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Coalminers, arbitration and the workplace

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Historians who have asked why it was the Australasian colonies opted to introduce a compulsory element into their dispute solving mechanisms have given broadly similar answers. Compulsion resulted from the conjunction of a particular stage of union development, a heightened predisposition towards what might be called 'liberal rationality' or a belief in the possibility of resolving clashes of interest by negotiation. Commonly enough, historians have also tended to concentrate upon the leadership or sponsorship of a particular individual. Thus, the persistent advocacy of William Pember Reeves in New Zealand, C C Kingston in South Australia and B R Wise in New South Wales is often seen as critical to winning acceptance for the legislation. There is much to commend this general explanation for the adoption of a compulsory system of arbitration throughout Australasia. It is an historical framework which Jim Holt's *Compulsory arbitration in New Zealand* endorses. It is when he turns to examine the evolution of the system that he widens our perspective. He stresses the subtle interplay between employers and unions, politicians and administrators and the Arbitration Court itself as each sought to respond to changing circumstances.

This general framework offers an impressive overview of the changing attitudes and strategies of those involved. It is possible of course that if we take our stand in the workplace and look outwards and upwards we may see different forces helping to determine the pattern of industrial relations. The coalminers provide a useful if not entirely typical case study. And, their attitude to state intervention in industrial relations was governed as much by workplace concerns as by the general economic climate. Their attitude to the arbitration system was determined primarily by a desire to squeeze out of the historical circumstances which confronted them as much influence in the workplace as it was possible to achieve. The arbitration system simply provided another arena for the playing out of a struggle whose origins were rooted in the peculiar nature of mining as an occupation. Fundamental to this contest was the miners' conviction that the dangerous nature of their calling both required and conferred upon those who worked below ground a greater degree of autonomy than in most other occupations.

Recent British research has described this search for greater influence in the pits as part of an attempt to transcend the status of the plebeian miner and assume the mantle of the 'independent collier' (Harrison, 1978). Whatever it is called, this drive for control of the workplace was to shape the response of New Zealand coalminers to all proposals for the settlement of disputes about work and wages from the 1880s onwards. Indeed the struggle to achieve independence in the pits was the central dynamic of coalmining unionism in New Zealand from the formation of the Denniston Miners Union in 1884 (Richardson, 1984; Fry, 1986, pp. 58-75). The assertiveness with which it was pursued ebbed and flowed; the high points were undoubtedly associated with the 'new unionism' of the 1880s and the syndicalism of the early twentieth century. But even when the struggle for control of the coalface was not being vociferously proclaimed by union activists, it remained common currency in the pits.

Throughout the 1880s, coalminers and their employers had experimented with a variety of *ad hoc* practices aimed at solving particular disputes. It is not easy to categorise the attitudes of the participants, for both used the terms 'arbitration' indiscriminately and interchangeably with conciliation. Sometimes they meant collective bargaining by nominated representatives

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of workers and employers; sometimes they meant third party intervention with a view to drawing up a form of settlement binding on the parties. But what is clear is that the launching of a colony-wide union of coalminers — the Amalgamated Miners' and Labourers' Association (AMALA) — by John Lomas and the Denniston miners in 1885 had the effect of clarifying attitudes. Talk by the miners of setting aside the law of supply and demand as a man-made device for keeping workers in their place and the AMALA campaign for a uniform hewing rate galvanised the coalowners into action.

Some coalowners, notably the smaller ones, sought to forestall the affiliation of their workers with the AMALA by advocating the establishment of permanent, local Boards of Reference. All discussion of 'wages, hours of work, mode of work and the like' should, employers suggested, be referred to such a board which was to consist of an equal number of employer and employee representatives and be presided over by an 'impartial umpire'. Its decisions were to be binding on both parties. Precisely how they were to be reached was never made clear. What was clear however was the employers' desire to use the proposed boards to circumvent what they saw as the consolidation of union ranks within their pits. Moreover, they hoped the boards would provide a means of minimising the influence of, or better still excluding all together from the negotiating table, the executive officers of the Amalgamated Miners' and Labourers' Association.

Indeed, Kaitangata coalowners took the view that the issue of whether or not its employees were free to affiliate with the AMALA was itself a matter of dispute which should be referred to any future Board. It became clear also that while they were prepared to recognize and deal with local union officials the owners considered that a local Board of Reference would make unionism unnecessary. If miners retained their organization it should, in the owners' scheme of things, play a subordinate role. As it happened, the miners at Kaitangata settled for arbitration of their particular set of grievances. They refused to be drawn into any permanent dispute-solving arrangement which asked them to put their faith in an umpire whose impartiality they had no way of knowing and which sought to strip the workers' representatives of the collective support which might make their position at the negotiating table more secure.

Such skirmishes as this stimulated suspicion and produced a very guarded attitude to proposals for solving industrial disputes whether they came from employers, from politicians or from among the colliers' own ranks. Thus, when the Atkinson government announced its intention to investigate a succession of industrial problems on the Grey Valley coalfield in 1890, union officials were quick to define their ground. John Lomas, speaking as leader of the AMALA, warned that 'on matters of wages and conditions' miners would brook no 'interfering between us and our employers'. He was here plainly rejecting the ability of any third party to understand the complexities of the workplace. At the same time he was prepared to put his faith in unionism's ability to patrol the workplace and to rely upon its collective bargaining strength.

It was precisely this new assertiveness which had led the politicians to call for an investigation of industrial relations on the coalfields in the first place. Throughout the late 1880s, the miners had been pushing their grievances more vigorously than in the past and laying claim to a greater say in the workplace and in any attempts to talk out grievances with their employers. They were prepared to discuss problems before an agreed independent chairman. In doing so they often distinguished between what they termed matters of 'reference' and those of 'arbitration'. In the former case, referral to a third party was seen as what we might now regard as conciliation; the chairman's voice would be heard but not necessarily heeded. Thus in July 1889 Grey Valley miners rejected an agreed conciliator's decision on the ground that it was 'unjust'. On the other hand when both sides formally submitted a dispute to agreed adjudicators it became an arbitration matter. And, in such cases, union officials spoke of a strong moral obligation to abide by decisions reached.

Union leaders nonetheless stopped short of conceding that an obligation should be made 'compulsory at law'. Arbitration was not to be the 'means of settlement'. Both sides, in the miners' view, should negotiate in good faith but neither should be 'fettered' in any way. Fine distinctions such as these became irrelevant in the aftermath of the Maritime Strike of August-November 1890. Indeed the miners were formally rebuked for their wrongheaded views which were seen by the chairman of the Royal Commission, James Hector, to have precipitated the labour-capital crisis of 1890. He admonished them for having:

> given heed to crude and deceptive teachings, and fostering amongst themselves unwise and misleading views on the respective relations between capital and labour, without really knowing their interdependence upon each other, or, indeed, without having truly defined the meaning of the terms, or formed correct views of the distinctive functions which capital and labour are called upon to fulfil in the world's work. (*AJHR*, 1891, C3, p. 17).

The return to work on the coalfields was on terms designed to reinforce Hector's lesson; unionism was banished from the pits and many of the traditional customs and practices were swept aside.

The rebuilding of mining unionism after the crushing defeat of 1890 has its origins also in the dynamics of the workplace. The most obvious change in the workplace environment in the aftermath of the strike was the removal of all formal union influence in the mines. The miners turned to politics and sought legislative means of reinstating unionism and reinforcing its watch-dog function in the pits. In 1893, for example, John Andrew Millar, the newly elected MP for Port Chalmers, attempted to introduce legislation which would have attached the appointment of a checkweighman to 'the men's organizations where they existed'. While this right had not been universally conceded by the coalowners in the 1880s it had been achieved by most members of the AMALA. It was an important achievement because the checkweighman was elected and paid by the miners and in this way was perhaps the only worker in a mine capable of surviving moments of vindictiveness on the part of an employer.

As a consequence, the checkweighman became the focal point of attempts to reassert unionism in the workplace. And, so far as unionism persisted in the years immediately after the Maritime Strike, it did so in the hands of the checkweighman. This was well understood by employers who stood by their refusal to acknowledge any association of colliers. They were prepared to accept the presence of the checkweighman as the men's representative. What they would not accept was the right of a third party — the union — to interpret the will of the colliers. This distinction between the individual collier and the collective union was a convenient fiction designed to perpetuate the unequal bargaining position of the colliers and to bar any potential resurgence of their influence in the workplace.

It was accompanied by an attempt to alter the composition of the workforce. Traditionally New Zealand coalmines were operated by a combination of piecework payments for the colliers or hewers and a day wage system for those not directly involved in the winning of coal. To this dual system of payment the owners attempted to add contract workers. At first the latter were employed primarily for development rather than for production purposes. But increasingly there were attempts to widen the scope of work which might be undertaken by contractors to include both trucking and, less commonly, hewing. The miners saw the introduction of competitive contracting as an attempt to force earnings down. Between 1890 and 1896 it certainly did have this effect at some mines. Consequently, would-be unionists bent upon reclaiming lost influence in the pits sought to find ways to build informal unionism around the more secure base possessed by the checkweighman as a bulwark against the spread of contracting amongst 'local miners' and, if the need arose, as a means of combating tenders by newcomers to the mine.

These informal arrangements, when added to the independence which the colliers possessed underground and away from constant supervision, were not without some bite. They lacked, however, formal recognition and did not always provide the cohesion necessary to secure stable or predictable earnings. Moreover, contracting was seen by most miners not only as a means of forcing wages down but also as putting mine safety at risk and jeopardizing the customary or traditional practices of the pit.

This then was the context against which New Zealand coalminers began to assess William Pember Reeves' Industrial Conciliation and Arbitration Act. Their first public comment came from the Denniston miners and, as the most powerful voice in the now defunct AMALA, it set the pattern of response on the coalfields. It was the employers who provided the final spur. In 1895 they cut hewing rates by 4d a ton and less than a year later cut them again by 3d a ton. The colliers refused to work under the new rates but when threatened with dismissal reluctantly returned to work. At this point the miners seemed to have opted to try out the new arbitration procedures. Accordingly, they drew up a lit of grievances and despatched them to their employers, the Westport Coal Company. When these and the subsequent conciliation phase failed to produce an agreed settlement the parties went to arbitration. In September 1896 the Denniston Industrial Association of Workers and the Westport Coal Company appeared before Reeves' Arbitration Court (Richardson, 1984).

Both sides were aware that they were entering a 'new and untried domain'. What is noteworthy, however, is that the miners approached the Court not simply with the immediate issues at stake in their current dispute but with a shopping list which was a paraphrase of the AMALA's reform agenda. High on the list were the abolition of the contract system, the reduction of hours worked by men at the coalface from 8 to 6 and a series of changes which would have resulted in a considerable strengthening of the position of checkweighmen. In sum, there was a clear attempt to squeeze out within the workplace just a little more control over

their situation in the pits. The union's claims represent an attempt to assert once more the independent status of the collier. Putting an end to the contract system, for example, was not simply a means of securing more work or better wages. It was also a means of exercising greater control over their working environment. Contractors were not infrequently 'outsiders' of limited experience whose major virtue to their employers was their cheapness. The coming and going of contract teams diminished materially the ability of colliers to influence the pace and pattern of their work. Given the insecurity of their hold in the pits, recourse to arbitration was scarcely surprising. Should the court in its wisdom accept the demands, the miners would have achieved by due process what the AMALA and the new unionists of the 1880s had failed to achieve by union solidarity alone.

The outcome of the miners' first experience of the arbitration system was a mixed one. The hewing rate was restored to its 1890 level, and preference was granted to colliers resident at Denniston. Contracting remained an option open to the employers and the hours of work at the coalface remained unchanged. The gains were sufficient, however, to secure the place of the union. And they added immediate strength to the arm of the individual collier on the numerous occasions he was brought into direct bargaining with employer representatives in the course of his daily work. It was this above all else which quelled whatever residual distrust there remained about placing themselves in the hands of an arbitrator whose knowledge of the real world of work miners previously had been treated with almost open contempt.

The continuity of objective apparent in the 1880s and 1890s was to shape the miners' attitudes to the arbitration system for the next forty years. And, it seems equally clear that the criticism of the Court which was to gather momentum on the coalfields in the first decade of the twentieth century is at bottom an expression of this struggle for elbow room in the pits. The anti-arbitration rhetoric of the Red Feds was real enough. So too was the employers' campaign to bring all but rural workers under the Court's aegis. Both sides recognized that the real issue was control in the workplace and that the battle would be fought over piece work and the contract system. (On the piecework question more generally, see Olssen, 1987; McAloon, 1986; Bartlett, 1987; Nightingale, 1985).

The miners had traditionally accepted the former but had historically taken a stand against all forms of contract work. And, this customary stand was to converge with, and in some ways stimulate opposition to, all forms of piecework which were increasingly finding favour with employers of industrial labour more generally (McAloon, 1986; Olssen, 1987; Bartlett, 1987). Some employers feared that if the miners were to successfully eradicate the contract system from both coal and gold mines then the road would be open for an attack upon piecerates in industry as a whole. The more radical of the Red Feds played upon such fears by grandly proclaiming as their ultimate objective the abolition of the wage system. How far rank and file miners were willing to travel down this road is unclear, although there is good reason to think that many of them were moving beyond seeing the contract system as their ultimate objective but rather as a staging post along the road to the abolition of all forms of piecework.

Seen in this light, the 1908 Blackball strike, frequently depicted as the launching pad for an all out attack upon the arbitration system, needs to be re-examined. It is undoubtedly true that Blackball events were convenient ammunition for the emergent Red Feds, but it is also true that the concerns which sustained the strike went much wider than the celebrated 'crib time' affair. The introduction of contracting was the most contentious. Yet along with other grievances, it was relegated by contemporary commentators and subsequently by most historians to the status of convenient afterthoughts tossed into the debate by the strike leaders as a means of carrying the rank and file with them. The real fight, according to these accounts, was with capitalism and its chief prop, the arbitration system. Such a view distorts our understanding of the dispute and tends also to avert our eyes from its specific or local consequences (O'Farrell, 1955; Smith, 1976; Hickey, 1925).

Yet it is in the aftermath that we can see more clearly the dimensions of workplace politics. In the first place, what was hailed as a defiant joust at capitalism's major prop and as a stunning victory for the Blackball miners was at best an honourable draw. Important as union solidarity was in determining the outcome, it was the flooding of the nearby Tyneside pit and the opportunity to pick up the contracts for which its coal was particularly suited that led the owners to modify their stand. Moreover the closure of the Tyneside mine threw out of work some 150 men and the Blackball miners were uncomfortably aware that these jobless miners represented a pool of potential strike breakers. Both sides were thus ready to compromise. The strikers did get their 30 minutes for their crib time, and a restart without victimization, but other grievances remained unsettled.

Moreover the workforce which returned to the pits was different in composition and in

mood from that which had launched the strike. The union executive remained largely intact but a good proportion of the single men had sought work elsewhere. Their replacements were mostly men from Brunner, an older mining district where memories of the 1890 strike remained fresh and support for arbitration firmer. Consequently, while it is undoubtedly true that events at Blackball may have given an anti- arbitration lead at the national level, locally there was no immediate break with the Court. Indeed, in November 1908 the owners were to carry the day in the arbitration court before Judge Sim. Hewing rates were reduced in some parts of the mine. The preference clause was emasculated; union officials were now to endorse any applicant' "without ballot or other election"'. Judge Sim, fresh from writing his strike clause into the Southland Sawmillers' award, visited it also upon the Blackball miners. And the owners were also able to intrude competitive contracting into the award.

The experience before the Court in 1908 and the impact of its decision in the workplace was to sharpen class consciousness in the pits. Central to the growing disenchantment was the contracting system. It came to symbolize the struggle for influence in the pits. It was said to be the principal instrument of speed-up, the means by which the owners would ultimately destroy union influence, break down conditions, endanger mine safety and drive down earnings. An orchestrated campaign to end the contract system became the dominant concern of the miners' leaders in the years before World War One.

Opposition to it was the basis of a programme to strengthen the union's power to inspect the workplace. What the unionists sought was the power to bring the mines to a halt when, in their opinion, conditions were no longer safe. There were a variety of attitudes among the miners as to how the right of inspection could best be secured. Some thought that, like the checkweighman, the inspector should be paid by the men so as to be free from the influence of management. Others thought that a workmen's inspector should be funded by the state in conjunction with the coalowners.

Neither the abolition of contracting nor the appointment of a workmen's inspector was achieved but they remained, in the years before the war, the central issues of workplace politics in the coalmines. Safety in the mines became an issue which aroused class consciousness among miners and led them to see the Court in class terms. (On the question of mine safety and class consciousness see Reid, 1981). By sanctioning the contract system, the Court was seen to be entrenching work practices which circumscribed worker influence in the pits. Conversely, in this context the owners came to see the arbitration system as perhaps the most reliable guarantor of the status quo available to them. For this reason they determined to launch a counter offensive against Red Fedism in the pits. The first step was to drive all miners' unions back under the Arbitration Court. Thus the events of 1912 and 1913 on the coalfields at least were a continuation of the struggle for control in the workplace.

The arbitration system thus became a battleground in a much wider confrontation. And whereas in 1890 the coalowners were able totally to remove unionism from their workplaces, now they saw clear benefits in dealing with unions constrained by the legal apparatus of the state. Indeed at mines where the employers had encouraged the formation of 'arbitration' unions as means of breaking the 1913 strike they placed few, if any obstacles, in the way of 'old unionists' regaining control. Only at Huntly was the return to work accompanied by accusations of victimization of strike leaders. Eighteen months later officials of the Mines Department were still complaining that they were being frustrated in their attempts to enforce the Mines Act by the lack of cooperation from union officials who were, in their view, 'company men'. In the light of the miners' campaign for greater say in the inspection and therefore the daily operation of the mine, the comment emphasizes the importance of the continuing struggle for control of the workplace.

The miners' thinking about the arbitration system did not change markedly after 1914. The war provided circumstances which allowed the miner in the pit to assert a little more influence over the pace and pattern of his work and this was reflected in the renewed vigour with which the campaign against competitive contracting was pursued. The new miners' national organisation formed in 1915 set the abolition of the contract system as its main objective. The 'go - slows' of 1916 and 1917 although partly political in purpose, were a continuation of attempts to break the contract system.

The contract system dominated industrial relations on the coalfields in the years after World War One and increasingly came to be linked with calls for the nationalisation of the mines. There was nothing new in this either, for union officials in the 1880s had advocated nationalisation as a means of breaking what they saw as a monopoly developing within the coal industry and as a way of ensuring that a national resource was not plundered. The opening of state mines at the turn of the century was in part a response to these arguments. The view,

however, that the state would prove to be a 'good' employer soon faded and union officials came to see that nationalization of itself did not alter in any way power relations in the mines.

Despite these reservations, nationalization came to be seen as a worthy goal. It might prove possible within a nationalized coal industry to achieve national agreements and to widen the involvement of the miners themselves in the monitoring of workplace conditions. Throughout the 1920s the contract issue took on a new dimension. The coal industry entered a period of crisis as the market for coal slumped. The lower and erratic level of demand threatened to remake the face of the coalfields. Small mines or sections of mines supplying particular markets became commonplace. Some were cooperative ventures run by miners dismissed by the bigger pits. Others had their origins in the contract system; groups of men worked parts of the coal leases of existing companies. These arrangements threatened to destroy unionism and led to conflict and violence on the coalfields in the 1930s. Thus even as the Arbitration Court was faciliating wage reductions it was the contract system and its impact on the workplace that pre-occupied the miner in the pit (Richardson, 1980).

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