Anybody who tried to put out the flames was shot at. Not a great look. In one area they attacked a boat that was coming up the Darling River. The non-union workers were chased off into the scrub and the boat burnt down to the waterline.

As the bitter strike spread across the country it began to look more like the beginnings of a civil war. The arguments were always similar.

WILLIS: If the unions would only be reasonable we would be willing to employ union men. But the time has come when we must insist on freedom of contract.

MCDERMOTT: Freedom of contract meant that bosses were free to employ non-union labour. What they really meant was only non-union labour. Unions on the other hand, entrenched in camps like this one, wanted union recognition which meant only union workers got jobs.

Neither would budge. Employers wouldn't deal with the unions. Unions said employers were trying to starve them out. It was a bitter stalemate, but we had seen that before.

At Eureka in 1854 the rebel flag had flown over a conflict that couldn't be resolved. That had ended up in bloodshed and plenty thought that this would end up the same way.

The early Australian writer, Henry Lawson was one of the union sympathizers. He wrote of the 1891 shearers' strike in his poem *Freedom on the Wallaby*:

SONG: So we must raise a rebel flag
Like others did before us
And we must sing a rebel song
And join in rebel chorus

We'll make the tyrants feel the sting
O' those that they would throttle
They needn't say the fault was ours
If blood should stain the wattle

MCDERMOTT It's an ugly image, "If blood should stain the wattle" but it reflects an ugly time in our history. Strikes ravaged whole communities. Supplies ran out in country towns, businesses failed. The strikes went on and on.

Eventually in 1894, 2000 soldiers and police were deployed and an extra 1000 special police sworn in. The strikers were starved into submission. The effect: unions, unionists and their families were crushed. People were stunned. It had come far too close to a real war.

You might say, "All this is new to me. I've never heard of the shearers' strikes of the early 1890s". But you have. The lyrics of *Waltzing Matilda* are closely related to historical events which happened in Queensland during one of the shearing strikes.

SONG: Well down came the squatter mounted on his thoroughbred
Up rode the troopers, one two three
Said "where's the jolly jumbuck you've got in your tucker bag?
"You'll come-a-waltzing Matilda with me!"

Oh, Waltzing Matilda, Matilda me darling ...

MCDERMOTT: It's a rebel song, a song of defiance. It remains with us to this day. Some even argue that it should be our national anthem.

SONG: Well up jumped the swagman who sprang in to the billabong
You'll never catch me alive said he
His ghost may be heard as you pass by the billabong
Who'll come-a-waltzing Matilda with me?

MCDERMOTT: The strikes entered our national psyche. It stopped short of complete civil war but it was a warning. People across the various colonies of Australia all wanted something better.

Alfred Deakin, who would later be Australian Prime Minister, also wanted something better. He was torn by the complexities. He had sent in the troops to break Melbourne's maritime strike but he had serious reservations about where all this was heading.

Deakin didn't fully embrace what the more radical unionists wanted, which was complete state socialism. He thought it bred corruption and selfishness, yet he knew something had to be done. But, as he put it, how, when and where?

The answer had to come soon. Australia was on the verge of Federation. The man at the centre of that movement, Sir Henry Parkes, was also looking for a peaceful solution.

PARKES: Australia now has a population of three and a half million and the American people numbered only between three and four millions when they formed the Great Commonwealth of the United States. The numbers were about the same and surely what the Americans have done by war the Australians can bring about in peace.

MCDERMOTT: Peace, of course, was the key to it. Politicians and people all wanted a nation with a higher ideal than either the Old World or America. A nation giving equality before the law, the right to earn a decent living and yet also not allowing industrial relations to be settled by those with the most money or the biggest fists.

One politician grappling with this was a South Australian; a radical liberal, Charles Kingston

KINGSTON: By what means are the peace and order most threatened? By strikes and lockouts! Shall we not then enable industrial questions of the greatest difficulty to be settled between the parties upon consideration of right and wrong rather than the relative strength of the disputants?

MCDERMOTT: Kingston had an idea: a Court that would force warring parties to talk. A court of conciliation and arbitration that set fair wages and conditions when workers and employers couldn't agree.

Importantly, Kingston's idea was supported and shared by Alfred Deakin. After Federation in 1901, Deakin put up a Bill to be voted upon by the new Federal Parliament. The Bill emphasised even-handedness. The proposed Court would favour nobody.

DEAKIN: The Bill has been drawn looking upon the employer and employee with perfectly equal eyes with a view to bringing them before the bar of a tribunal where they shall have meted out to them even-handed justice.

MCDERMOTT: Okay, even-handed justice. Sounds pretty good, doesn't it? The only problem was, though, getting the Bill passed into law.

The new Australian Parliament was hopelessly divided. Rather than two major political groups there were three which, as Deakin put it, was kind of like playing a game of cricket but with three sides on the field rather than the two.

There were the Liberal Protectionists, including Deakin and they supported the Bill.

Then there was the Labour Party and they also supported the Bill, for the most part. Then there were the Liberal Free Traders and they had a whole range of opinions on it. To make things worse, the leader of the Free Traders was a man called George

Reid and he seemed to be working against Deakin.

Reid had a reputation for fence sitting. One minute he seemed to support something the next he'd oppose it. Sometimes he'd be both for and against. He became known by his enemies as Yes/No Reid and when Deakin became Prime Minister, George Reid sat opposite: the leader of the opposition.

Deakin loathed him. He was considered by many to be the best public speaker in the country. Unlike Deakin he was funny, slangy and spoke to the man on the street in his own language. But Deakin saw him as lazy, untrustworthy and without fixed principles. Privately, he said that he found him physically repulsive. Little wonder then they disagreed about establishing an Arbitration Court.

That said, Reid sometimes seemed to support it. In one speech he told Parliament that Australia could lead the world in social experiments like these. Then in the rest of the speech he listed all the problems.

The protracted arguments led to the fall of Deakin's government. Then the world's very first National Labour government tried but it too fell. Ironically, it was Reid who ended up forming governments and passing an Arbitration Bill in 1904.

It was a triumph of Deakin's ideas and Reid's politics. They had fought each other fiercely and Australians had ended up the winners. The reward? Now they had a platform giving workers a voice but also steering the country safely away from militancy or, worse, class warfare.

The new Court was a prize. There was nothing like it in either Britain or the United States. It had the power, if parties couldn't agree, to make a decision and impose it on them by law.

Strikes of course didn't just cease overnight but there was now a forum, a place. Here the parties could be brought together and forced to resolve the issues.

The Court began handing down judgments for a number of different industries. Its first two awards applied to the industries of the great 1890s strikes: a Maritime Award in 1906 and a Shearing Award in 1907.

In that same year came another, a case of great importance. It was called the Sunshine Harvester Case. It would define how Australians work and live to this very day.

The case involved fair wages for the workers of H.V. McKay. He made machines to harvest grain crops in a factory in Sunshine, a suburb in Melbourne's west. At the time of the Harvester Case, Henry Bourne Higgins was the president of the Arbitration Court. He'd been in all the debates leading up to the formation of the Court and for the next 20 years he'd be central to its affairs.

Higgins was a man who tackled intellectual problems with rigour. A lawyer, a politician and a social reformer, he was born the son of a Methodist minister. He grew up in a simple household. He wasn't poor but in the Arbitration Court he gained a reputation as a champion of workers and trade unions.

In the Sunshine Harvester Case, Higgins had to decide exactly what was a fair and reasonable wage for a worker. Higgins thought it through. He decided, first, it had to be a family wage. Not just money for a man to keep himself, but to provide for a family of five to feed, house and clothe them in simple comfort.

To this end, Higgins examined very closely the household budgets of 11 families, and also looked at what was offered by state arbitration courts. He rejected the six shillings a day, or even less, that some of the states fixed as a base wage. He thought

it was not enough to feed people on.

Higgins was robust in his calculations. Five shillings a day went towards rents, electricity, gas, clothes and other items like tobacco, newspapers, repairs and so on. About 20 and a half pence, or about two shillings went to buy food. So let's have a look at the sort of food that would buy an Australian family in 1907.

Here I've prepared three meals, the sort that Higgins's fair wage made possible for Australian families.

This is breakfast—porridge, bread, tea, sugar and some milk. And the cost of that is about half of a shilling.

Here is Higgins's idea of lunch—cabbage soup made from these sorts of vegetables, and again a pot of tea and some sugar to go with it. Once more, the cost is about half a shilling.

And here the *pièce de résistance*, dinner—roast mutton, which is a sort of aged lamb which goes with these kinds of vegetables, sugar and of course the obligatory pot of tea.

Overall our daily food bill comes in at two shillings. You might be looking at this and thinking, "Hmm, porridge, cabbage soup, mutton ... kind of bland". And in a sense you're right. Even at the time it wasn't considered wildly exciting cuisine. But it was good, solid, sustaining food and Higgins wanted to make sure every family could afford it.

Also, there was no social welfare at the time. No unemployment benefit, no sickness benefit no children's benefits. No safety net at all, and Higgins's research prompted him in another direction. He made sure his base wage included a bit extra to cover what he called "evil days" of sickness and unemployment.

All these sorts of things became part of the Higgins equation. Higgins at last settled on a number he deemed both fair and reasonable. An unskilled labourer would earn seven shillings a day or 42 shillings a week. Skilled and semi-skilled could earn more but the basic wage remains the standard and was not to be messed with.

This was something to get excited about. It may not look like much, but the seven shillings a day resonated with people. It was a rate from a previous prosperous era, the workers' paradise decades that came before the terrible 1890s Depression. The old standard of living was being restored.

So Australia had its first decent minimum wage, calculated in a reasoned, methodical and generous way. It was enough to feed, clothe and house a family and Higgins's work set off a chain reaction for wages across Australia.

Don't get me wrong though. The rollout wasn't instantaneous. Most awards were still state awards set by judges sitting on state courts and wage boards. Some judges disagreed with Justice Higgins. They set minimum wages of six shillings a day, not seven: sometimes less than six.

In 1909 Victoria's Justice A'Beckett said, "A wage of 36 shillings is enough to support a man"—which it was, but not enough to support a family. In 1910 Justice Hood opted "Not for a living wage, but one that the company could afford". In New South Wales in 1913 Justice Hayden used a family of two not three to justify a wage of less than six shillings a day.

So you can see how these things moved back and forth. You can also see how things could have spun off in a completely different direction. Gradually though Higgins's argument won through. The states began to follow the national standard. It took

15 years, but Harvester became the Australian minimum wage.

Of course, this whole story isn't just about wages but about the way we, as Australians, want to live. What Higgins described as "Meeting the normal needs of a person living in a civilised community".

By the 1920s, some commentators said that the Arbitration Court's job was maintaining that civilised standard of living. The standard had been set at Harvester, seven shillings, but it couldn't just be frozen there. It had to keep in step with prices.

So quarter by quarter, year by year, the courts adjusted the basic wage in line with inflation. This led the government to establish its first ever measure of the cost of living: the Consumer Price Index or CPI.

For instance, a cabbage bought in 1907 wasn't the same price as a cabbage bought in 1915 and you needed to keep track of that. So the CPI measured what a household spent on a range of goods and services from one year to the next.

Despite all this, Justice Higgins wasn't satisfied. He was still at the Arbitration Court and he wanted it all revisited.

Higgins called for a review He insisted that the standards he'd used for setting Harvester had been, at best, rough and he wanted it all checked. Now, this is Billy Hughes, Prime Minister of Australia for seven years from 1915 through to 1922.

Hughes and Higgins didn't always see eye to eye. In fact, they got on each other's nerves. But Hughes was passionate about rights for workers and getting votes. So in response to Higgins's request, Hughes set up a Royal Commission to re-examine it all more scientifically and the Commission started with what it called standards of comfort. So, the size of houses, of localities, of conveniences—even the size of baths and washtubs.

They looked at clothing—price, appearance, how well it fitted. Food had to meet set calorie levels, renew tissue and maintain weight as well as provide warmth, energy and satisfy the needs of growing children.

Under miscellaneous items, the Commission scrutinised doctor and dentist fees, domestic help, union dues, household utensils, drapery, crockery, envelopes, stamps, recreation, amusements, bus fares and even trips to the barber.

Employers looked on, not really liking what they saw. They feared that the blowout in costs would force many of them out of business.

The Commonwealth statistician agreed. He did his figures and warned Hughes that the entire output of the country each year wouldn't add up to the new wages being suggested by the Royal Commission. It was too much. Manufacturing would fail, primary production would fall and the country would be left in ruin.

So what was the result of this Royal Commission? Well, the Arbitration Court decided to go back to the original standard set by the Harvester judgment. The rates of pay set down by Justice Higgins had proved to be once again both fair and reasonable.

Billy Hughes's Royal Commission was important though. It had reminded the country that it couldn't just suggest a level of wages that was way beyond industry's capacity to pay. To that end, the Arbitration Court's role was a balancing one between family needs and what employers and business owners could provide. The Court judges weren't that interested in wild statements or over the top rhetoric from either side.

DETHRIDGE: General prognostications of disaster on the one hand, or of uninjured prosperity on the other, are of little or no value.

MCDERMOTT: So the task of the Court remained that of weighing up the position of opposing sides and finding a fair solution.

The Court often said, though, that it didn't possess a magic wand to produce wealth. Producing wealth was the job of business and industry

This warning really struck home in the 1930s Great Depression when Australia's gross domestic product crashed. The Arbitration Court responded by dropping the basic wage by 10%. This difficult step hammered home the Court's will to keep wages manageable. The survival of the workplace was as important as the survival of the workforce.

By 1934 most of the 10% wage cut was restored. As the nation became more productive, new entitlements won in the Court were often seen to benefit both parties. I'll give you an example.

In 1935 the Court introduced one week annual leave. It told employers that yes, this would increase costs but the payoff would be better workers, more refreshed and invigorated and therefore more productive workers. And this kind of logic runs through the early history of the Arbitration Court as it tried to bring benefit to both sides. But sometimes that seemed impossible.

A case in point is Aboriginal workers on isolated and remote Northern Territory cattle stations, many of whom were still denied the minimum rate. In 1966 they began a fight for equal wages and conditions. Led by Vincent Lingiari, one of the local Gurindji people, they staged a walk off at Wave Hill Station. Their union made an application to the Arbitration Commission that it was time to pay the same rate to all stockmen in the Northern Territory, Aboriginal or not.

It may seem straightforward to us, but pastoralists resisted. They argued that because most Aboriginal stockmen still lived traditional semi-tribal lives, they hadn't been trained and educated in the same way as white Australian workers, therefore their productivity was lower and as a consequence they deemed that they should be paid less.

The Commission took a long time to think that one through. Eventually it passed down its judgment. There'd be one law and one wage rate for all, Aboriginal or not. The Court also said that the problem of lesser productivity could be dealt with if stockmen and employer agreed and registered what was called a slow worker permit. This allowed for a lower overall wage in cases where factors like education or tribal obligation might decrease productivity.

But in the end, neither pastoralists nor Aboriginal stockmen took this up. Perhaps they simply didn't want to. Unfortunately, since equal pay, there has been a substantial reduction in the numbers of Aboriginal stockmen. Some say equal pay killed off opportunities; others, that modern technological change would've reduced the numbers anyway.

Either way one thing remained clear—unequal wages based on race, not productivity, couldn't continue. That kind of discrimination would no longer wash in the sort of country that Australia had become.

At about the same time, another important inequality in the Harvester decision needed to be addressed: namely, women.

The Harvester wage was based on the idea of a husband supporting a wife and children. But did the opposite apply? Did a wife with an outside job receive a family

wage to support her husband and children? The answer was no, and it remained no until well into the 1960s and 70s.

In Justice Higgins's time, only 5% of married women worked outside the home so it was kind of natural to assume that a wife with a job was already being supported by her husband and so she'd get a lesser wage.

Revealingly, though, the same didn't apply to single men. They didn't have to support a family and yet the Court didn't insist that they get a lesser wage.

Plenty of single women worked but when they got married they were told to resign. The assumption of the Court and of society was that now they would go off, raise families and never come back to the workplace and that was that.

The first major change to this took place in the Second World War. Then, with so many men off fighting overseas, women were all of a sudden very badly needed in the workforce. In the course of the war, women's wages were bumped up from 54 to 75% of the male wage in an attempt to encourage them into the workplace. After the war, this rate remained despite various attempts to wind it back. It was a start, if nothing else.

From that time on, the numbers of working women increased. By the late 1960s they made up nearly a third of the workforce. It was very difficult by this stage to believe that a woman's place was just in the home.

Women agitated for real change and in 1969 the Arbitration Commission responded by hearing the Equal Pay Case. It recognised the principle of equal pay for equal work but differentiated between men's work and women's work. In an age of increasing technology this made no sense and three years later in 1972 the Arbitration Commission applied one rate to both males and females.

In a century where so much changed both industrially and technologically, Australia emerged as something of a world leader. It had led the world in the delivery of democratic ideals without revolution and without bloodshed. Before the minimum wage an Australian worker could work long hours without any guarantee of being paid. Some bosses illegally withheld money and if a worker fell ill they received nothing and their family could go without.

As a result of Arbitration Court decisions weekly working hours were reduced from 48 to 44 to 40 and finally 38 hours a week. But the Court knew how to pick its moments. In 1947, for instance, it brought in the 40 hour week saying that industry was booming and nature bountiful. Overall, the Court knew it was shaping an Australia of the future. It brought us the Australian weekend, it gave equal pay for women and it brought in things like sick pay, annual leave and parental leave for both mothers and fathers.

The contrast between Australia in 1900 and today is stark. Today, the economy is far more productive. We are wealthier and labour standards have risen. Today a worker works 38 ordinary hours a week. Every man, woman and child who sets foot in a workplace can start knowing that there's such a thing as the minimum wage. They're also entitled to at least four weeks annual leave and 10 days sick pay a year.

All this and other benefits have been developed by the Arbitration Court over the last hundred years and it started with an idea. The idea that employers and employees settle disputes without violence—meeting, negotiating and, if necessary, arguing their case in a court.

It's a triumph we can be proud of and it's a very, very long way from the shearing sheds the gangs, the mobs and rough justice of the 1890s.

SONG: Well up jumped the swagman, who sprang into the billabong
You'll never catch me alive said he
His ghost may be heard as you pass by the billabong
Who'll come-a-waltzing Matilda with me? Oh, Waltzing Matilda, Matilda me darling ...