COMPANY STRUCTURE, EMPLOYER COORDINATION, AND FORMALISED INDUSTRIAL RELATIONS:

THE CASE OF THE AUSTRALIAN STEVEDORING INDUSTRY.

by

David E. Morgan

Lecturer
School of Industrial Relations and Organisational Behaviour
University of New South Wales
Sydney 2052 Australia

Revised version of a paper given at the School of Industrial Relations and Organisational Behaviour, University of New South Wales, 11 October 1993.
Abstract

The period between 1880 and the inter-war years has been of continuing fascination for writers in industrial relations, labour and economic history, historical sociology, business history and a number of other disciplines. A key development in the period in all advanced capitalist societies was the development of formalised labour relations. This paper is concerned with the organizational conditions underlying the process of formalisation of industrial relations in the Australian stevedoring industry. In particular, it centres on the development of the company form – from a discontinuous organization structure in shipping, through a coordinated structure to an integrated structure – the genesis of a 'modern' occupation and collective coordination and organization of employers in stevedoring. Although the institutions of formalised industrial relations developed over the period 1900–1920, the processes of accommodation were much more problematic. The specific nature of the casual labour market and contingency in the stevedoring labour process were important conditions which sustained demands for work control in the industry. This paper demonstrates the key role of the institutional mode of shipping and stevedoring and the role of management. The federation mode of inter-firm relations was reflected in a dual structure of regulation which extended to both product and labour markets. The technological base of the stevedoring labour process was progressively locked onto a high manual labour/low productivity path by WWI. This pattern of choice narrowed future options for both shipping and stevedoring. In regard to the pattern of labour relations, management continued to depend heavily on existing labour organization after the 1890s and industry level regulation in which arbitration was constructed as a control mechanism. Therefore, as the formal institutions of formalised industrial relations developed in the period 1900–1920, management's labour policy served to reproduce and even reinforce, informalism and work control demands in the workplace.
1. Introduction

The period between 1880 and the inter-war years has been of continuing fascination for writers in industrial relations, labour and economic history, historical sociology, business history and a number of other disciplines. Theoretical concerns in these disciplines range from the societal transformation, organizational structures, cultural patterns and social taste to political institutions and social revolution. The concerns and questions generated often display significant overlap.

A key development in the period in all advanced capitalist societies was the development of formalised labour relations. Systems of institutionalised industrial relations in turn have spanned a range of societal domains – covering economic, political and social issues. Although national systems are diverse in design and features – from British voluntarism to German legalism and Australian arbitration – they all focus on the systemic accommodation of the 'structural antagonism'\(^1\) of the capitalist employment relations precipitated by the 'second industrial revolution' of 1880–1920.\(^2\)

This paper is concerned with the organizational conditions underlying the process of formalisation of industrial relations in the Australian stevedoring industry. In particular, it centres on the development of the company form, the genesis of a 'modern' occupation and collective coordination and organization of employers in stevedoring. In doing so the paper addresses two areas; first, the broad theoretical question of industrial and institutional transformation and, second, the paucity of studies of a key national industry – stevedoring.

The period discussed covers early stevedoring work in the nineteenth century to the formation of national employer organization covering all the major sections of the shipping industry in 1928. This period saw the genesis of a modern stevedoring industry and the parties moved from a pattern of decentralised labour relations to Award regulation under the jurisdiction of the Commonwealth Court of Conciliation and Arbitration. Only in 1928 did the Commonwealth Waterside Workers' Award cover all ports and waterside work. Even then waterside workers were subject to additional regulation through the Transport Workers Act, passed in the course of the 1928 strike.\(^3\) Although the institutions of formalised industrial relations developed over the period 1900 to 1920, the processes of accommodation were much more problematic.

In part, this was a salient condition for the high level of conflict characteristic of waterfront industrial relations through most of the twentieth century. Industrial turbulence on the waterfront in the context of WWII, precipitated state intervention in the 1940s. The institution/process tension cannot however be simply located in the lack of 'alignment' or 'fit' between economic activity and the industrial relations

---

system. The implied functional co-ordination of economic ends in this view is not only arbitrary but fictional. This is so for two key reasons; institutions are either inter-organizational or are so in their effects, and that in both cases outcomes are achieved and cannot be imputed. That is, the rationality of institution-building is subject to a process of social bargaining in which organised interests are predominant. Second, economic ends are subject to chronic contestation and thus are neither self-evident nor privilege. This is so in regard to both production and distribution. While the institutional structure of society bears heavily on economic ends, it is conditioned by 'social norms' or value-rationality. The latter informs the policies and actions of management and labour.

In short, the institution/process tension is a function of societal organizational forms and social practices. This paper is thus concerned with the relation between organizational change and social and industrial practice in the development of industrial relations in stevedoring. The next section addresses some central theoretical concerns in the transition to modern production and industrial relations systems.

2. Transformation and Periodisation in Work

Transformation of societal and institutional structures has underpinned labour analysis across the disciplines mentioned above. To the extent that theoretical concerns have had an impact on empirical historiography, institutional analysis has been dominant. With a focus on trade unionism in particular, causal conditions have been identified to explain its genesis, growth, development and linkage with other institutions. It represents a linear 'forward march' view of labour. For industrial relations, this procedure was supplemented by a consideration of the wider set of institutions regulating employment. Implicitly this view is framed by a traditional/modern or traditional/industrial periodisation. So to in functionalist sociology, institutional labour economics and business history.

The major challenge has derived from Marxism. In focusing on capitalism, Marxism exposed the theoretical space for a dynamic analysis of societal transformation that underpinned the implicit industrial/modern period. Two central elements of analysis developed. In the first place, socio-political organization is seen an expression of the structuration of class, and second, economic organization is the vehicle of class exploitation. Taken synchronically, both shape the dimensions of social structure and the position of labour. In this way the causal weight of class conditions both base and superstructure, although the conceptualisation of class – whether organizational achievement or

---

structural positioning – has been a inveterate problem for Marxian analysis. Nevertheless class became the key organizing concept in labour analysis. From this, trade unionism and the institutions of industrial relations were seen as dependent variables in a broader structural analysis. Moreover, capital was taken in undifferentiated terms, where the particular was an epiphenomenon of a general category. In practice though, labour institutions remained central, through an emphasis on the socio-political aspect mentioned earlier.

Marx's technical analysis of production and exploitation contributed to this. Conducted in value categories, the surplus/necessary labour dynamic was not grounded in an analysis of the unit of production – the capitalist firm. Rather it was linked to labour as a class input in the structure of capital valorisation. The distinction between formal and real subsumption of the labour process under capitalism reinforces this view. Moreover Marx's three stage periodisation of technical basis of production (cooperation, manufacture and modern industry) was self-evident as monopoly capitalism developed at the end of the last century. In particular the spread of continuous process technology continued apace, deepening the workplace effects of automation. Indeed Marx's silence on the role of the firm, is indexed by the ambiguity over the three stage model – alternatively read as temporal or analytical. Thus in Marx and Marxian–inspired analysis of labour and industrial relations the explanatory weight of organizational dynamics was submerged by value categories, filtered through class analysis or ignored.

Braverman's Labour and Monopoly Capitalism, revived interest in the dynamics of workplace production relations. Taking the concept of the labour process from Marx, the book focused on the forces shaping and reshaping production relations at the level of the organization. Braverman supplements Marx's three stage periodisation with a fourth – monopoly capitalism. The 'scientific and technical' revolution (ie the second industrial revolution) propelled capitalism to a new corporate form, appropriate for the functioning of the fourth stage of capitalism.

It is at level of the corporation that the structural forces of capital are played out. According to Braverman, corporate market dominance is an essential condition of monopoly capital. The key capitalist class processes revolve around deskilling and the unyielding thrust for control. Management control of technology – fuelled by the scientific and technical revolution – is a critical medium of both processes. In the workplace, the separation of conception and execution provides the wedge for task fragmentation, minimisation of labour input and training, and labourcheapening. All are crucial in the

transition from craft to mass production. Taylor's scientific management remains the primary mechanism of the continuity of the logic of capital to this day. It is from this level that transformations in the class structure radiate.

The divorce of conception and execution, propels management into a far greater role than in pre-monopoly capitalism. The growth of management is driven by two interrelated functions – planning and organising the detailed division of labour in production and replicating physical production in 'symbolic form'. As mentioned scientific management underlies the first, but the latter role – which can be taken as capital management – is not meaningfully discussed by Braverman.

Therein lies a critical failure of Braverman's focus on management and the general labour process perspective. While the role of management-dominated organizational processes is put forcefully, it is confined to production and thus provides a untenable analysis of management at the capitalist firm. Second, the focus on the 'objective' dynamic of work organization leads to another critical failure of this perspective – the inadequate analysis of labour organization. These issues will be considered in turn.

To the extent that management is taken as production management, the understanding of labour policy of the firm is diminished. For the corporate form generates diverse policy instruments and the array of effects on labour management is equally diverse. In other words, the role of capital management (broadly valorisation) is not confined to the complexities and vagaries of the labour process. Even if this were the case, the importance and role of scientific management is not at all clear. The focus on production management also overlooks alternatives policies generated in other managerial functions. Moreover, labour policy is reliant upon extra-organizational economic, political and legal conditions not reducible to policies specifically targeted at production or labour management. Subsequent attempts to remedy these problems within the labour process perspective have floundered on many of these problems.

Even at the level of work organization, both the nature of skill and direction of changes in skill have proved difficult to pinpoint. While this is true for the contemporary workplace change, it also applies to the turn of the century. If skill is taken to be the autonomous exercise of extensive labour

---

12 Craig R. Littler and Graeme Salaman, "Bravermania and beyond; recent theories of the labour process", Sociology, Vol 16 No 2, 1982, pp.251-269
13 Most recently stressed in relation to the role of HRM, see J. Storey, Developments in the Management of Human Resources, Blackwell, Oxford, 1992
competencies in the labour process, there is little doubt that skill declined at the birth of monopoly capital. However, the extent to which extensive labour competencies (a 'strong' technicist view) were ever widespread amongst direct workers is a moot point.\textsuperscript{16} Further, where skill is seen as a claim to autonomy at work (a 'strong' social constructionist view), it is difficult to generalise on what actual basis the claim was constructed. Customary authority and status dimensions identified by Littler\textsuperscript{17} are obvious bases, but these may act independently. Organizational capacity and the concomitant strength of exclusionary practices clearly also played a part. The co-incidence of these factors, in the absence of strict technical competencies, invariably resulted in social recognition of skill.

Given the role of power and status, skill is more profitably subsumed in a wider sociology of occupations. For the understanding of occupational recognition and change are fundamentally linked to socio-political and organizational dynamics rather than a merely (narrow) productive role of the worker.\textsuperscript{18} The cross currents of gender, ethnicity, race, community and union activity, employer and state policies can then be more accurately examined in the process of skill claims.\textsuperscript{19} Moreover, where either new occupations are generated by capital, or existing ones are fundamentally transformed, analysis based on occupation is more fruitful than craft (skill).\textsuperscript{20} Indeed Braverman dismisses new labour processes generated by capital as chronically deskilled by definition. In short, through a broader focus on occupation and organizational capacities, the analysis of social and industrial claims to authority in the workplace can be extended to all workers. In particular those occupations recognised as unskilled can be more adequately analysed.\textsuperscript{21}

In light of these considerations, research on the transformation of labour at the turn of the century has sought to expand the analysis of socio-cultural, organizational and managerial conditions in the process. Conceptualisation of work organization, the role of management, and political conditions are


\textsuperscript{17} Littler, The Development of the Labour Process, p.9, and the locus and guardianship of rules, pp.40–42


\textsuperscript{20} Indeed Marx had noted earlier that capitalism initially depended on secondary or subsidiary occupations found in rural areas (and not craft guild labour) and then later created new industries and occupations that "demand mass production, sales to a general market; monetary wealth on the part of their entrepreneur" and which could not be operated on guild principles. K. Marx, Grundrisse: Foundations of the Critique of Political Economy, trans. M. Nicolaus, Allen Lane, London, 1973, p.511

\textsuperscript{21} Although in practice (as Taylor's Schmidt example demonstrates) completely unskilled work does not exist, see K. Kusterer, Know-How on the Job, Westview, Boulder, Col., 1978; also Stanley Matthewson, Restriction of Output Amongst Unorganised Workers, Viking, Press, New York, 1931.
seen as critical areas of concern. In a comparative study, Littler developed a model of alternative *paths of development* in the *bureaucratisation* of the labour process. In his view, bureaucratisation or formalisation, is an important characteristic of advanced capitalism. Based on a three level model of the structuration of work (work design, structure of control and employment relations) derived from Weber’s discussion on bureaucracy, Littler concluded that the three dimensions of work varied independently in the transition to advanced capitalism and were dependent on employer strategies. In turn, the latter were determined by specific national political, ideological and economic enabling conditions.

This approach demonstrates that deskilling (through work design) was not a necessary condition for bureaucratisation of employment. Furthermore, scientific management represented a process bureaucratisation of the control of performance, but *not* of the employment relation. Work rationalisation, a systematic division of labour, formalised payment systems and elaborate work-rules were necessary for the development of a formalised control over performance. But Taylorism, in breaking traditional forms of control introduced a 'minimum interaction' model for employment. In contrast, the broader structural effects of bureaucratisation covered employment as well. Many large organizations certainly moved in this direction.Indeed Littler points to an inverse relation between the control of work and the regulation of employment. Employees resist prescription of their work role, but promote bureaucratisation of recruitment, training and promotion, and employers vice-versa. Littler's model provides a theoretical framework in which synchronic changes in work design and organizational dynamics can be examined. In so doing it permits a more complex analysis of the interactive relation between the two.

In similar manner Gospel's analysis of the pattern of British labour management links organizational factors and work design. He outlines a three dimensional model of labour relations; work relations (in particular the nature of work performance and training), employment relations (wage setting, the scope of work rules, and the structure of the labour market) and industrial relations (representative and bargaining structures). Focusing more heavily on the policy *options* of management, Gospel contends that product and labour market structures are the key elements in 'strategic choice' over labour relations policy. Moreover technological choices are also made in the context of product and labour markets.

He argues that over a century British management opted for an externalisation policy. That is, due to small and fragmented product markets, which inhibit the growth of large differentiated production systems, and the ready availability of skilled labour, which maintained high-skill production methods, management looked to external market mechanisms for wages setting and external multi-employer

---

23 The relationship between work rationalisation/systematic division of labour and skill levels may be much more immediate and negative than is admitted by Littler. Again we find that this turns on a more detailed examination of the concept of skill, which is not attempted here.
coordination for bargaining. In contrast, management in the US adopted an internalisation labour policy. In this case employers absorbed many functions of work, employment and industrial relations previously dependent on labour and co-ordinated by the market.26

Yet the degree to which market structure operated independently as a determinant of managerial labour policy may be questioned. Chandler’s comparative analysis of the development of the business enterprise demonstrates that the nature and options of management are key elements in the development of the corporate form. The persistence of family ownership, (or its strong influence in holding companies) meant that British firms were small, or fragmented (if they did grow), and managerial hierarchies did not develop. From this new markets were not developed because British firms directed little investment in distribution systems (market-formation), production (scale and scope advantages), or management competency (hierarchies).27 Thus where Gospel views market structure as an exogenous constraint, Chandler presents it as an effect of corporate strategies. The ‘personal management’ found in Britain resulted in failure to build organizational capabilities necessary to develop new geographical and product markets.28

An important implication of Chandler’s model of personal capitalism in Britain and the work of Littler, Gospel, Lazonick and others29 is that the nature of management, the dimensions of firm structure and type of relations are key conditions for the understanding the transformation in work. Once these conditions are set out, technology, labour management policy, and the pattern of industrial relations flowed. Following Deams the term institutional mode will refer to the arrangement that determines the organization among units (firms) of capital. Deams identifies three types – the market, hierarchy and federation modes.30

The second critical problem of the labour process perspective centres on the role of labour in the transformation of work. Braverman discounts any active role of labour in his analysis of the ‘objective’ components of work change. In effect, degradation in work symbolises the exclusion of labour from primacy in production and a society as a whole.31 It represents an historical process of desubjectification, premised on the fall of ‘romanticised’ craft labour.32 For Braverman though,

27 Chandler, Scale and Scope: The Dynamics of Industrial Capitalism, Belknap and Harvard University Press, Cambridge, Mass., chs 5.2
28 And since for Chandler, structure follows strategy, British companies were small and less elaborately developed, Strategy and Structure, MIT Press, Cambridge, Mass. 1962, pp.29–40; idem, Scale and Scope, ch 5, esp. pp.236,284–294
31 A more general argument in this vein see Frances Hearn, Domination, Legitimation and Resistance: The Incorporation of the Nineteenth Century English Working Class, Greenwood Press, Westport, Conn., 1978
objective degradation will eventually precipitate collective subjective resistance — but no indication of how this will occur is given.\textsuperscript{33} Subsequent research has partially countered this view by demonstrating the shape of labour resistance. However, assessments of the general trajectory of work change remain the same.\textsuperscript{34}

In the same way as the modes of management and company organization are primary determinants of employer action, so to are the modes of worker organization. But in the case of the UK, 'traditional worker' organization — such as politically sanctioned guilds — had effectively disappeared before the end of the nineteenth century.\textsuperscript{35} From the eighteenth century to the end of the nineteenth, union activity struggled to establish an institutional role the emergent capitalist industrial structure — that is as a component of system integration.

In effect, disenfranchised workers depended primarily on patterns of social integration, which straddled community and workplace, for continuity of their social role. Although instrumental in the formation of organizational capacities of labour, labour Societies were hampered by sectionalism and exclusivism. Ironically these same principles underpinned the strength of local community, familial and work ties which allowed workers to construct a social space and role. But these ties were constantly at risk by capitalist development (through rural or international migration, land and labour legislation and other forces), and particularly by industrialisation. Indeed much union activity was social and ameliorative in character, rather than industrial. But in both cases (in the community and workplace) historical experience of these forces and normative assessments were local, fragmented and exclusionary in nature.\textsuperscript{36} Thompson's classic study forcefully argues that class collective consciousness needed to be forged from this material and was not mandated by the operation of


'objective' structural forces.\textsuperscript{37} In short, the role of the moral economy is critical in the analysis of labour action.\textsuperscript{38}

With this in mind a key element of the labour process is the organization of the workplace 'moral economy' – or the transformation of industrial authority.\textsuperscript{39} Price identifies the concept of work control as pivotal.\textsuperscript{40} Demands for work control are generated in the performance of labour under the structural antagonism of the employer–worker relation. Work control differs from craft control in that the latter requires particular conditions – such as handicraft tradition, legitimate exclusionary practices that are accepted by employers, and clear technical competence. In his conception craft control, to the extent it existed by the nineteenth century, is a restricted variant of work control. For Price the pre–modern or 'unformalised' system of industrial relations in the British building industry, saw work control grounded in informal workgroup–based rule enforcement – autonomous regulation.\textsuperscript{41} The cohesion of workgroup enforcement was the source of industrial authority – workers were both the authors and guardians of rules.\textsuperscript{42} This was maintained well into the nineteenth century despite the ascendancy of capital as the dominant societal rationality. Indeed, union organization was not the central institution of rule enforcement on industrial issues. For not only was solidaristic action at the local level the key factor in industrial authority, but that the very strength of local solidarity thwarted strong or centralised unionism. It is for this reason that unionate societies focused heavily, though not predominantly, on the amelioration of market conditions.

Price dates the critical transition from the 'unformal' pattern, to a formalised system of industrial relations in the early the 1870s. An historical 'switch' engendered systemic demands for new types of authority relations and institutions. From this date the role of unions was transformed into the institutional bearers of industrial rules and rule enforcement for workers. Autonomous work control became increasing illegitimate and painted by employers as the source of restrictive practices. Rule formation becomes subject to bilateral negotiation, in which trade unions not only represent worker

\begin{itemize}
  \item \textsuperscript{41} Price, \textit{Masters, Unions and Men}, pp.58–62
  \item \textsuperscript{42} Littler, \textit{The Development of the Labour Process}, p.41
\end{itemize}
interests but also become the agents of bargaining discipline. Although the 'switch' was short, the transition to a formal system was far more drawn out. Not until after 1900 did the formalised system of collective bargaining become fully entrenched. The process required a modernisation of trade union organization, in which leadership and membership now stand apart. Internal union authority becomes more centralised as the processes of bureaucratisation bite deeper. In particular leadership becomes representational in contrast to the delegation relation in the old societies/uni...43 Tensions grow as the breakdown of the customary basis of the moral economy in the workplace gathers pace and the employment relation is 'contactualised'.44 Formalisation of employment brought with it "a set of intangible pressures" at work, in unions, in negotiations and so on as every structure of the system is pregnant with "economist tendencies."45

In short, the transition from autonomous regulation to a formalised system of industrial relations in Britain encompassed not a simple transfer of workplace power from workers to employers, but a reconstruction of the nature of industrial authority. In particular, decision-making in respect of employment and industrial relations issues were removed from the workplace (and the workgroup) and subjected to a new form of proceduralism.46 In turn these are tied to deeper and wider patterns of organizing principles, not limited to the labour process.47

In this section, four interrelated areas of concern have been identified. First, the conceptualisation of the nature of the transition to advanced capitalism. Second, the nature of the capitalist firm and the attendant nature and role of management functions. Third, the societal role of labour and labour institutions and finally the transformation of industrial authority and the pattern of industrial relations.

This paper focuses primarily on the second of these in order to address the first – the nature of the transition to 'modern' capitalism. In terms of labour management, the institutional accommodation of industrial authority is a central factor in pattern of industrial relations that develops at the level of the firm or the industry. It is argued below that changes in the organizational configuration of production prefigure this institutional change. The institutional mode of shipping results from the nature of management and the policies it adopts at the firm and industry levels. Not surprisingly effects are felt in the workplace and reflected in broad pattern of industrial relations of the industry. The third and fourth concerns will accompany the analysis were relevant.

Price notes that the transformation from formal to real subordination of production is protracted and that real subordination is only a tendency. It is the surrender of the immediate use of the means of

43 Price, Masters, Unions and Men, ch 6
44 Price, Masters, Unions and Men, pp.129–137. This was in part reflected in changes in labour law (p.129). For a discussion of similar legal changes in Australia, see Adrian Merritt, "The historical role of law in the regulation of employment – abstentionism or interventionist?", Australian Journal of Law and Society, Vol 1 No 1, 1982, pp.56–88
45 Price, Masters, Unions and Men, p.135
46 Price, Masters, Unions and Men, pp.190–191
48 Price, "The labour process and labour history", pp.61–2
production that is the well-spring of the creation of an oppositional form of authority and discipline. The primary mode of the expression of this opposition in the organizational capacities of the workgroup. For Price work control has its well-spring in the workgroup. Since workers are not isolated (at least not in the building industry which is the basis of his view) but always exist as a group, the latter is an enduring source of resistance to capital. In stevedoring the functioning of workgroup is pivotal, in large part due to the nature of the work itself. Management did not attempt to reconstruct the stevedoring labour process for the period covered, despite improvements in shipping through steam power. The existing labour-intensive methods of stevedoring production thus came under increasing pressure into the twentieth century. However the organizational capacities of waterside workers was unable to match this pressure. Holbrook-Jones points out that the survival of all forms of indirect and haphazard relationships between capital and labour are a result of the need to mediate authority, "capitalist hegemony is superordinate to technological consistency, and thus irrational forms of labour process are to be an expected feature of this mode of production." Moreover, based on his analysis of the experience of engineers, miners and spinners, "what constituted a 'craft' union was the strategy of social action it adopted to defend its interests." It was a fundamental component of the exclusionary practices characteristic of occupational control.

Although waterside workers possessed specific competencies, they lacked the ability to successfully press forward demands based on exclusionary practice. A key feature of the organizational changes in shipping and stevedoring in the nineteenth and early twentieth century is the nature of the casualism and the labour process. The next section outlines these issues first and then section 4 examines the organization development of shipping and its effects on stevedoring. Section 5 discusses commercial federation and industrial co-ordination of employers from the 1880s to the 1920s. Section 6 draws conclusions from the analysis.


This discussion provides a general model of stevedoring at around the turn of the century. As will be clear in the next section the organizational configuration of the industry affects the actual functional and occupational mix described here. Stevedoring work is concerned with the loading unloading of ships. The functions of the industry are, loading, discharging, receiving, handling, storage and delivery of cargo, where the core process is loading and discharging of ships. It stands at the intersection

49 Cressey and MacInnes locate the site of resistance in this immediate concrete relation between the worker and the means of production.
51 Holbrook-Jones, Supremacy and Subordination of Labour, pp.13–14, 198–99 quote at p.14
52 Holbrook-Jones, Supremacy and Subordination of Labour, p.199
53 For the concept of occupational controls, see Wilhelm Balduinus, Efficiency and Effort: An Analysis of Industrial Administration, Twistock, London, 1961, chs 1–2
54 Evidence of W. T. Craig, OSRA, Royal Commission on Transport, Minutes of Evidence, Vol 4, 1936, p.151
modes of transport, from sea to road or rail as the case may be. However, unlike road and rail, shipping was far more less predictable in arrival and departure.

In total, the work covers several occupations and types of jobs and tasks. Work functions were conducted in three physical areas – ship, wharf and shed (or yard in some cases). The lack of specialisation in shore work in Australia (but found overseas) has meant that the primary divide has been between ship and wharf work. The latter primarily apply to the work performed near the ship, including transit sheds. Sheds or warehouses beyond the wharf depended on the size, and the pattern of cargo handled in the port. Generally, the larger the port the more extensive are the shed and warehousing facilities.

Within the ship/shore division waterside work encompassed a number of individual jobs, outlined in Figure 1, with their respective areas of operation. Jobs and tasks performed varied by port (Column 2 of Figure 1 indicates some alternative names of jobs) in which they were defined by local custom and practice. However this said, the listed jobs represented the relatively stable range of jobs performed by the central occupation – waterside work. Indeed the stability of the job composition of the industry was strengthened by industrial tribunals after 1900.

Shipboard labour embraces the work of riggers, winchmen, hatchmen, stevedores and holders. Knowledge of rigging, which included a myriad of ropes and sheets for sailing ships, as well as blocks, tackles, swivels, clips and other lifting equipment, declined as steam replaced sail and wire replaced rope in the years up to WWI. Steam powered winches, initially portable 'donkey winches', spread quickly after the 1870s.

---

55 In this instance, the use of the terms occupation, job and task follow the definitions given by Ernest J. McCormack, *Job Analysis: Methods and Applications*, AMACOM, New York, 1979, pp.19–20

56 The majority of Australian port development has been of the wharf type, see James Bird, *Seafront Gateways of Australia*, Oxford University Press, Melbourne, 1968. In particular Australia lacked any significant development of enclosed docks, such as those found in large British ports. Finger while used in Australia did not rival ports such as New York. The appellation of "wharves" in Australia, "dockers" in Britain, and "longshoremen" in the United States in part is a reflection of the different physical structure of the waterfront.

57 Transit sheds invariably had no walls and only covered the cargo. Few of these covered areas survive today. Transit sheds are virtually universal in ports of any size in this period based on the inspection of wharf plans for a number of Australian ports. The design of transit sheds are usually determined by the volume of cargo handled by the port, the space available in the port, the nature of the cargo handled, the type of transport to the port and other factors. As a result a wide variety of sheds and shore equipment is possible, multi–storied sheds, sheds which extend to the waters' edge, or no wharf only rail lines near the ship and so on; for a description of transit sheds in use in large ports in Britain and the U.S. in the 1920s, see Brysson Cunningham, *Cargo Handling at Ports*, Second edition (Chapman and Hall, London, 1926) ch.4

58 Jobs contained in the list of callings required under the Queensland Industrial and Arbitration Act of 1932, and submitted to the Queensland Industrial Court by waterside workers in 1933. Neither the New South Wales nor the Commonwealth Acts required a list of actual jobs in this manner. Although many awards specified award classifications (usually by job titles) for a number of reasons. As the qualifying note explains some of the work was covered by other unions for other periods. The position of lighters and work on lighters has been included, as this work is part of the stevedoring industry.

59 It was generally known as wharf labouring in the nineteenth century. The federal arbitration court served to standardise the general structure of jobs, unlike Britain where the variability between ports and sections of ports dogged the industry in the past and is still a more prominent feature than in Australia.

60 Donkey winches were initially used with the ships' rigging from the middle of the nineteenth century – and donkeymen were often seamen. Some workers, such as Melbourne timber workers still performed all rigging well into the 1920s, in which the timber companies provided the gear and they used a donkey winch to load and discharge the timber, see Lowenstein and Hills, *Under the Hook*, pp.47–8
Fewer lines were needed in steamships, but nevertheless knowledge of shackles, blocks and tackles in use was still needed.\textsuperscript{61} Knowledge of rigging, ropes/wires and derrick loads was particularly important for heavy lifts (usually more than 2 tonnes).\textsuperscript{62} Rigging work was traditionally performed by sailors and was an area of occupational dispute until WWI.\textsuperscript{63} Similarly, removal of beams and hatchcovers was a contested area of work.\textsuperscript{64}

Foremen supervised the loading and stowing (loading) and unpacking (or breaking out) and unloading (discharging). Both followed the ships manifest which listed cargo and its destination. Holders worked in the hold stowing or breaking out cargo usually under the supervision of an assistant foreman. Waterside workers often moored vessels as well.\textsuperscript{65}


\textsuperscript{62} In Australia heavy lifts (of a few tons) were performed by "receiving", which involved setting up a tripod of logs (6 metres or so high) through which a rope (2.5 inch) passed connected to a capstan which was pushed by workers or cattle when possible, see description by William Brady (1888) quoted in Appendix Three, Iszy Wynet, \textit{With Banner Unfurled: The Early Years of the Ship Painters and Dockers Union}, Hale and Iremonger, Sydney, 1983, p.184; for New York see Barnes, \textit{The Longshoremen}, 1915. In ship repair riggers stripped the vessel for repair and rerigged after the work was completed. It was seen as skilled work.

\textsuperscript{63} One key issue of concern when Seamen's Union was formed in Melbourne in September 1972 was "the present injustices system of employing sailors in conjunction with stevedores". A resolution banned this - "no sailors shall be employed by stevedores discharging or loading [ships], either in the hold or on deck", quoted in Brian Fitzpatrick and Rowan J. Cahill, \textit{The Seamen's Union of Australia 1872–1972: A History}, Seamen's Union of Australia, Sydney, 1981, pp.7–8

\textsuperscript{64} Waterside workers performed most of this work on steamships, but employers preferred sailors, as they were employed anyway and thus avoided additional wages payments to waterside workers, see, eg. employers claim for 1928 award Clause 13 (a) which specifies \textit{inter alia}, "Employers shall be free to employ seamen in removing hatches [ie. covers] and beams ...", WWF Federal Office, \textit{ANU/ABL}, T62/46/3

\textsuperscript{65} The task of placing the ship's hawser over the bollards (tying the ship to the wharf) was often done by wharf labourers, in several areas of Brisbane, Sydney, Launceston, Port Huon and in Burnie waterside workers certainly did this work. For Brisbane see below in this footnote. For Sydney, Launceston, Port Huon and Burnie, see Submission by Joe Morris to ACAC, re Proposed Award [1928], 27 July 1928 in which, in objecting to clause 13 (a) (see below in footnote) says that these ports waterside workers' had done this work, WWF Federal Office \textit{ANU/ABL}, T62/46/3.

In the nineteenth and early twentieth centuries wharves were usually unfenced and minor work was often done by any person on hand. In large ports wharf labourers usually attempted to incorporate as many tasks as possible within waterside work. Mooring became a matter of demarcation and management prerogative. A demarcation dispute developed in Brisbane in 1919 with storemen and packers working in wharf stores. An agreement was negotiated between the WWF and FSPU in which the latter union agreed "that no member of this union [would ... work on the wharves, ... and take no lines, or release lines ... unless ... allowed through [a] shortage of labour by the waterside workers' union." Agreement between Federated Storemen and Packers Employes' Trade Union of Australia (Brisbane Branch) and Federated Waterside Workers' Union (Brisbane Branch) [sic] 20 Nov 1919 WWF Collection \textit{ANU/ABL}, T62/81/5. In reference to management prerogative, employers sought to restrict the area of work done by waterside workers in the late 1920s. To this end they sought more specific delimitation of waterside work by the Arbitration Court and a free hand to employ men for this work, Clause 13 (a) of their Log specifies \textit{inter alia}, "Employers shall be free to employ any labour they desire for the mooring of ships" WWF Federal Office \textit{ANU/ABL}, T62/46/3
Figure 1: List of Callings, WWF, and Areas of Work (based on Queensland State Branch, 1933)

<table>
<thead>
<tr>
<th>Callings (1)</th>
<th>[other jobs] (2)</th>
<th>Areas of work (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>riggers</td>
<td></td>
<td>ship/deck</td>
</tr>
<tr>
<td>winchmen</td>
<td>[topmen*]</td>
<td>ship/deck</td>
</tr>
<tr>
<td>hatchmen</td>
<td>[holders]</td>
<td>ship/hold</td>
</tr>
<tr>
<td>stevedores</td>
<td>[lightermen*/watermen*/boatmen*/lightermen<em>planksmen</em>/shovellers*]</td>
<td>ship/hold</td>
</tr>
<tr>
<td>wharf labourers</td>
<td>[stagemen, gangwaymen, hookmen, hooker-on*]</td>
<td>shore/wharf (lighter) shore/wharf</td>
</tr>
<tr>
<td>truckers</td>
<td>[trammers*, trolleymen, horseman tippers*]</td>
<td>shore/shore/wharf</td>
</tr>
<tr>
<td>carriers</td>
<td></td>
<td>shore/wharf/shed</td>
</tr>
<tr>
<td>railway truck hands stackers shed hands</td>
<td>[shunters]</td>
<td>wharf/yard shed/shore/shed</td>
</tr>
</tbody>
</table>

* These were jobs performed by coalworkers (and AWU) in Queensland at this time (but this waterside work was later absorbed by WWF). Waterside work in other states, terms were used by the following: topmen and trammers – Melbourne coalworkers (WWF); hooker-on – Newcastle Coal Trimmers (WWF); planksmen, shovellers – Adelaide (WWF) and Sydney coalworkers (Sydney Coal Lumpers).

Source: Column (1) from Registration Application No.141, Attachment E, Queensland Industrial Registry, August, 1933. Other job titles from ACAC files.

Winchmen and hatchmen were key jobs on board. Positioned on deck they were at the core of the labour process and linked the manual work of men in the hold and on shore. Close co-operation was required to maintain the speed (and safety) of cargo movement into and out of the ship's hold. As winchmen were generally unable to see the floor (ie. the bottom) of the hold, they relied on the deckman to direct the movement of the hook (with the load, usually a sling). Cooperation built on experience were vital ingredients for this work – although the capacities (speed and load) and cost of

---

66 This was especially the case as ships became larger, where the ship's holds were ten or more metres deep. The winchmen operated winches that hoist and move cargo from the hold to the wharf and vice-versa. The winch is a barrel shaped machine, with an attached runner. The winchdriver must warp (pull in) the runner (which wraps around the barrel) to move the hook vertically (the fall), or horizontal movement (stew) the derrick to accomplish the loading or discharging. In most cases there were two winches per hatch and one man per winch (one for vertical and the other horizontal movement) with either a single or double derrick configuration (midship and yard-arm). Winchmen were positioned next to the winch on deck in a location from which they would have a good view of the hatch or top of the hold. On average, conventional cargo ships of this period had three to five holds, each with two or three 'tween decks.
winches were also cogent factors. The speed of the hook was also dependent on the co-ordinated flow of goods to and from the hook (loading and discharging respectively).

Holders worked in gangs in the hold. The size of the gang was dependent on the size of the ship and the nature of the cargo handled – and was usually six to eight men. This work was heavy manual labour. Tasks were divided internally by the gang. Two men worked in the square, attaching and detaching sling wires/ropes to the hook, as the sling load was made up or broken. Two to four men stowed or 'broke out' the cargo and a further 2 to 4 men moved cargo to or from the wings to the square or hatchway.

Stowage required knowledge and consideration of; the weight and nature of the cargo; effects on the stability of the ship; stability and efficiency of the stow ('a tight stow' or 'trim') in which all available

---

67 In general winches used steam-powered winches in the period before the second world war (also hydraulic and electric). Sailing ships not equipped with powered winches used handwincnes, see Lowenstein and Hills, Under the Hook, p.32 where a waterside worker is quoted as, 'Turning the windlass', which is a machine used for hauling or hoisting. Two aspects of winches are important. First, the productivity of the technology. Powered winches were many times faster than hand winches. The following comparison will provide an indication; assuming the use of a wire cable, each turn of the handle of a Morris crab winch in high gear for a weight of 18 cwt (916 kg) would lift the hook 7.6 inches (19 cm) and for 40 cwt or 2 tons (just over 2 tonnes), 5.6 inches (14 cm). For the sake of illustration if we assume 50 turns per minute (a unlikely speed) the rate of hoisting is between 31.6 feet (11.5 metres) and 23.3 feet (8.5 metres) per minute. In comparison an electric winch for the same and heavier weights in fast gear can lift at speeds of between 120 to 225 feet (57.6 to 108 metres) per minute – i.e. from more than 5 to almost 13 times as fast. A ship's crane in the 1920s could hoist 50 cwt (2.5 tonnes) at 160 feet (58.3 metres) per minute – again more than 6 times as fast for a greater weight. With this order of difference it was not surprising that donkey winches (a portable steam winch) were adopted quickly in the nineteenth century. Speeds of the crab winch taken from, Clement Mackrow and Lloyd Woollard, Naval Architects and Shipbuilder's Pocketbook, 14th edition, Technical Press, London, 1946, p.560 and electric winches from De Haan, Rigging, Equipment, and Outfitting, p.134 and ship's crane from Cunningham, Cargo Handling at Ports, p.28. The second aspect is cost, although hydraulic and electric winches were available in the 1920s, steam was preferred due to the lower cost. Ship cranes were more expensive still, and took up deck space, see Cunningham, Cargo Handling at Ports, pp.23–4; see also De Haan, Rigging, Equipment and Outfitting, pp.48–50 for a more detailed technical description of the wire, derrick and winch sizes and loads; p.136 note that De Haan states that 'If possible, a cargo winch will be single acting, as then the hoisting speed will be considerably higher'.

68 This is the general term in Australia, although in one case in Australia the name stevedores was used for shipworkers in general, eg. the Port Phillip Stevedores in Melbourne which formed a separate branch of the Watersides Workers' Federation. Generally, the term stevedore is applied to companies or foremen. In Britain the occupation of stevedore applied almost exclusively to shipworkers, notably the London Stevedores, who were the aristocrats of the docks industry in London and in Britain generally. They formed the core of the most important rival union that remained outside the amalgamation of waterfront and transport unions in the shape of the Transport and General Workers Union formed in 1922. As a general statement the separation of shipwork and shorework was more deeply entrenched in Britain, see J. Lovell, Stevedores and Dockers, Macmillan, London, 1969, esp. ch.2 pp.30–58; Eric Taplin, The Dockers' Union: A Study of the National Union of Dock Labourers, 1889–1922, Leicester University Press, 1985, pp.12–13; David F. Wilson, Dockers: the impact of industrial change, Fontana, London, 1972, pp.43–4.

69 Area directly under the hold opening or the hatch.

70 The hatchway is the opening down through the ship to the floor of the hold. If there were several 'tween decks then there were several hatchways. Holds can have more than one hatch to the main dock as well. The 'wings' are the area not under the hatch. Generally earlier this century ships had 4 hatchways, Cunningham, Cargo Handling at Ports, p.23; see also Capt. James Gaby, The Reelless Waterfront, Antipodean, Sydney, 1974, p.34


72 George Nicol, Ship Construction and Calculations, 7th edition, Brown, Son and Ferguson, Glasgow, 1942, p.457
space was used\textsuperscript{73}; order of discharge by route of the vessel. Stowage thus depended upon techniques of stacking (cross stacking, stepping and tying in), standing breaks\textsuperscript{74} and securing the cargo through the use of dunnage,\textsuperscript{75} rope netting and ropes. Wool gangs in the clipper ships, for example, squeezed ('pinned and drove') wool bales into all parts of the hold with a 'screw'.\textsuperscript{76} Men considered that extensive experience was needed to stow trebles and fourbles (forms of wool packaging) in the wool trade.\textsuperscript{77} Hand held 'hooks' were used to manipulate cargo into place in stowing and hand 'trucks' to move cargo around the hold. Co-ordination of effort (eg. for lifting) and tasks (team-work for stowage) were key elements of work in the hold. But factors such as the variability of cargo, different stowage conditions and shape of the hold, speed of the winch, and shore co-ordination made this work highly contingent and dangerous.

Work on shore was divided between the wharf and shed. As in the hold, men (stagemen) on the wharf ('apron') attached and detached the sling ropes (at the 'stage') once the load was made up or broken. Truckers (in gangs of 2 to 8 or more) manually loaded two-wheeled trucks (or larger 4 or 6-wheeled trolleys) and pushed them to or from the shed.\textsuperscript{78} Variability in the condition and weight of cargo, distance moved and quality of the wharf all served to make this task highly contingent. Stackers handled the storage and movement of cargo in the shed, including receivals and deliveries.\textsuperscript{79}

\textsuperscript{73} A combination of light and heavy cargo was usually the most favourable for the shipping company. Lighter cargoes, such as cotton, occupied space but did not weigh the ship down sufficiently. Heavy cargoes, such as steel weigh the ship down but leave unused space. Freight charges for lighter cargo were based on volume, the measurement ton of forty cubic feet (approximately 1.1 cubic metres). Cargo lighter than this was charged at this rate. Heavy cargo, occupying less than forty cubic feet to the ton was charged for its actual weight. The combination of both types of cargo would generally take up about seventy-five percent of the available space and thereby maximise revenue for the shipping company. Cunningham, \textit{Cargo Handling at Ports}, pp.19–20. While 75 percent of the available space may seem a low figure it has to be kept in mind that the ship's hold is of uneven shape, it contains ribs on the sides and girders supporting the decks, there were packages of any number of shapes and sizes in most cargoes, imperfections in stowage, all of which decrease the actual space utilised in practice.

\textsuperscript{74} Required if only one section of the hold was to be stowed a one port and space left for the next port stowage a clear break was needed where the cargo would not fall in transit, Lowenstein and Hills, \textit{Under the Hook}, p.50–1

\textsuperscript{75} Dunnage is wood used to level out cargo, this may mean building small frames or platforms on top of other cargo to load different cargo. If this was needed shipwrights would build the framing, in the majority of cases.

\textsuperscript{76} Gaby, \textit{The Restless Waterfront}, p.34

\textsuperscript{77} Evidence of Ramsay McKillop, secretary, Sydney Wharf Labourers Union, Minutes of Evidence, \textit{Report of the Royal Commission on Strikes}, Sydney, 1891 [henceforth \textit{RRC on Strikes}, (1891)] 0.655, p.20

\textsuperscript{78} The weight to be carried by two-wheeled trucks was limited to approximately 250kg (5cwt) for more than one package and 305kg (6cwt) for a single package. Four-wheeled trolleys (or trays) were usually lower than six-wheelers and where later to be pulled by tow-motors. The six-wheeler had two larger wheels on either side of the trolley and four smaller wheels at each of the corners. This made it easier to push the trolley across rough planked wharves when loaded with cargo. The load for two men was about 750 kilograms (15cwt or 3/4 of a ton), 1915 Order, \textit{CAR}, Vol 9, 1915, pp.319–20; see also Lowenstein and Hills, \textit{Under the Hook}, pp.53–54

\textsuperscript{79} For loading making up slings required competency in building a balanced sling (so that cargo did not fall out). The sling might be a netted sling (usually made of rope), or a single circle or rope or wires in which case several slings would be lifted in one move. Lowenstein and Hills, \textit{Under the Hook}, p.153, also a rope with loops on both ends was called a snouter and was placed around the cargo and looped onto the hook.
There were a number of associated and ancillary occupations and areas of work on the waterfront. Coal workers formed a distinctive group, often separate from wharf labourers.\textsuperscript{80} Tied to the steamship era (about 1870 to WWII) coalworkers loaded fuel coal (bunkering), and coal for the interstate and export trade.\textsuperscript{81} They largely replaced ballastmen (loaded and unloaded ballast) who had only a short existence from the 1860s. Coalwork followed the same labour process just described. Coal was manually shovelled\textsuperscript{82} into baskets, weighing approximately 250 kilograms (5cwt) for loading. The baskets (and larger tubs) were then hauled in and out of the hold by means of steam winches operated by a winchman.\textsuperscript{83} Similarly timber work was a small important occupational section. The first cargo to be loaded into ships in many Australian ports was timber. Initially, loading of timber in small ports was handled by the timber workers, the ships crew and local labourers. Timber handled in larger ports, especially Melbourne and Sydney, saw men follow the trade exclusively.\textsuperscript{84} It became a specialist job, recognition of different types of timbers and skills for making up slings and for winchmen.

Shore–based mechanical equipment was almost entirely absent in Australia ports in the period covered here. The first use of large–scale shore based mechanical equipment appeared in the coal trade – steam straiths on the Newcastle waterfront in 1876, followed two years later by hydraulic cranes.\textsuperscript{85} Coal loaders were installed in other ports this century.\textsuperscript{86} However mechanical equipment such as this was not common on the Australian waterfront.\textsuperscript{87}

\textsuperscript{80} Coal work has not been placed with general stevedoring work for a number of reasons. Coal workers were separate in a number of senses, first, they did not seek general waterfront work and so were either separate sections of the WWF, or separate branches. Alternatively they formed their own union. Examples of these alternatives are, a different section in Melbourne, Adelaide, Hobart, Strahan, Albany, their own branch in the form of the Newcastle Coal Trimmers and separate unions in the Sydney Coal–jumpers' Union and the Brisbane Coal Workers and Lightermen's Union.

\textsuperscript{81} Newcastle supplied coal to Sydney and Melbourne, for export see L. E. Fredman, 'Coal from Newcastle: Aspects of the trade with California', \textit{Australian Journal of Politics and History}, Vol 29 No 3, 1983, pp.440–447

\textsuperscript{82} The shovels were large implements called a "digger" and a "scoop", Lowenstein and Hills, \textit{Under the Hook}, p.37

\textsuperscript{83} Even the use of raised trains and trolleys still saw a large component of manual work. Melbourne "coalsies" work was done by hand. Hand loaded baskets were winched out of the hold and were placed on trolleys. The trolley was then pushed along an elevated rail line and then dumped into a hopper on the wharf. The coal was then bagged for distribution to industrial and domestic users. Alternatively it could be loaded onto a lighter and transported to the consignee, see Lowenstein and Hills, \textit{Under the Hook}, p.39

\textsuperscript{84} Imported timber needed to be handled as well. In Melbourne timber was handled along the South Bank of the Yarra River, at berths fifteen to nineteen. In Sydney it was handled at a number of berths in Rozelle Bay and Blackwattle Bay. Bird, \textit{Seaport Gateways of Australia}, pp.48,76; R. P. Stephenson, \textit{The History and Description of Sydney Harbour}, Rigby, Adelaide, 1966, p.216

\textsuperscript{85} Large volume bulk cargoes made this possible, see G. R. Henning, "Coals from Newcastle: Some Assumptions of the Melbourne Trade in the 1870s", \textit{Journal of Australian Studies}, No 18 May, 1986, p.47. It should be noted that such equipment was not installed by stevedoring or shipping companies but by companies associated with the mining industry, or the government. Similarly, the ships plied in the trade were largely owned by collieries, \textit{Royal Commission on Strikes}, Minutes of Evidence, Q.428, p.13: Fredman, "Coals form Newcastle: Aspects of the trade with California", \textit{Australian Journal of Politics and History}, Vol 29 No 3, 1983, p.440 the export trade to California reached its high point in the 1890s when much of the equipment was installed.

\textsuperscript{86} Henning, "Coals from Newcastle", p.48, cites several sources which pointed to the inadequacy of facilities at Melbourne in the period 1870 to 1890. Lowenstein and Hills quoted comments from waterfront workers about conditions in the 1920s, things had changed little in more than fifty years: \textit{Royal Commission on Strikes}, Minutes of Evidence, Q.447, p.14

\textsuperscript{87} In Brisbane and Albany much of the coal work was bunkering and thus did not use mechanical loaders. Eg in Brisbane lighters brought coal down the Brisbane river from the West Moreton coalfields around Ipswich, to be loaded directly into ships, often in mid–stream. Coal for export was brought to South Brisbane by rail and was loaded by steam gantry cranes from the turn of the century, see "Some Coal Handling and Shipping Appliances", \textit{Queensland Government Mining Journal} Vol 6, 15 July 1905, pp.329–331; E. J. T. Barton, \textit{Jubilee History of Queensland}, Diddams, Brisbane, 1909, p.106 records that the railway and coal wharves in South Brisbane had 4 steam cranes in operation by 1909, also p.103 notes that by the 1880s Brisbane has been described as "practically the centre of the steadily increasing coal trade", although this commissioned publication is somewhat unreliable.
Stores work, usually in larger warehouses (for wool, hides, wheat, sugar, other commodities and general cargo), was often covered by other unions (AWU for wheat and sugar, SPU for wool and hides) but in several ports included stevedoring and ancillary work (eg cleaning holds). Similarly, storemen and packers handled wool and hides near or even on the waterfront in some ports. Brisbane, Rockhampton, Sydney, Port Adelaide, Melbourne, Geelong and Portland were the main ports for these trades. The work of tallying, recording, checking and completing other associated clerical tasks was performed by casual tally clerks. A proportion of loading and discharging used lighters (flat-bottomed, steam-powered boats) in Australian ports, although relatively limited by international standards. Loading or discharging into lighters facilitated intra-port movement of cargo and waterside workers were thus employed on these vessels.

In sum, ship and shore work varied in their content and the competencies required for each. Rigging and timber work were the only jobs considered skilled, but the influence of this work on the definition of waterside work was minimal in Australia. Winchdriving and hatch supervision were lynchpin jobs which were based on a significant level of co-operation and manual control of the sling. Skills of speed, precise movement of the equipment and safety were important. Even work in the hold required, strength, balance, team-work, and knowledge of stowage, particularly as loads for steamships and motor vessels were larger than in sailing vessels. Hold work was however based on heavy manual

88 In Queensland and New South Wales. In some cases, as in Geraldton, they performed work such as the cleaning of ships holds. In a similar manner some handling of sugar was done by AWU members in many Queensland. This work was not on the wharf but in receivals and shed work. However, the actual work of loading and discharging the ship was performed by waterside workers. In any case the work was manual labour.

89 The term wool dump was used for the major part of the handling and preparation of wool for storage and export. Wharf storemen received the wool, hides and associated products on arrival by rail or road. Manual unloading was performed with the use of hand trucks, wool was then sorted (there are numerous characteristics of wool that are used for grading - done by skilled wool classifiers) repacked, pressed, marked and stacked ready for sale and export. Physical proximity to wharves may be seen in the major ports; in Brisbane the New Farm/Teneriffe and Hamilton areas were unloading and receivals were performed by permanent and casual wharf storemen and clerks; Walsh Bay, Darling Harbour, Pyrmont and Woolloomooloo in Sydney; Victoria Dock in Melbourne, and Commercial wharf and Docks in Port Adelaide. Wool stores were host to wool sales. The first in Brisbane was on 19 October 1891, Barton, Jubilee History of Queensland, p.377 the southern capitals were more important in this activity.

90 Cunningham, Cargo Handling at Ports, p.12

91 In many ports overseas, at this time, the major proportion of cargo was lightered, an estimated 80–90% in London and 65% in New York, Cunningham, Cargo Handling at Ports, pp.100–101

92 An illustration is that in the early decades of the century lighters were used by Vacuum Oil Co. in Sydney to transport cases of oil to stores or customers in the harbour, after being unloaded from ships. The Vacuum Oil Company management argued that this work would in other ports be carried out by road transport, but the geography of Sydney required the use of lighters, affidavit by Charles Alfred Blumer, Chief of Shipping Dept., Vacuum Oil, par.3, 29 July 1915, File No.16 of 1915, ACAC, Australian Archives, B207/ST17/X62; also CAB, Vol 9, 1915, p.312; in the nineteenth century they were often the only way of getting cargo to the city, eg, in Brisbane before the dredging of the Brisbane River was adequate, many larger ships discharged in Moreton Bay, off Dunwich and the Pile Light, onto lighters which then transferred the goods up river to Brisbane, E. V. Stevens "Development of the Port of Brisbane", unpublished typescript, 1952, Oxley Library, p.6. For Perth see CAB, Vol 9, 1915, p.308.121–23 where Perth Wharf Lumpers Industrial Union of Workers joined the WWF only after the first federal award was handed down. The employers argued that since Perth workers were only engaged in loading and unloading lighters, (work that "differed considerably from that performed by members of the Waterside Workers' Federation in the other principal ports of Australia") that they should be excluded from the provisions of the award (esp. wage rates). The Arbitration Court rejected this, ordered the correct wage rate be paid and fined the employer 42. Smaller ports on the Qld and NSW coast depended on lighter services, eg Michael P. Richards. The North Coast Run: A History of the North Coast S.N. Co., Ltd., Wass & Co., Sydney, 1967, p.17
labour. Finally, shore work was more routine – centred largely on moving cargo manually from the transit shed or store to the hook or back – and was dominated by manual labour.93

Apart from the individual task competencies outlined, two key elements were needed for stevedoring operations – team-based cooperation (within the hold; between deckmen; and onshore) and process-based coordination (between the three areas mentioned). Moreover, coordination was required in the interface with land transport (rail or road deliveries in particular). In both areas a wide range of contingencies (ship, cargo, wharf, equipment failure and weather to list a few) had direct and immediate impact on the labour process.

The greater variability in arrival times of shipping in its interface with land transport meant that cargo stored in transit sheds and warehouses acted as a buffer for stevedoring operations. Yet direct loading from carts, drays and so on was still widespread on the waterfront. The variability in arrivals had a far greater effect on labour demand. Casual employment was used to adjust supply to demand. In other words, labour absorbed the costs of low and irregular demand. In contrast to other casual labour markets though, the irregular labour demand found in waterside work was combined with short employment periods. The effects were low predictability of earnings, often low monthly and invariably low annual earnings as well. Yet since task and team-based competencies were key labour requirements of the industry, these had to be conserved and transferred – long-term labour market attachment was the predominant mechanism to achieve this.

Figure 2 sets out types of casual labour markets by the degree of regularity and labour market attachment. Waterside labour demand is irregular (in that each engagement is a new job), but in effect men are engaged year round. To complicate the market, the industry is also affected by seasonal cycles without the degree of regularity found in semi-regular markets. As noted stabilisation is achieved through continuous labour market attachment of workers and employers. Continuity of attachment over the year not only preserved (and transmitted) skills for workers and employers, but also yielded higher annual earnings for workers over the long term and ensured an adequate and competent labour supply was available for employers.

In other words the vagaries of irregular casualism in the wage-labour exchange, were underpinned and stabilised by mutual labour and employer attachment. However this arrangement was based on asymmetric principles. The organization of labour supply and labour market attachment were normatively driven.

---

93 It has been said that "all cargo was handled by hand truck and ships' winch". E. V. Stevens, "Development of the Port of Brisbane", p.5 writing about the 1890s, but little changed in essence until WWII and after.
**Figure 2: Classification of Casual Labour Markets**

<table>
<thead>
<tr>
<th>Degree of regularity demand (engag'ts)</th>
<th>Effective period of employment</th>
<th>Market Attachment worker &amp; employer</th>
<th>Industries using casual labour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Periodic</td>
<td>seasonal</td>
<td>temporary &amp; regular</td>
<td>primary, retail, tourist</td>
</tr>
<tr>
<td>Occasional</td>
<td>variable</td>
<td>temporary &amp; irregular</td>
<td>building &amp; construction, entertainment, public works, sea-going marine</td>
</tr>
<tr>
<td>Semi-regular</td>
<td>year round</td>
<td>continuous worker attachment</td>
<td>service, retail, office</td>
</tr>
<tr>
<td></td>
<td></td>
<td>no employer or continuous employer</td>
<td></td>
</tr>
<tr>
<td>Irregular</td>
<td>year round</td>
<td>continuous worker &amp; employer attachment</td>
<td>waterside work</td>
</tr>
</tbody>
</table>

Source: adapted from Morewedge, *The Economics of Casual Labour*, Table 1, p.20

In contrast, labour utilization (in production) was of necessity, structured by a capitalist economic rationality. Although both principles played a role in the market and in workplace relations. Thus the effects of both principles flowed to all stages of employment, particularly in light of the role of competent and co-operative (as in team-work) manual labour in production. Figure 3 outlines six stages in the structuring of the employment relation for casual stevedoring labour, spanning both the labour market and labour process. The organizing principles also express the structural antagonism of capitalist labour. Yet the degree to which direct employment was avoided is an important element in the development of the pattern of labour relations.

Stages 1 and 2 lie outside direct employment and thus the effect of normative structuring is much stronger and even dominant. Intergenerational familial recruitment in labour supply for example indicates the strength of informal norms at this stage. Stages 3 and 4 are pivotal elements in the wage-labour exchange process. It also the stages at which normative structuring is constantly under pressure. The way these stages are regulated is closely linked to stages 5 and 6, centred in the workplace. Although the latter stages are dominated by an economic rationality, the role of informal relations in the organization of the stevedoring labour process is still considerable as demonstrated above.

---

94 Littler, *The Development of the Labour Process*, p.46
The close link between engagement and the workplace is constantly reproduced through the irregularity of the labour market. Thus for these reasons, stevedoring work control spans both the regulation of the employment and the workplace – or put another way, both the bureaucratisation of employment and work performance relations. This in turn is embedded in the organizational pattern of capital. We shall therefore consider the pre-conditions of shipping and stevedoring, in which the organization of production and industrial authority will be discussed.

4. The Structure of Shipping; Industrialisation and the Organizational Conditions of Stevedoring

Stevedoring is closely linked to the development of shipping. Through most of the nineteenth century shipping ownership was dominated by merchant or commercial capital. Paradoxically, the operation of vessels was not the key income-generating function, but the ship was the centre of the dominant ownership pattern – the partnership. The realisation of commercial profit was the primary driver of ownership, where income was related to profit associated with the commodities carried. Not surprisingly most owners were merchants. The control of vessels was devolved to a network of brokers and agents and the ship’s master. Only at the end of the nineteenth century did shipping undergo an industrialisation process in which transport services generated profit, as a common carrier, independently of specific commodities transported. Thus, for the major portion of the last century shipping was dominated by a discontinuous organizational structure. Not until to the turn of the century did the co-ordinated organizational structure emerge. The transition to a integrated organizational structure, considered later in the paper, was however to prove a more difficult process.

The position of the stevedoring labour process differed under each of these types of organizations. These will be considered in turn. Under the discontinuous structure stevedoring operations were distributed amongst a number of employers and types of employers. The result was minimal social recognition of the ‘occupation’, but a high dependence on local informal and normative based work control. Low social recognition left few records of stevedoring, but by the late 1830s continuous
market attachment was evident in several ports. This was evidenced by attempts at society organization at that time – although not successful until the 1860s. Continuous organizational structure increased the structural tension between informal organization, universal in the discontinuous structure, and the rationality of economic calculation. This process sharpened as shipping companies slowly attempted to integrate stevedoring into shipping.

4.1 Discontinuous Organizational Structure

Shipowning in the Australian colonies was dominated by merchants and commercial interests until the last quarter of the century.\(^5\) It thus following the British partnership form of shipowning.\(^6\) In general a single or small number of merchants formed a partnership (under the 64ths system).\(^7\) Merchant capital of this type was primarily concerned with commercial profit derived from the transport of goods from supplier to the market or between markets rather than profit derived purely from running ships. Thus operational control of vessels was devolved to agents and masters. Specialist ship brokers looked after the management of vessels (in turn through a 'ships' husband' or manager) and were paid via a fee for service system, percentage returns on goods carried or through part-ownership. Brokers also provided an avenue of investment (in ships) for private capital from other sources (sleeping partners were common), where a central role was matching vessels to merchants' requirements through chartering arrangements. Nevertheless investment in shipping was highly concentrated in a commercial class of merchants and associated intermediaries.\(^8\) The ships' husband managed costs, repairs, secured required documentation, insurance and so forth. But the specialist skills of sailing ships

\(^{95}\) Ownership fell four main categories (excluding naval service), merchants using ships as an intermediate phase in the realisation of commercial profit, masters or adventurers/privateers operating independent vessels for an income, brokers owning ships as an extension of their brokerage activities and fishing and whaling. Ralph Davis, "Maritime History: Progress and Problems", in Sheila Marriner (ed), Business and Businessmen: Studies in Business, Economic and Accounting History, Liverpool University Press, Liverpool, 1978 pp.171–73. Whaling was important in Australia, but since it did not use stevedoring services it is marginal for the discussion here.


\(^{97}\) Rupert C. Jarvis, 'Fractional Shareholding in British Merchant Ships with Special Reference to the 64ths', Maritime's Mirror, Vol 44 No 3, 1959, pp.301–19; Davis, The Rise of the English Shipping Industry, pp.82–85, notes that the division of shipowning shares into divisors of four was international during this period. The maximum division of 64 was set down in the Merchant Shipping Act of 1854 and continued well into this century. Only very rarely did individuals own more than a few ships, one exception was Sir Henry Johnson who owned shares in 38 ships.

\(^{98}\) In 1813 the East India Company had 115 ships in its service. There were 55 managing owners or ship's husbands and ownership, of this number 31 owned one ship, 12 owned 2, 6 owned 3 and 3 owned 4 ships, figures from Sir Evan Cotton, East Indiamen: The East India Company's Maritime Service, edited by Sir Charles Fawcett, Batchworth Press, London 1949, p.47; Palmer, 'Investors in London Shipping, 1820–50', pp.53–55, 63–64, shows that in the second quarter of the nineteenth century London owners were highly localised. For 1824 looking at individuals the main holding groups were, those associated with merchant and other commercial interests (34%), masters (23%), shippers (17%) and professional/gentlemen and others (8%). For trading partnerships, 70% were from commerce and industry and about 30% from the maritime industry (details of individuals are not given for these trading partnerships, however they account for less than 7% of the total number of shareholders) see also Davis, Maritime History, pp.170–71; see also for Liverpool, F. Neal, "Liverpool Shipping in the Early Nineteenth Century" in J. R. Harris (ed.) Liverpool and Merseyside: Essays in the economic and social history of the port and its hinterland, Cass, Liverpool, 1969, pp.149,159 where 80% of ships were owned by three or less persons and, the "overwhelming majority of vessels were owned by merchants, either individuals or partners in a trading concern". Further, "it was unusual at this time [early 19th century] to find any shipowner functioning purely as a ship owner in the sense that he, ... invested money in a vessel which then carried only the goods of other traders."
remained with officers and seamen. The result was a discontinuous organizational structure for shipping production. Each labour process (commercial, administrative, sailing and stevedoring) operated independently of other over a total production process (see Figure 4).

Figure 4   Discontinuous Organizational Structure

Where specialist brokerage services were not developed (as in Australia), local commercial agents (invariably merchants) provided similar services. In Australia in the 1810s two-thirds of the local NSW fleet were owned by merchants or masters, lead by Campbell, Kable, Blaxcell and Lord.99 Table 1 lists owners and bondsmen (bonds were required by law to encourage security of vessels from convict theft) of the NSW fleet.

---

Table 1  Occupation of Owners and Bondsmen 1810–19

<table>
<thead>
<tr>
<th>Group*</th>
<th>Occupation</th>
<th>Owner Shares</th>
<th>(%)</th>
<th>Bondmen (excluding owners)</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Dealer/chapman/</td>
<td>16</td>
<td>(31.4)</td>
<td>22</td>
<td>(32.4)</td>
</tr>
<tr>
<td></td>
<td>victualler</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Merchant</td>
<td>11</td>
<td>(21.6)</td>
<td>16</td>
<td>(23.5)</td>
</tr>
<tr>
<td></td>
<td>Company [merchant+]</td>
<td>1</td>
<td>(2.0)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Master mariner</td>
<td>3</td>
<td>(5.9)</td>
<td>2</td>
<td>(3.0)</td>
</tr>
<tr>
<td></td>
<td>Chief constable</td>
<td>2</td>
<td>(4.0)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gentlemen/Esq.</td>
<td>2</td>
<td>(4.0)</td>
<td>2</td>
<td>(3.0)</td>
</tr>
<tr>
<td></td>
<td>HM Dockyard</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Husbandman</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Boat–builder</td>
<td>5</td>
<td>(9.8)</td>
<td>2</td>
<td>(3.0)</td>
</tr>
<tr>
<td></td>
<td>Carpenter</td>
<td>1</td>
<td>(2.0)</td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Limeburner</td>
<td>1</td>
<td>(2.0)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>Blacksmith</td>
<td>1</td>
<td>(2.0)</td>
<td>2</td>
<td>(3.0)</td>
</tr>
<tr>
<td></td>
<td>Sailmaker</td>
<td>1</td>
<td>(2.0)</td>
<td>2</td>
<td>(3.0)</td>
</tr>
<tr>
<td></td>
<td>Brewer</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Sawyer</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Printer</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Shoemaker</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Baker</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Mason</td>
<td>0</td>
<td></td>
<td>1</td>
<td>(1.4)</td>
</tr>
<tr>
<td></td>
<td>Not given+</td>
<td>7</td>
<td>(13.7)</td>
<td>11</td>
<td>(16.2)</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>51</td>
<td>(#100.4)</td>
<td>68</td>
<td>(#99.9)</td>
</tr>
</tbody>
</table>

* This classification is broadly as follows I, commercial occupations; II 'middle class' occupations of similar income, supervisory function and status, assuming the dockyard occupation and farmer attract similar income; III skilled workers although some eg. the emancipist boat–builder Jonathon Griffiths owned a profitable business. It is likely that many of the skilled workers were small masters.

+ It is likely that many of these men were merchants/dealers

# Rounding error

Source: derived from NSW Almanack 1814, and returns from the Naval Officer 1810–1819, listed in Cumpston, Shipping Arrivals and Departures Sydney, Sydney 1788–1825, pp.162–64

The same pattern remained in the mid–1840s. For 259 vessels registered in Sydney in 1846, 208 partnerships, syndicates, firms and individuals were listed as owners. \(^{100}\) Thirty vessels where owned by three groups, Ben Boyd, the Hunter River Steam Navigation Co. and various permutations of the three merchants, Campbell, Towns and Fotheringham. Only four others owned three vessels each. \(^{101}\) Although almost a third of companies formed in Australia up to 1846 were in transport (eighty percent of these were in shipping) \(^{102}\), the ownership of ships was still in the hands of local individual owners, merchants and small firms.


In British shipping operational responsibility fell to ships' masters. Voyages took weeks or months and vessels called at many ports. The economic interests of owners and masters were coordinated through two mechanisms; shareownership in the vessel, and trading rights. The latter permitted the master (and senior officers) hold space in the vessel to engage in private trading, or receive a percentage of the value of transported cargo. In short, the master operated as a semi-independent contractor and/or part-owner. Moreover, like the merchant-owner, masters generated income from the realisation of commercial capital in addition to their salary. Indeed in many cases, junior officers' salaries were insufficient for 'gentleman' to live. Not surprisingly the social status of ships' masters reflected this economic role laced with extensive 'privileges'.

Merchant capital and small scale investment dominated ownership, where the ship was the central point of organization. No direct link existed between the commercial interests of owners, brokers and agents (paid by commission) and operational aspects of the vessel. The latter were directly controlled by the master or indirectly through an agent/broker (for administrative functions). In respect to profitability, the operation of ships was an adjunct to commercial profit derived from the transport of commodities from the point of supply to markets.

Masters and agents were key positions in stevedoring. Historically stevedoring functions were often specified in the charter-party and therefore were a legal requirement. Also under British law, seamen's articles required men to remain with the ship and to obey officers commands, "till the voyage is ended and the ship discharged" of her cargo, ....[which included] their duty by day in discharge of the

---

103 A contemporary commentator writes that "The master and owner are,... so intimately connected together, that many observations in the preceding chapter of owners will be found to be necessary knowledge for the master of the ship", Steel, The Ship-Master's Assistant and Owner's Manual [1808], p.189; Ramkrishna Mukerjee, The Rise and Fall of the East India Company: A Sociological Appraisal, 2nd ed., Popular Prakashan, Bombay, 1958, chs.1,2; Cotton, East Indians, ch.7. The authority of British Naval captain was greater than in the merchant marine, in that the system of patronage carried with it greater (potential) power over subordinate officers as well as ordinary seamen, see Christopher Dandeker, "Patronage and bureaucratic control – the case of the naval officer in English society 1780–1850", British Journal of Sociology, Vol 29 No 3, 1978, pp.304–306

104 A contemporary master reported that a command was worth 1000L a year, plus 2 1/2% commission (in addition to the salary), Capt. Robert W. Eastwick, A Master Mariner: Being the life and adventures of Captain Robert William Eastwick, edited Herbert Compton, Fisher Unwin, London, 1891, p.93. He was later able to purchase a ship and operated it on the same run "which yielded me exceedingly profitable returns" (p.94). Rights to private trade of some description was conceded to seamen in most Western maritime nations, see G. V. Scammell, "Manning the English merchant service in the sixteenth century", Mariner's Mirror, Vol 56, No 2, 1970, pp.141–45. Although Davis, points out that payment by share of earnings was the least used method of payment, certainly by the nineteenth century as capitalist wage–labour deepened it effects, Ralph Davis, The Rise of the English Shipping Industry in the Seventeenth and Eighteenth Centuries, Macmillan, London, 1962, p.133; also M. Rediker, Between the Devil and the Deep Blue Sea: Merchant Seamen, Pirates and the Anglo American Maritime Economy, 1790–1760, Cambridge University Press, Cambridge, 1987

105 G. Teitle, The Genesis of the Professional Officers' Corps, Sage, London, 1977, ch.3 and Part II, who traces the importance of the rise of the nation-state and the middle class in the professionalisation of naval officers; for a personal view of the status, indeed class distance, between a man from a comfortable social position, but with insufficient independent income to accept a junior officers position in the East India Company, see Eastwick, A Master Mariner, pp.22–23,41–44,93–94

cargo, and keep such watch by night as the master or commander of the ship shall think necessary”. 107

Of course seamen were ideally suited for the work as they possessed the competencies outlined earlier. In large ports though, specialist stevedoring firms handled loading and unloading, under contract from agents. And while masters were required to supervise loading and discharging, ships often carried a supercargo – an officer specifically charged with the responsibility of managing the cargo including loading and discharging.

Seamen were employed in stevedoring in Australia. They also tallied cargoes – this was reflected in their high rate literacy.108 In addition to the legal and customary allocation of the work, masters could save on wages to wharf labourers – usually to the masters advantage. For the same reasons much of the stevedoring work associated with the large number of small vessels in the local and intercolonial work was performed by seamen at least up to the 1850s.

Convict labour was also used in stevedoring in three main ways; as part of their work on small government and private boats engaged in local transport for the government; as members of the Town Gang attached to the dockyard and finally as ancillary tasks to other carrying work, some of which was performed under private employers.109 By the early 1820s there were more than 120 men regularly working in Sydney Harbour, still more in Newcastle and Van Diemen’s land.110 Both government and private lighters/boats, used in cargo handling in the harbour, often employed convicts – a practice commented on by Commissioner Bigge.111 These vessels then transported cargo to various wharves around the harbour and environs. Cunningham reported that on arrival at Port Jackson in 1826, “numbers of boats soon surround[ed] the ship”, requesting news, with goods for sale and offering to land passengers.112

---

107 Articles under Act preventing Desertion of Seamen from British Merchant Ships, 6 June 1797, (37 Geo III, c.30) printed in Steel, The Ship—Master’s Assistant and Owner’s Manual [1808], pp.209–10 [emphasis added]. Before this Act it was generally the case that on the “return home in the river” that seamen would go ashore each night to sleep. But this was prohibited under these articles. Moreover the ship’s owner was responsible for the cargo until it was received by the agent which meant that seamen and officers were required to stay with the cargo when loaded into lighters until such time as it was delivered to the agent. The legislation specified a daily wage of 2/6 for this work, exclusive of the monthly wage. That there was a separate wage for work in the river.

108 Scammell, “Manning the English merchant service”, p.136; evidence of a high rate of literacy amongst seamen was found by Nicholas and Shergold in their sample of over 19,000 convicts. Those who identified themselves as seamen had a literacy rate of 80% and sailors of 84%, both were well into the top half of the occupational (recording more than 20 observations) literacy rates reported, see Stephen Nicholas and Peter R. Shergold, “Convicts as Workers”, in S. Nicholas (ed), Convict Workers: Reinterpreting Australia’s Past, Cambridge University Press, London, 1988, Table 5.2, p.66

109 Colonial employment returns in 1801 listed 33 convicts employed on boats and other vessels in Sydney and Parramatta. This expanded to 19 on boats and 45 on other colonial vessels, a total of 64 convicts employed in these occupations in May 1802, see Nature of Employment 10 Mar 1801 and Quarterly Employment 21 May 1802, both in Historical Records of Australia, 1, Vol 3, pp.27–28,492–93

110 Twelve boats with 52 men, were engaged in transporting lime and timber to stores in Parramatta, and three boats with about 12 men worked in supplying the dockyard. Similarly convicts worked on boats in loading lime, wood and coal at Newcastle and working boats on the Tamar River at George Town on the north side of Van Diemen’s Land, see Bigge Report, Cmnd 448, 1822, pp.28,101,116,47; Cmnd 136, 1823, p.100, other boats and men were assigned to grass cutting, the governor’s barge, chief engineer’s boat and other small boats which had little to do with stevedoring; Nicholas, “The Organisation of Public Work”, pp.152,159

111 Bigge Report, Cmnd 448, 1822, p.13

112 Cunningham, Two Years in NSW, [1827], 1, p.43
The development of shore-based wharf labourforce in the private sector was again associated with merchants. By the 1820s a considerable number of wharves and warehouses had been constructed. Most Sydney merchants and those in other settlements maintained stores close to the wharves for the storage of goods. In 1826 Cunningham described the Darling Harbour as a location where "mercantile wharfs [sic] and warehouses ... were fast rising". Wharves and stores were built in surrounding areas. That is a network of agents and local merchants was well established by the 1820s, and could provide a range of commercial functions. This included the employment of general and wharf labourers. Macmillan concludes that the influence of colonial merchants, was such that, "by 1820, most of the vessels that entered Sydney or Hobart had their import and export cargoes handled by colonial merchants, rather than by the captain or supercargo."

Merchants in turn appointed their own agents to supervise the day-to-day operations of these stores. Campbell appointed William Smith his agent in Sydney in 1800, who supervised the discharge of vessels among other duties. Campbell also employed agents in other parts of the colony. Alexander Spark, a British merchant, arrived in Sydney in 1823 and built a considerable merchant business. He acted as agent for 6 vessels in port at the one time in 1836, 15 vessels for the year 1837, 18 vessels in 1838, 22 vessels in both 1839 and 1840.

113 Dockyard wharf, or King's wharf, on the western side of Sydney Cove was government wharf, two stone wharves at Cockle Bay (Darling harbour); a stone wharf on the eastern side of Sydney Cove; a large wooden wharf, for vessels up to 100 tons, on the Hawkesbury at Windsor; a wooden wharf for vessels up to 50 tons on the George's River at Liverpool; a stone wharf at Newcastle among other smaller private jetties, see A List of Public Buildings and Works erected, Appendix A, Report of Major General Macquarie, 27 Jul 1822; E. F. Coughlin, "Evolution of coal loading plant at Newcastle", Port of Sydney Journal, Vol 6 No 6, 1959, pp.154–162; also for Newcastle, Cunningham, Two Years in NSW, [1827], 1, p.148.

114 Indeed the ownership of stores, in contrast to shops, was an important status distinction. Men such as Jones, Campbell, Berry, Spark, MacArthur and Wolstoncraft all owned stores, Graham Abbott and Geoffrey Little, The Respectable Sydney Merchant: A. B. Sparkes, Sydney University Press, Sydney, 1976, p.36.

115 Cunningham, Two Years In NSW, [1827], 1, p.90; merchants such as Campbell built their own substantial wharves and stores which were used by a number of merchants, Campbell's wharf, first built in 1799 was extended in 1810 but was not fully private until 1826, Steven, Merchant Campbell, pp.188,283–84; Squires wharf, 7 miles up the Parramatta River handled local merchandise (Squire was a colonial brewer as well) and Solomon Wiseman, a former emancipist shipowner settled on the Hawkesbury, built an extensive house, operated a ferry and held several lucrative government contracts, Cunningham, Two Years In NSW, [1927] 1, p.91, for Wiseman see, C. Swancott, Wiseman's Ferry, Central Coast Printery, 1965.

116 The prominent merchants Alexander Berry and Edward Wolstoncraft had "a flourishing and extensive" establishment at Shoalhaven, Cunningham, Two Years In NSW, [1827], 1, p.78; James Davison built a wharf at Pitt Town and operated a punt, Sydney Gazette, 2 Jan 1823.


118 Eg, Rowland Hassell at Parramatta and Thomas Biggers at the Hawkesbury, who received goods which were then trans–shipped to Sydney for loading, Steven, Merchant Campbell, pp.41–42,47,151. Smith was later taken to Court by Campbell and jailed for unpaid debt.

119 Diary entries of Spark, in Abbott and Little, The Respectable Sydney Merchant, [Diaries of 1836–1856, are printed pp.53–240] pp.70,101,114,129. Spark was a victim of the depression of 1843–45 and became insolvent, although returned to business was never able to recover his pre–1843 position.
We are not here concerned with the extent of the labour force. It is not possible to identify the number of men engaged in stevedoring work and related stores and carrying work, but, by the 1820s, it would have been in the hundreds. Covering local coastal trades around Sydney, and further afield to Hobart and Port Dalrymple, George Town and Launceston. The bulk of stevedoring was done by seamen, men working small boats and lighters mentioned earlier (including convict labour), and warehouse labourers and carriers. With Robert Campbell, who prided himself in employing only free men, and William Walker, who believed that convicts should not be stationed in Sydney, the number of convicts employed in stevedoring would have been relatively small and declining over time. Over 120 were identified above. Cunningham reported that in the mid-1820s the Government wharf in Sydney was a place "where carts and porters [ie general carriers] ...generally [were] on the lookout for jobs." However the New South Wales Census of 1828, did not report any person as a wharf labourer, although labourers were plentiful.

This lack of identification with this specific class of labouring is not surprising. Three reasons may be offered; first, stevedoring had not yet developed sufficiently in scale to allow labourers to follow it on a relatively continuous basis and derive an acceptable income. Irregularity of demand and seasonal effects of many cargoes were key factors in this regard. Second, stevedoring had not yet differentiated itself from the pool of tasks required of seamen and shore based workers, such as carriers, porters, carters and general labourers. Specialisation had not yet developed – in particular specialist (cargo) trades had not developed. The third reason follows the second, the discontinuous organizational structure of shipping and shore-based employed fractured the stevedoring labour force.

The dispersal of stevedoring employment also engendered heavy reliance on local informal norms in the organization of both employment and workplace organization. It was not until after the gold rushes that this informalism was able to develop institutional form through the formation of societies. Industrial action from 1823 to the 1850s was centred on wage maintenance in the face of changes in the colonial currency in 1823, depression of the 1840s and convict labour on the wharves in Tasmania.

The attempted formation of a Society in Sydney signals continuous market attachment. Finally the

---


121 Cunningham, Two Years in NSW, [1827] 1, pp.44-45 [emphasis added]. Note that porters were employed on the waterfront (and in other work) in large numbers in Britain, Walter M. Stern, The Porters of London, Longmans, London, 1960

122 Census of New South Wales, November, 1828, Malcolm R. Smith and Keith A. Johnson, (eds), Library of Australian History, Sydney, 1985, although not all entries of persons lists occupation (or other categories). The census demonstrates that occupational categorisation was still tied to possession of craft skill and so if this was absent only one possibility remained, viz., labourer. Again reporting as a carrier, porter or similar worker masked wharf labourers.

123 Sydney Gazette, 13,20 Feb 1823; Sydney 1840, Port Adelaide in 1846, Launceston in 1849 and 1852 and by stevedores in Sandridge in 1858, and wharf labourers and boatmen in Fremantle, Western Australia in 1839. Petitions were presented to the Governors of Western Australia and Tasmania in 1843 and 1850 respectively, Adelaide SF Register, 13 Nov, 1846, Western Australia and Launceston reported in Quinlan, "Early Trade Union Organization in Australia", pp.69–71,76, and idem, Hope Amidst Hard Times, p.6; Sandridge (later Port Melbourne) reported in Coghlan, Labour and Industry in Australia, 2, p.736

125 Attempt to establish a Society in Sydney in 1840, Australian Chronicle, 3 Mar 1840
technology of wooden sailing ships was still dominant in both overseas and coastal shipping although steamships operated on some coastal routes from 1831. Little change had taken place in the stevedoring labour process.

4.2 Co-ordinated Organizational Structure

The gold rushes of the early 1850s had an immediate effect on population and overseas shipping arrivals. The colonial population tripled to over a million in the decade after 1850. Table 2 outlines percentage change in the number of overseas arrivals, net tonnage and size of overseas vessels, over the previous decade. For example, the annual average number (for the decade) of overseas ships visiting Australian ports in the 1830s was 230 percent higher than the 1820s. Similarly the average total net tonnage was 181 percent higher in the 1830s than the 1820s. But the average size per vessel in the 1830s fell 20 percent from the level of the 1820s.126

The table shows growth (total tonnage entering, and ships except the 1890s) occurred in all decades both pre- and post-1850. However it occurred in markedly different form. The average size of the pre-1850 ship remained largely static – at about 300 tons.127 The increase in overseas tonnages handled was therefore largely due to an increase in the number of ships carrying cargo – from 200 vessels in 1830, to 900 in 1840, 1,300 vessels in 1850, jumping to 3,781 in 1854 and averaging over 2,500 thereafter.128 Given constant technology in wooden shipping, it meant more ships, of about the same size, were needed to transport greater volumes of cargo handled in colonial ports. In short, shipping expansion was extensive in nature.129 Also given static technology in stevedoring, extensive growth required additional labour. The industry conditions for a continuously attached waterfront labourforce were thus clearly developed by 1860.

However in addition, post-1850 saw much larger increases in ship tonnages, particularly in the 1850s and the 1880s. In both decades average ship size (measured in tonnage) rose sharply – by 69 percent in the 1850s and 72 percent in the 1880s. This pushed the average ship size over 500 tons in 1857 and then over 1,100 tons by 1890. The increase in the size of ships accounted for much of the increase in

126 Calculated from annual average (over the decade). Note here that this reflects the increase in the diversity in size of overseas shipping arriving in Australia that began in the 1820s with the lifting of the minimum size restrictions on colonial shipping under the East India Company charter.

127 The decrease in ship size in the decades before 1850 were the result of political and economic (not technical) factors. The fall in average size recorded in the 1830s (and indeed in many years of the 1820s) was due to removal of the East India Company restrictions mentioned above. The fall in the 1840s was due to the depression (1843–1846) and the consequent fall in cargoes that meant that it was more difficult to secure homeward cargoes as British manufactured commodities came into the colonies. Indeed the depression in the colonies reduced the size of the colonial market for British goods as well. But the point is that in general the technology of shipping did not change to the extent that it did in the period after 1850. Indeed the fall in ship size in the 1840s depression can be contrasted with the experience of the 1890s depression, as indicated in Table 1.

129 This also pointed to the technical limitation of wood as a material of construction. The process of technical improvement in shipping – wood and sail – which went back to the eighteenth century (and further), was coming to its limits.
the average total tonnage entered. The expansion in these two decades was repeated in all decades covered in Table 1. By the turn of the century average size exceeded 1500 tons. The 1850s rise was due to larger wooden vessels. From the 1870s steamships accounted for the increases. In short, growth in overseas shipping in this period became intensive – as a result of new technology.

Table 2  Overseas Shipping, Tonnage and Average Ship Tonnage, Decennial Average Percentage Change 1822–1910

<table>
<thead>
<tr>
<th>Decade Ending</th>
<th>Av. No. of Ships</th>
<th>Av. Total Tonnage (Net)</th>
<th>Average Ship Tonnage (percent increase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1839*</td>
<td>+230%</td>
<td>+181%</td>
<td>-20%</td>
</tr>
<tr>
<td>1849</td>
<td>+182%</td>
<td>+154%</td>
<td>-9%</td>
</tr>
<tr>
<td>1859</td>
<td>+188%</td>
<td>+396%</td>
<td>+69%</td>
</tr>
<tr>
<td>1869</td>
<td>+15%</td>
<td>+14%</td>
<td>+2%</td>
</tr>
<tr>
<td>1879</td>
<td>+4%</td>
<td>+26%</td>
<td>+21%</td>
</tr>
<tr>
<td>1889</td>
<td>+19%</td>
<td>+105%</td>
<td>+72%</td>
</tr>
<tr>
<td>1899</td>
<td>-11%</td>
<td>+27%</td>
<td>+43%</td>
</tr>
<tr>
<td>1909</td>
<td>+16%</td>
<td>+59%</td>
<td>+36%</td>
</tr>
</tbody>
</table>

* percentage change from the average of only 8 years in the 1820s (1822–29)

Source: calculated from data in Official Yearbook of the Commonwealth No 15, 1922, p.507

Intercolonial and coastal shipping followed the same pattern, although the effects were not as marked. Steamships operated in Australia waters from 1831. More suited to routine schedules than sail, steamships were used over short distances along the NSW coast up to mid-century. Small population and freight market restricted their use. Expansion resulted from the gold rushes. Table 3 shows growth in steamships registrations in Sydney, the size of vessels and changes in propulsion mechanism from 1834 to 1899. Investment in ships surged in three periods; 1953–1856, 1873–1877 and 1882–1886. Over the whole period wooden paddle steamers gave way firstly to composite screw steamers and then later, larger iron screw steamers in the 1880s and after. By the late 1880s the registration of vessels larger than 1500 tons was common. Almost twenty were registered in the 1890s, while at the same time registrations of small vessels (under 500 ton) fell markedly.

By the mid–1880s steamships became a major part of Australian shipping, in both overseas and coastal trades. Intensive growth was reflected in capacities of vessels. In 1886 13,874 overseas and interstate vessel arrival and clearances were recorded for the six colonies, 60 percent in NSW and Victoria,

---

130 The rise in the load factor and the efficiency of ships (tonnages carried per deadweight ton) accounted for the bulk of the remainder of the difference. The effect of these factors and (size itself) varied in the two decades for a number of different reasons. The key point is that in general ship size had become not only more significant but also more variable for the shipowner.
covering 10.78 mill net tons of shipping. The respective figures a generation later, in 1905–06, were 15,066 and 25.17 mill tons.\footnote{Net tons measures the tonnage capacity of vessels, irrespective of their actual weight (deadweight tons) discounting the volume of the ship that is non cargo carrying (measured in gross tonnage), *Year Book of the Commonwealth of Australia*, No.6, 1913, p.664, No 15, 1922, p.507}

**Table 3**  
Steamships, Registrations, Propulsion and Size, Sydney 1834–1899

<table>
<thead>
<tr>
<th>Years</th>
<th>Steamships Reg'd</th>
<th>Type of Vessel Propulsion</th>
<th>Size(tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>P.S</td>
<td>S.S.*</td>
</tr>
<tr>
<td>1834–39</td>
<td>5</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>1840–44</td>
<td>14</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>1845–49</td>
<td>5</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>1850–54</td>
<td>28</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>1855–59</td>
<td>39</td>
<td>34</td>
<td>5</td>
</tr>
<tr>
<td>1860–64</td>
<td>45</td>
<td>22</td>
<td>23</td>
</tr>
<tr>
<td>1865–69#</td>
<td>58</td>
<td>42</td>
<td>16</td>
</tr>
<tr>
<td>1870–74</td>
<td>64</td>
<td>28</td>
<td>36</td>
</tr>
<tr>
<td>1875–79</td>
<td>138</td>
<td>45</td>
<td>93</td>
</tr>
<tr>
<td>1880–84</td>
<td>190</td>
<td>36</td>
<td>154</td>
</tr>
<tr>
<td>1885–89</td>
<td>136</td>
<td>26</td>
<td>110</td>
</tr>
<tr>
<td>1890–94</td>
<td>83</td>
<td>14</td>
<td>69</td>
</tr>
<tr>
<td>1895–99</td>
<td>82</td>
<td>9</td>
<td>73</td>
</tr>
</tbody>
</table>

\footnote{P.S. = paddle steamer, S.S. = screw steamer  
\# size not given for one vessel in 1869}

Source:  
Compiled and calculated from data in R. H. Parsons *Steamships Registered Sydney 1834–1899* (Typescript, Adelaide, 1958)

In addition to steam propulsion, iron and steel construction were important technical changes as these materials broke the natural technical barrier of wooden ships, of about 3000 tons.\footnote{Also a barrier of approximately 300 feet in length. This breaking of the barrier was graphically demonstrated in 1859 when the Millwall shipbuilder John Scott built a paddle-steamer, the *Great Eastern*, of 18,914 gross tons which measured 680 feet in length. It was earmarked for the Australian trade but high coal consumption proved prohibitive and it never travelled to Australia, Pollard and Robertson, *The British Shipbuilding Industry*, p.17; note that the largest timber ships ever built (*Wyoming*, of 3,750 gross tons and Roanoke, 3,347 gross tons) were after 1900, in America, *idem*, fn.11, p.256.}  
The initial expense of coal–fired steam propulsion was offset by additional speed, cargo volume and predictability.\footnote{Max E. Fletcher, "The Suez Canal and World Shipping, 1869–1914", *Journal of Economic History*, Vol 18 No 4, 1958, p.553; Gerald S. Graham, "The ascendancy of the sailing ship 1850–85", *Economic History Review*, Vol 9 No 1, 1956, pp.74–88}  
The latter decreased the production cycle of capital and raised output (cargo carried per unit of capital). The efficiency of pre–1850 single–cylinder steam engines was constantly
improved. The compound steam engine was widely adopted in the 1870s, that headed a long list of engine innovations that solved the problems of engine efficiency.\textsuperscript{134}

In short, intensive development in shipping represented a process of industrialisation. Natural barriers of ship construction were broken and continuous improvement of the technical conditions of (shipping) production emerged. Thus, the scope of managerial choice in technical means of production were broadened significantly. James Burns, in his capacity as shipowner representative, summed up the new economic conditions of shipping in the last two decades of the nineteenth century,

we [ie shipowners] would have no chance of making a Company pay if we worked with antiquated ships... They [ASN Co] did not keep pace with the requirements of their trade. If you want to induce passengers to travel you must have first-class ships; and then you want to combine with a large capacity for cargo, for that is where we make the profit.\textsuperscript{135}

In these developments merchant capital was no longer able to sustain the partnership form of vessel ownership. From the 1850s the capitalist company form came to dominate the ownership of ships. For the capital investment required for steam ships could only be secured through a larger structure of joint investment. In the 1830s and 1840s shipping companies were formed, although still dominated by merchant and commercial capital interests and functions. Less than twenty companies formed prior to 1850, but 19 formed in the 1850s,\textsuperscript{136} 5 in the 1860s and 14 in the 1870s. Several formed in the 1870s were amalgamations of smaller companies or partnerships. Keep in mind that partnerships still functioned, and merchants, like Burns Philp, still owned vessels. But by the mid-1880s, intercolonial shipping was controlled by a few dominant companies, Howard Smiths, Adelaide Steamship (ASSCo), Huddart Parker, Melbourne Steamship Company (MSSCo), Australasian United Steam Navigation (AUSNCo) (from 1887), Union Steam Ship Company of NZ (USSCo), and McIlwraith, MacEacharn.\textsuperscript{137}

\textsuperscript{134}Marginal cost for fuel still increased per additional knot speed, but the gains in engine technology reduced the rate of increase of this cost factor. Sailing ships could not average speeds of much over 8 knots for long voyages, whereas in the case of steam, consistent speeds of 15, 20 even 25 knots could be achieved depending on the choice of the mix of costs by the shipowner. Engine improvements were, the compound engine, by Elder and Randolph in 1859, use of carbon steel and higher quality boilers, 1860s onwards, (widely adopted by the 1870s), triple-expansion engine in the 1880s, Parsons marine turbine engine in 1884, (first used in a ship in 1894) generally adopted after 1900, quadruple-expansion steam engine, 1914 and finally the marine diesel (first adapted for marine use in 1902), generally adopted after the first world war, Pollard and Robertson, The British Shipbuilding Industry, p.17; see also G. R. Henning and K. Trace, "Britain and the Motorship: A case of the Delayed Adoption of New Technology?", The Journal of Economic History, Vol 35 no 2, 1975, p.353

\textsuperscript{135}Evidence of James Burns, Minutes of Evidence, RSC on Strikes, (1891), Q.5505, p.208; The Australian Steam Navigation Co was bought out by the P & O owned Queensland Steam Ship Co to operate as the AUSNCo from 1887.


Indeed the pressure on merchants was summed up in comments by James Burns (of Burns, Philp and Company) to his partner, that, "steamboats are a great worry and anxiety but I suppose we will get used to them after a bit" and again three months later, "I am a bit timid about the steamship business and it wants a man like Sachs [master] to push it through." 138 A decade later, as agent for the intercolonial AUSNCo, he was acutely aware of the economics of operating ships, quoted earlier. 139

Ironically, Burns characterised the role of merchant agents in the latter part of the century. Although his company owned and chartered vessels, it was its commercial activities which were dominant — even when the company operated vessels in the Pacific trades. 140 As commission agents, the company handled administrative functions, but contracted operational services, such as stevedoring, to specialist small stevedores or employed supervisory staff (superintendent/foremen) only as an adjunct.

Shipping companies now were key organizations and established more coordinated agent networks and in the main ports of Melbourne, Sydney, Adelaide, and Brisbane branches (particularly AUSNCo and its predecessors). The company structure also saw departmental differentiation. The marine/traffic department co-ordinated schedules on the basis of owners/senior management policies; engineering, and the workshop (AUSNCo employed 200 men in its Sydney works as early as 1860) focused on purchases, repairs and maintenance of vessels and wharves were necessary; administration handled documentation, insurance, wages and salaries, office management; and stevedoring controlled loading and discharging. A superintendent, wharfinger or wharf manager, under whom were one or more foremen controlled stevedoring.

But the internal company control—systems were weak. Howard Smith Company (with initial interests as coal merchants from 1852) head office had no records of local branch bank accounts, knowledge of staff employed, salary levels paid, gross freights received and delivered, and a range of other financial and organizational controls. Indeed in the mid—1880s, the Sydney managing director wanted to know why the Townsville manager was paid 600l a year for three years when the Board had resolved that such salaries be limited to 500l. In 1885 Head Office requested weekly reports on finances and other important matters from branches. Several resolutions were passed to control branch decisions related to

---

138 Burns to Philp, 6 May 1881, and 1 Aug 1881, *Philp Papers* Box 2 QM65–32/6 Series 3 Oxley Library.
139 Burns' was also Chairman of the Sydney—based Australasian Steamship Owners' Association, see statements to the Royal Commission, Evidence of Burns, managing director of Burns, Philp, & Co, Qs.5340—5344, Minutes of Evidence, *RRC on Strikes* (1891), p.202
salaries.\textsuperscript{141} Existing lines of reporting were often developed from the commercial aspect of the company, rather than the operational.\textsuperscript{142} This pattern was repeated in other companies. The co-ordinated structure characterised shipping companies from the late 1870s until after the turn of the century – although the absorption of several functions in a few companies began as early as the 1860s. It marked the proto-industrialisation of shipping production. It marked a key transition in the emergent industry, where capital accumulation and profit derived from shipping production, not from the commercial market of the cargo transported. However, internal control-systems were weak, in the case of both management administration and industrial functions.\textsuperscript{143}

Departmental supervisors, ships masters, agents and contractors had significant authority over operational functions. Under these conditions little capital investment or organizational energy was devoted to functions outside of the 'production core' – that is, ships and their associated income and costs.

The impact on stevedoring was dictated by the deepening of industrialisation and firm coordination in shipping. A steady diminution in the role of agents (and indirectly to stevedores, whether directly employed or contractors) occurred from the 1870s. One contemporary observer commented as early as 1874 that "the paymasters, if such he may term [sic] the [stevedoring] employers, of the Port... were only the medium between the shipowners and the labourers..."\textsuperscript{144}, in a port that retained traditional methods and organization longer than others.\textsuperscript{145}

But apart from the portable donkey winch and steam winches on board, the use of the 2- or 4-wheeled hand truck, no capital investment was directed to stevedoring labour process. The only exception was the installation of straiths and chutes in the large volumes coal export trade mentioned earlier. Wharf labouring remained an occupation based on heavy manual labour. With increases in tonnage handled and the absence of materials handling technology, the colonial stevedoring labourforce increased. In the workplace the gang size rose to handle work in the larger ships holds and congestion of the wharf.

\textsuperscript{141}Director's meetings 4 May, 21 May, 1885, Chairman's Minute Book, \textit{Howard Smith Limited Records}, ML MSS 3565/2X

\textsuperscript{142}It represented a pre–systematic company structure. In terms of manufacturing, Litterer contrasted a European model of organizational development focused on the product to an American model based on streamlining production in his discussion of the development of systematic management. When applied to the water transport industry, each labour process focused on its product, rather than an overall management of the production process of all component parts, see Joseph A. Litterer, "Systematic Management: The Search for Order and Integration", \textit{Business History Review}, Vol 35 No 4, 1961, pp.461–476

\textsuperscript{143}Certainly the larger shipping companies maintained records on a range of costs, such as coal consumption (per vessel per journey), wage costs, providing, wharfage and port charges, insurance and the like. Maintenance of vessels and equipment tended to be undertaken on a more rule–of–thumb basis. See eg. reports of operations by E. Bland of AUSN Co to the London principals in the early 1890s on approximately a monthly basis, General Correspondence AUSN Co. June–Dec 1891, \textit{McKellar Collection}, MSS 4548/Box 126. These reports are in addition to half–yearly financial reports, Financial Reports, \textit{McKellar Collection}, MSS 4548/Box 9.

\textsuperscript{144}Mr. John Pornab (who was not a member of the Association), to Port Adelaide Workingmen's Association, \textit{The South Australian Advertiser}, 10 Sept 1874 [emphasis added]

In fact workgroup teams became larger gangs in the labour process, described earlier. The problems of waterfront conditions were known to colonial governments but little was done.

In this period, 1850s to 1890, the scope of custom-based informal normative relations was extended. Wharf labouring was now recognised. Societies formed and the work control of the workgroup was facilitated. In fact the loose company structure, allowed wharf labourers to maintain a significant degree of industrial authority over their work. Operational supervision was devolved to ex-masters, foremen who were ex-wharf labourers or master stevedores. Thus traditional workplace norms were generated and reproduced. To be sure supervisory styles were often authoritarian, but this was an effect of the loose structure and not a fundamental alteration in the informal organization of authority. On the other hand there is clear evidence of work control of wharf labourers from the 1860s to 1890.

Cooperative working best exemplified the devolution of industrial authority at the operational level. The shares system (used for centuries in the UK) was based on the direct workers tendering for labour stevedoring. Men were then paid their 'share' in terms of time worked or cargo handled. Four hundred Port Phillip stevedores (shipmen who worked overseas vessels) in Hobson's Bay, launched a cooperative stevedoring company in 1874. Each approved shipworker purchased a share for one pound. The object of the company was to keep the work in the hands of direct workers by tendering for work and enforcing first preference for members holding the pound shares.

Similar schemes were reported in Brisbane, Port Adelaide, Port Pirie, Newcastle, Sydney, Melbourne and other ports from the 1860s. In Brisbane stevedoring workers saw the formation of the Brisbane Stevedores and Wharfage Labourers Society as a means "to take contracts for stevedoring or lightering direct from the agents, and employing their own members of the society." Port Adelaide wharf workers met in mid-1865 to form a society, to inter alia, "regulate and fix the price of wages" to ensure

146 A process that occurred in London earlier. Stern, The Porters of London, pp.62,94, refers to the difference thus, "Teams of Ticket Porters formed wherever the handling of cargo required several workers. Gangs on the other hand were permanent partnerships of Ticket Porters working on joint account", and "temporary association in teams ... gave way to permanent association in gangs", in latter in the case of Billingsgate porters; see also ibid, pp.242–43,207–8; Stephen Nicholas, "The Organisation of Public Work", in idem (ed), Convict Workers, p.156 here Nicholas only mentions the lifting of logs, but of course small or light logs might be lifted by one person.

147 P. R. Proudfoot, "Wharves and Warehousing in Central Sydney 1790–1890", The Great Circle, Vol 5 No 2, 1983, pp.73–86, in which a select committee of the NSW Legislative Assembly decided as early as 1872 to redevelop much of the Port of Sydney, Proudfoot, "Wharves and Warehousing in Central Sydney 1790–1890", fn.26, p.86; A. Roberts, "Planning Sydney's Transport 1875–1900", in M. Kelly (ed), Sydney, 1978, pp.29–32; Report of the Commission on Wharves and Jetties, South Australian Parliamentary Papers, SAPPs, 1881, Vol 2; Report of the Government Wharves Commission SAPPs, 1896, Vol 2 & 1897, Vol 2; Report of the Royal Commission on Wharves and Water frontages, SAPPs, 1911–12, Vol 3. All of these inquiries recommended public ownership of at least those colonial wharves were public money was, or might be spent. There were however dissenting reports issued for the 1881 and 1896 inquiries. The 1911 Royal Commission recommended legislation for the establishment of a harbours board; T. A. Almond, Report on the Marine Department for the year 1899–1900, Brisbane, 1900, p.5

148 The 1861 and 1871 NSW Census listed, 194 and 242 wharf labourers respectively, New South Wales, Census, 1861, Occupation category, Seafaring Persons: Ordinary Seamen, Lampers, etc, NSW Parliamentary Papers, SAPPs, 1862, Vol 3, pp.93–133, and Census, 1871, Occupational Class X Sub-class 3: Ballastmen, Divers, Lightermen, Lampers & Stevedores, SAPPs, 1872–73, Vol 1, pp.1104–1214; 335 seafarers, including wharf labourers were listed in Queensland, Colony of Queensland, Second Census, (1st Jan 1864, Brisbane occupational category XVII subdivision C, includes lampers, ordinary seamen, etc.)

149 Stern, The Porters of London, p.96
150 Rupert Lockwood, Ship to Shore, pp.74–75
151 The Brisbane Courier, 5 Jul 1869 [emphasis added]
that stevedoring contracts taken up allowed men "employed on shares" to earn more than only 30s. a week.\textsuperscript{152} Since the 1840s much of the work in Port Adelaide was done through this type of direct contracting, where wages were determined by the 'shares' principle.\textsuperscript{153} Wharf labourers of the Port Pirie Workingmen's Association formed a cooperative stevedoring company in June 1890. With capital of 500 pounds, the company issued 1000 shares at ten shillings each.\textsuperscript{154} The Newcastle wharf labourers formed the Prince Alfred Union Co–Operative Stevedore Company in 1883.\textsuperscript{155} The Newcastle Coal Trimmers, although in the main, not undertaking direct contracting, shared a 'gang wage' – where wages were equalised amongst gang members for tide and shift work.\textsuperscript{156} Twenty–three members did form a contracting cooperative in the wake of the 1890 strike.\textsuperscript{157}

In Sydney and Melbourne sections of wharf workers, particularly coal workers, worked on the basis of a tonnage rate for coal companies or coal merchants (from which shipping companies such as Howard Smith & Sons, McIlwraith McEacharn & Co, Patterson & Co, and later H. C. Sleigh grew). Some contemporary commentators described this tonnage rate in coal work as the co–operative working and 'profit–sharing'. It was in fact based on a piece–work system.\textsuperscript{158} The key point was that output was produced by a gang, working as a cooperative unit and controlled the rate of work. That is the tonnage rate system engendered an autonomous organization of employment and cooperative working in the labour process.

The key feature of the coordinated organizational structure was the creation of the \textit{conditions} for the calculation of costs and economic efficiency. Although this was only partially accomplished. It narrowed the employment of wharf labour to three main employers; agents, master stevedores (or cooperative contracting) and stevedoring departments of shipping companies (see Figure 5).

\textsuperscript{152} The latter was seen as inadequate based on the customary wage level for the work, \textit{The South Australian Advertiser}, 15 Sept 1865

\textsuperscript{153} Each man received a percentage of the contract price, according to the proportion of shares held. Of course, the proportion had to be sufficient to yield a living wage which was defined in customary terms. This system appeared to be common among shipworkers for a generation or more from the early settlement of Adelaide in 1836. The close–knit organization of these workers was illustrated in the early formation of the workingmen's association where it covered only shipworkers, \textit{The South Australian Gazette and Colonial Register} 14 Dec 1846 [source from M. Quinlan] where co–operative working was as mentioned.

\textsuperscript{154} \textit{The South Australian Advertiser}, 19 June 1890

\textsuperscript{155} Formed 5 Jan 1883, \textit{The Newcastle Morning Herald and Miners Advocate}, 6 Jan 1883, No details appear to have survived regarding this company, but its formation was in response to the objectionable monopoly practices of a small number of stevedoring contractors in the early 1880s. Prior to this the men had not directly contracted for work, but their employers had paid customary wages, namely a living wage – which was accepted as 2 to 3 pounds a week.

\textsuperscript{156} This was related to mooring of vessels, Labour Rules, No.5 states, "... and that the shift and tide money be equally distributed amongst the gang at work", Newcastle Coal Trimmers Provident Union, \textit{Rules}, 25 November 1882, p.15; also Working Rules, No.7, NCTPU, \textit{Rules}, p.10, \textit{NSW Archives AO} 10/42118, T. U. File 10

\textsuperscript{157} However by this time the changes in the nature of unionism saw this as contrary to union rules, Rule 21 of the Union By–Laws prohibited contractors from being members of the union, L. W. A. Cremon (Secretary NCTU) to Industrial Registrar, 26 Oct 1891, \textit{NSW Archives AO} 10/42118, T.U.10

\textsuperscript{158} The fixed rate per ton was paid to coal lumpers in Melbourne. Ramsay McKillop of the Sydney wharf labourers described it as profit–sharing which was he saw as working satisfactorily in Melbourne, \textit{Minutes of Evidence, RRC on Strikes}, 1891, Qs.735,736, p.28. See also evidence of George, Herbert, Secretary of Sydney Coal Lumpers Union, in reference to the Melbourne system, which he did not refer to as profit–sharing, although viewed it in a positive light, \textit{Minutes of Evidence, RRC on Strikes}, 1891, Qs.282–283, p.9. Although Herbert complained that at that time Sydney workers were paid by the hour while Melbourne coalfis were paid a tonnage rate which had been falling, Q.446, p.14; see also \textit{CAR}, Vol 8, 1914, p.61 for actual tonnage rate in the 1914 award.
Shipowners and agents such Burns and William Willis in Sydney stressed that they studied, "economy with labour, because it is our most constant charge, and the most expensive item."159 Yet Burns was unable to even estimate the proportion of wage costs of administration and operational employees. Willis could not estimate the gross expenditure of his company, land and rent costs, operational costs or wage costs. Nevertheless he stressed that "[w]e are paying very high wages, and ... we are not making any profits."160

The use of seamen for working cargoes declined and carriers, storemen and others on the wharves also declined to marginal proportions. However, and not unnaturally, shipping companies were largely fixed on the business of shipping and neglected peripheral service functions such as stevedoring. The latter developed broad informalist methods of labour and work organization.

159 Evidence of James Burns in reference to operating ships, Minutes of Evidence, BRC on Strikes (1891), Q.5340, p.202 [emphasis added]; see also evidence of William Willis, agent, Qs.5923,5924, p.222.
160 Evidence of Burns, Minutes of Evidence, BRC on Strikes (1891), Q.5704 p.215; Willis Qs 6697–6711, pp.257–258, quote Q.6711, p.258
Deepening capitalist relations in shipping was reflected in competitive product markets in the 1880s. Although freight price cutting was seen in earlier decades (leading to amalgamations in the 1870s), the tightening production costs in the 1880s. Union rules were transformed increasing into the 'tyranny' of restrictive practices. With deteriorating trade conditions in the latter years of the decade, contractor stevedores where put under pressure by companies and agents, and in turn pressured wharf labourers. The 1890 strike saw employers take control of stevedoring.

### 4.3 Integrated Organizational Structure?

This was achieved through the establishment of a Labour Bureau which centralised engagement of labour. Furthermore, it established an administrative mechanism which controlled stages 3 and 4 of the employment relation. In so doing it was a forceful step in the formalisation of employment. The appointment of a Bureau manager and administrative personnel absorbed several of the costs of hiring which were previously dispersed under informalism. With the 1890s depression deepening in 1892–93, unionism in Sydney (the largest port) and other ports withered. The Labour Bureau in Melbourne and Sydney were closed before the end of the decade.

The experience of the late 1880s and the 1890s depression precipitated the re–organization of companies. This included the extension of authority over stevedoring. As the coordination of organizational structures and control–systems expanded over the previous decade managerial choices over the scope of organization also expanded. However progress to an integrated organizational structure was tentative and indeed maladroit. The technological choices opened earlier were not extended to subordinate labour processes and organizational innovation was slow. Thus stevedoring remained underdeveloped. In large part this was an effect of market regulation, which will be considered below. The demand for improved internal firm control–systems was not exclusively directed at the control of labour. Although the process was in effect the rise of business management.

The key innovations in the move to integration were, firstly, the consolidation of the internal company structure. Branch integration and departmental structures were consolidated. Internal control–systems extended the capacity to organise which had been unnecessary in the discontinuous organizational structure and lacking in the coordinated structure. Second, the establishment of a larger stevedoring function, including joint stevedoring companies. Third, labour bureaus became central control mechanisms. These changes were counterbalanced by a continued strong operational focus on the marine/engineering functions and their superintendents, continued reliance on agents, low status stevedoring function, small stevedoring companies and bureau used as a punitive mechanism (see Figure 6).

---

161 Who reported to the Shipowners Association, see SOAA Minutes of 10 April, in VSOA, Minutes [Book] p.61, ANU/ABL E217/1
Business organization included the rationalisation of companies – that is, further amalgamation and takeovers. The Inchcape group purchase of ASNCo and the formation of the Australasian United Steam Navigation Co in 1887 was the most dramatic.\textsuperscript{162} It formed the largest Australian-based company with approximately forty vessels. The Dunedin-based Union SSCO of New Zealand had the most vessels on the coast (with 54 totalling more than 40,000 gross tons). It amalgamated with the

\textsuperscript{162} It began operations in January 1888. The manager of the QSSC, had commented to London that the ASNCo had "indifferent ships" and that it could go out of business, J. Munro to Dawes (London) 5 July 1886, \textit{Munro Correspondence, McKellar Collection,} ML MSS 4548/Box 159. James Burns had made a similar observation 2 years earlier on the basis of falling share prices (he held stock in the company) "ASNCo are pretty shakey" and the public appeared to lose confidence in the company, J. Burns to Philip, 25 Mar 1884, \textit{Philip Papers, Oxley Library} Box 3 OM65-323/19 Series 4; also Burns' comments to the Royal Commission on Strikes \textit{supra.}
Hobart company, Tasmanian SNCs in June 1891. Five years later the USSCo purchased the small coastal company of T. A. Reynolds & Co. which operated between the Tasmanian East Coast and Melbourne. The depression and railway competition forced an amalgamation of the Newcastle SSCO and the Hunter River SNC to form the Newcastle and Hunter River SSCO Ltd in 1893. Other local coastal companies were under increasing pressure as cargo and passenger traffic drifted to rail. The Illawarra SNC was reconstructed in 1904 to form the Illawarra and South Coast SNC Ltd and again in 1920. It abandoned the passenger trade in 1928. The Adelaide SSCO took over the local gulf trader, the Coast Steamships Ltd in January 1915. Huddart Parker reorganised its Bass Strait operations through the formation of the Tasmanian Steamships at the end of WWI. AUSNCo under the direction of James Mackay purchased the Eastern and Australian Co. soon after the end of WWI.

Companies undertook internal reviews of their operations. In response to problems of cargo control from 1889 the managing director of Howard Smiths, dispatched Harry Lotherington to "inspect and report on the different offices of this Company" in mid-1891. In reports on several Queensland ports he uncovered fraud in Brisbane, Maryborough, Rockhampton and Melbourne offices. Local manager autonomy in commercial activities was curbed reflecting centralisation of business decision-making and better communication. This improved the monitoring of functional areas of shipping and stevedoring.

AUSNCo commissioned a report on the position of the company. The general manager of ASSCo, Edward Northcote, moved his office to Sydney in February 1899. On 20 February, the Board of Directors approved a resolution which specified that all agencies and branches were directed "to refer him all matters of management and policy of the Company." Northcote sought direct information from offices and shipmasters on company affairs. Over the following decade information flowed to Northcote on the everything from coal supplies to the food supplied to opposition ships' crews.

---


167 Bach, "Sea Transport in Australia" pp.14–15, in 1904 it took over the assets of its predecessor, and in 1920 it sought to align nominal and called up capital. Rail competition had affected the company since the turn of the century.

168 Coal Steamships Ltd *Records of Shareholders*, Adelaide Steamship Company Ltd, ANU/ABL N46/1208; *Page, Fitted for the Voyage*, p.190

169 McKellar, *From Derby Round to Burketown*, pp.345–346


174 Emphasis added, quoted in *Page, Fitted for the Voyage*, p.153

175 Much of which was recorded in Mr Haggard's Information Book (Peter Haggard was a close assistant of Northcote, and company secretary in 1899) *Page, Fitted for the Voyage*, pp.153–165. Interestingly much of the information was on the details of company ships, their movements and so on, as well as those of competitors. Mackay of AUSNCo in London often complained of Northcote rotting the pool and Collins. It is likely that Northcote used a superior information system.
Even the Steamship Owners Association was forced to cut costs in the depth of the 1890s depression, dismissing staff and reducing salaries.\textsuperscript{176}

Permanent branch offices of the large companies spread from the turn of the century to the 1920s as they replaced agencies. For example, the Adelaide SSCo had 12 permanent offices in 1900, employing about ninety office staff, 13 in 1914, 14 offices in 1918 as the Sydney agency of G. S. Yuill & Co. was discontinued and Northcote's office established as a full branch. In 1921, two more offices were added.\textsuperscript{177}

Management structures were also reorganized. AUSNCo management was reorganised in 1915 under the direction of James Mackay, now Baron Inchcape.\textsuperscript{178} Inchcape visited Australia to examine the position of the company following the resignation of Bland as general manager. Managerial problems had plagued the company for several years. The agency management under the British India and Queensland Agency Co., with its head office in Brisbane, was wound up and replaced by a newly created company, Macdonald Hamilton. The name was taken from two major shareholders – both personally trusted senior managers of Inchcape. The new company began business in October 1915.\textsuperscript{179} Its activities extended beyond shipping as it was the vehicle through which AUSNCo extended its stevedoring operations. In Fremantle the company's stevedoring contractor Robert Laurie & Co was bought out by Macdonald Hamilton and Elder, Smith & Co. In Adelaide, the latter two companies with Gibbs Bright & Co. and John Darling & Sons owned the South Australian Stevedoring Co Ltd. In Newcastle, four of the large companies, which included Macdonald Hamilton (for AUSNCo), reformed the Newcastle Stevedoring, Tug and Lighterage Co. Ltd first seen in 1904.\textsuperscript{180} In 1914 AUSNCo, with Gibbs Bright and Dalgety formed the Great Northern Stevedoring Co.\textsuperscript{181} AUSNCo undertook its own stevedoring in other ports.

Integration also required the acquisition of functional areas that were necessary for command over production as a whole.\textsuperscript{182} The USSCo purchased several other companies in New Zealand in addition to those mentioned above. Among the most significant was the Wellington Patent Slip Co. in November 1907.\textsuperscript{183} The Adelaide SSCo took over the Adelaide Steam Tug Co. Ltd in August 1918.\textsuperscript{184}

\textsuperscript{176}In response to the resignation of the Newcastle and Hunter River SSCo (which complained of high rates and lack of appropriate service) the Association dismissed a clerk (salary of 104L) and reduced the secretary's salary from 416L to 260L per year, SOAA, Minutes, 1 May 1894, VSOA, Minutes Book, p.61, ANU/ABL E217/1.

\textsuperscript{177}Page, Fitted for the Voyage, pp.151, 186, 202–203, 219

\textsuperscript{178}McKellar, From Derby Round to Burketown, p.345

\textsuperscript{179}For a discussion of the management changes and short biographical details of the company see, McKellar, From Derby Round to Burketown, pp.210–215

\textsuperscript{180}The shares were held by Mcllwraith and McEacharn, ASSCo, HSCo and Macdonald and Barnes of the Macdonald Hamilton & Co (AUSNCo, in addition James Brown and others from Newcastle (held 1 share each) Balance Sheets and General Profit and Loss Accounts, 1904 and several other years, shareholder list 1919, AUSNCo, Companies, 1886–1956, McKellar Collection ML MSS 4548/Box 248.

\textsuperscript{181}McKellar, From Derby Round to Burketown, p.465

\textsuperscript{182}Williamson, Markets and Hierarchies, New York, 1975. This view adopts an artificial separation of market based organization, closer to my discontinuous organization (and assuming spot markets) and integrated hierarchical organization in business organization. This discounts the type of linked integration organization that shipping companies developed in the period under discussion here.

\textsuperscript{183}Arbon, A History of Union Steamship Co. of New Zealand, Vol 1, pp.72–74
In addition, it added ship engineering and repair to its holdings. As noted earlier the old ASNCo had operated large engineering works in Sydney to support its fleet as early as the 1850s. In 1891 it established a Brisbane works at Kangaroo Point, to be expanded over the next 30 years. The Adelaide company established an engineering works at Port Adelaide in the mid–1890s and added a second in Sydney before WWI. The acquisition of these and other upstream functions (mainly to secure coal supplies and trade) advanced the vertical integration of business operations but not a total integration of production.

In particular companies established stevedoring operations. The formation of a permanent office in Adelaide by the Howard Smith Co. in the early 1890s specifically included provision for a "competent man [to] ... be engaged and employed solely ... for the management of the cargo and passenger business in Adelaide [and outports]." This position was in effect and operations manager. A joint company, the Queens Wharf Co. at Port Adelaide, was formed in 1892, with two local companies. The company "management [was] vested in a wharfinger independent of the firms" although each of the partners undertook to "work the business to the best interest of the property."

The Carpentaria Lighterage formed in 1900 resulted from an agreement between Burns Philp and ASNCo of December 1899. Maryborough Wharves Ltd, formed in 1906 by Howard Smith and ASNCo. The Federal Wharf Company Limited was formed by Howard Smiths and the ASSCo in

---

184 Page, _Fitted for the Voyage_, p.203
185 The engineering works were transferred across the Brisbane River to Alice Street in 1916 with the acquisition of Smith & Faulkner's engineering, in Sydney moved to premises of Schmidt and Muller engineering once this company had been acquired, McKellar, _From Derby Bound to Barkers Town_, p.347
186 Page, _Fitted for the Voyage_, pp.149–150,187
187 The ASSCo held half the shares in Abermain–Leaham Collieries Ltd and 35% in North Bulli Colliery; Howard Smiths shipping was undertaken by Australian Steamships Pty Ltd, a wholly owned company, in addition to controlling interests in Caledonian Collieries, Invincible Collieries, Australian Sugar, Commonwealth Steel Products and Brisbane Wharves Ltd; McIvorith McClochn held 45% of Bellambi Coal Co.; Huddart Parker, had a large holding in Abermain–Leaham Collieries, Hobburn Collieries and 88% of Metropolitan Coal Co.; and Burns Philp had controlling interests in several south sea companies. Two of the three reports in the 1924 Royal Commission on Navigation listed these holdings from the evidence and drew a parallel between the American Meat Trust and the Australian interstate shipping companies. In that they had "a grip on the key industries of Australia" and furthermore, "the fortunes of the shipping companies of Australia (a branch of the overseas shipping combine) are bound up in those of Australian industries, and ... constitute an enormous trust which controls the economic destinies of Australia", _Report of Royal Commission on Navigation_ (1924) pp.1049,1116, quote from the harshest report by Duncan and Elliott, on p.1116.
188 HSL, _Directors Minute Book_, 16 May 1890, p.394 [emphasis added], HSL _Records_, ML MSS 3565/2X
189 First proposed in mid–1890 the Queens Wharf Co. took two years to organise. The joint venture partners were Simpson & Sons and Harrold Bros. two local Port Adelaide shipping companies, _Directors Minute Book_, 26 Sept 1890, 8 Oct 1891, 15 May 1892 pp.403,419,432, HSL _Records_, ML MSS 3565/2X. The main object of the company was "carrying on the business of wharfingers and warehousemen" Sec.II para.6, Memorandum of Association (1897) p.3, ASNCo., Companies, 1886–1956, _McKellar Collection_ ML MSS 4548/Box 248
190 Howard Smith Co, _Directors Minute Book_, 26 Sept 1890, p.403, HSL _Records_, ML MSS 3565/2X
191 It provided lighterage and stevedoring services. The shareholders of this company were Burns, and Forsyth, Macdonald, Barnes of the ASNCo or its agents and a local shipmaster, Capt. T. W. Robinson. The main object of the company, para.3 was to "carry on conduct manage and maintain the business of lightermen, ... and that of freight contractors", in fulfillment of the agreement of 7 Dec 1899 between the companies and Robinson, para.4, Memorandum of Association, ASNCo, Companies, 1886–1956, _McKellar Collection_ ML MSS 4548/Box 248.
192 The great bulk of shares held by ASNCo and HSL; the salient objects were to carry out an agreement of 5 Mar 1906, between the companies and Alexander McNab, para.3(a) and to "carry on the business of wharfingers, warehousemen, owners or lessees of graving, floating, and other docks, shipbuilders, shipwrights and shipowners", para.3(f), ASNCo, Companies, 1886–1956, _McKellar Collection_ ML MSS 4548/Box 248.
July 1901 to operate in Port Pirie and other ports. The Yarra Stevedoring Company was established by shipping companies in Melbourne in 1917. Similarly shipowners established the Port Jackson Stevedoring Co. in 1917 to centralise the employment of stevedoring labour in Sydney. Moreover key stevedores, such as the Victorian Stevedoring Company under Capt. Ogilvie worked closely with shipowners.

The progression of shipping companies from the 1890s reflected the maturation of industrial capital in water transport. The stevedoring labour process was now more clearly subsumed under capital and capitalist rationality, but as we will see later this did not imply the constant use of machinery or revolutionisation of production. The development of business administration based organizational integration and methodical control–systems, was slow and hesitant. Moreover change was invariably directed more at reducing costs than a positive policy of raising productivity. As the general manager of the Adelaide SSCO, M. Anderson, remarked to the Board in 1920, the "task of administering large industrial undertakings becomes more arduous as the system becomes more complicated" But investment in managerial expertise for this was lacking.

Shipping company policy of subsidiary stevedoring operations, continued to the post–WWII period, with the same lack of adequate integration. Henry Baston cogently reported the relation,

3. ...the stevedoring companies ought to enjoy the authority in the counsels of waterfront management necessary for the performance of these duties [ie for stevedoring production] an in particular the proper share in the framing of policy toward labour. Lack of status cannot help a stevedoring company to attract and retain the best men for management, to invest in the best gear for its work, or to exercise discipline .... The stevedoring companies do not, with very few exceptions, enjoy sufficient standing and, in part, this is attributable to the organisation of management.

4. The stevedoring companies are seldom free to apply, unimpeded their experience and their technical knowledge of the industry. Although they are often nominally independent companies, they are frequently owned, as to a substantial part of their assets, by shipowners' and ships' agents.

The disjunction between centralised ownership and decentralised operations was reflected in the management structure. In the pre–WWII period key operational positions remained the marine superintendent and superintending engineer. In stevedoring, the general manager, superintendent and foreman hierarchy remained unchanged for more than fifty years. Management numbered approximately 450 (in shipping and loading and discharging vessels) for an operational labourforce of

193 Federal Wharf Company Ltd, Minutes of Board of Directors, Adelaide Steamship Co, ANU/ABL N46/1238
194 The company was formed (Jan 1918) in the aftermath of the formation of a labour bureau. The shareholders were ASSCo, AUSNCo, Australian Steamships Ltd, Huddart Parker, McBraith and McBraith, MSSCo, and the USSCo of NZ, see Report of the Royal Commission on Industrial Trouble on Melbourne Wharves, Chairman George J. Dethridge, 27 June 1919, [henceforth Dethridge Report (1920)], APPS, 1920–21, Vol 4, p 689
195 ASOF Minute Book No 5, 20, 26, 28 Sept 1917, pp.193,203,206 respectively, ANU/ABL E217/5
196 In particular on industrial relations policy at the turn of the century onwards; Ogilvie attended meetings with ASOF or negotiated agreements with Melbourne WLU, see ASOF Minutes, 27 May, 22 Aug 1901, pp.43,73 ANU/ABL E217/2; conference of ASOF, OSRA, and Coastal companies, ASOF Minute Book, No 5, 17 Sept 1917, pp.199–204 ANU/ABL E217/5
197 In remarks to shareholders in 1920, quoted in Page, Fitted for the Voyage, p.141
198 Basden Report (1952) p.15 [emphasis added]
199 see McKellar, From Derby Round to Barkersown, pp.214–215 for details of AUSNCo personnel in these positions in the pre–WWI period.
over 47,000 in 1947.200 Thus, with a management to worker ratio of more than 1:150, shipping did not develop an elaborate managerial hierarchy.201

In sum, progress to an integrated organizational structure was weak. The main companies grew, and internal branch and departmental structures spread. In this Australian companies followed overseas developments.202 Yet, traditional methods of operational organization remained in the larger companies. Furthermore, the use of subsidiary stevedoring companies and agents did not have a significant impact on management and supervisory methods at the workplace level. Nor did it greatly alter the nature of waterfront work in the stevedoring industry. As alluded to earlier in this section, inter-company organization in the labour market, soon followed by cooperation in the product market, were predominant conditions for the observed direction of change.

5. Inter-firm Organization – Business Federation

The foundation of employer cooperation revolved around industrial matters. But government legislation and commercial interests soon played a key role in shaping the collective organization of employers. The pattern which emerged in 1900–1910 may be identified as the federation institutional mode. Certainly industrial issues generated the need for co-ordinated policies, however commercial interests created a more complex network of business ties, based on employer cooperation in industrial matters. The elaborate, and largely covert, system of market regulation operated in tandem with industrial organization. The resultant dualist form of federation of firms generated mutually supportive business pressures which covered the labour and product markets.

In this process, labour management was externalised, through an increasingly formalised pattern of industrial relations, based largely, but not exclusively, on arbitration. Whether part of an agreement or award or not, employment conditions and labour policy were decided outside the stevedoring 'industry',

---

200 Operational workforce defined as seagoing and waterfront personnel (excluding ships officers who numbered 1,633 and foremen), occupational codes 560,562 (coastwise and oversea shipping) of 23,716 and 570 (waterside workers), 22,854, tally clerks (code 300) 529. Additional workers, such as shipwrights, coopers, fitters and other skilled workers, and unskilled workers such as painters and dockers were also employed by shipping companies. These workers were also employed by other companies not directly related to shipping companies or stevedoring. Management code 210 (412 persons) plus and additional 32 ships' officers (code 220) were listed under shipping and loading and discharging vessels (since officers invariably held shore-based operational management positions these must be included), Commonwealth of Australia, Census, 30 June 1947, Vol 2, codes 560,563,570 Table 1, code 210, Table 11, codes 220, 300, Table 4, pp.944–945,1421,1422–1423

201 Indeed the economy-wide ratio was approximately 1:75. However more than half of managers were in wholesale and retail trade, farm management and hotels. With this in mind the actual ratio was higher for manufacturing, transport and finance, see Commonwealth of Australia, Census, 30 June 1947, Vol 3, p.203.

202 "Because of the more intimate with the shipping company, some of the stevedore organizations, ... have lost their identity and have become subsidiary agencies of the shipping company. Some of the larger shipping companies now do their own stevedoring work, having merely added a stevedore department...", Boris Stern, Cargo Handling and Longshore Labor Conditions, US Dept of Labor, Washington, 1932, p.2
narrowly conceived. The transition in the pattern of authority was critical in a labour intensive industry. Management choice became increasingly constrained both at the centre and in the workplace. This was a tension that had lasting effects.

In short, change in organizational form of stevedoring did not precipitate change in the labour process content. In large part this blocked the organizational and normative components in the transition to a formalised pattern of industrial relations in stevedoring. Thus the accommodation of industrial relations practice to the new institutional structure was also hindered.

### 5.1 Commercial Organization in Shipping

British overseas shipping was increasingly deregulated in the decades up to 1850. Partly in response, international shipping established the conference system of regulation. The Australian conference began operation in 1876. Deferred rebates were used to lock in shippers (on conference set freight rates), and collectively funded 'fighting ships' undercut any competitors entering the market.

Attempts at price regulation in the colonial coastal markets prior to 1890 were generally unsuccessful. Bouts of severe competition erupted on many occasions, in several trades around the colonies. The 1880s saw greater shipowner industrial cooperation and despite attempts to link this cooperation with a more general product market regulation, commercial competition continued unabated through the decade. Three factors – the 1890 strike, the following depression, and continued bouts of intense competition – precipitated a more receptive attitude to market regulation on the part of the companies. A web of agreements on freight and passenger markets emerged through the 1890s.

---

203 This was particularly the case for agents of overseas lines. They had to follow the instructions of their head office overseas companies. In contrast, despite the attempts of the Shipping Federation in Britain to bring a national standard to the industry, stevedoring remained essentially local–based industry. This was so in both the sense of geographical location (where each port operated on local conditions) and sectional (as each port had different mix of trades, the latter developed according to local conditions). The result was a myriad of local arrangements; see eg, the British inquiry under Lord Shaw, United Kingdom, Transport Workers – Court of Inquiry, Vol 1, Report and Minutes of Evidence, Cmd. 936, 1920

204 Bach, A Maritime History of Australia, pp.159–186. There were some 20 overseas shipping company interests involved in the Australia–Europe pool arrangements, see Report of Proceedings at Meeting Shipping Interests, held at Dalgety 7 Co. Sydney 1 Feb 1906, there were several meetings, copy in AUSNCo, Correspondence, 1886–1961, Letter Book No 1, pp.373–410, McKellar Collection ML MSS 4548/Box 127.


206 The most extensive had been between AUSNCo, Howard Smith, Adelaide SSCO and Huddart Parker in 1887, but had effectively collapsed by 1890, Bach, A Maritime History to Australia, p.203

207 By 1889 the Steamship Owners Association reported that the regulation of freight payments, SOAA, Fifth Annual General Meeting and Report, 19 Aug 1889, p.5, McKellar Collection, ML MSS 4548/Box 249. The 1890 Association Defence Society (in which members entered into a Bond of Alliance) was directed largely at commercial regulation. Interference in the trade of fellow members was prohibited. Transgression was subject to a fines of 1 pound per ton per voyage. If two or more members operated in the same trade it was, "desirable to arrange for times of departure and to prepare schedules of rates of freight and passage." [emphasis added], SOAA 1890 Bond of Alliance, Para.4, see also Paras 1,2 McKellar Collection, ML MSS 4548/Box 249
According to some writers at least twenty-four joint agreements existed at the time of the formation of the Collins pool in July 1902. Company records indicate this is an underestimate—the agreements were more common than assumed. They took three main forms; the manipulation of sailings and tonnage to ensure profitable operation, so-called 'traffic deals'. Second, the pooling of revenues, or 'joint-purse' agreements for specific trades. Finally, what may be termed 'exclusive market' agreements were made. Although agreements such as these appeared before 1890 the combination of factors sparked a search for more 'orderly marketing' of freight services.

The formation of a revenue pooling arrangement in 1891 in the wake of the strike was the first step. This selective joint-purse agreement was used on only some routes. As deferred rebates became more established business practice over the following years, inter-firm cooperation in the market was also seen as more rational. Although by the end of the 1890s the term 'bonus' was deemed to be more acceptable for outside consumption. The initial results of the pool were positive but the depression took its toll. Yet widespread price-cutting seen in earlier years did not did not reemerge. When it did breakout companies acted more quickly to either reach agreement or limit any damaging impact. In

---


209 Such as the withdrawal of tonnage for 'the better regulation of traffic' between Melbourne and the North Queensland ports, see Agreement between Howard Smith and Sons and AUSNCO Directors Minute Book [catalogued as Chairman's Minute Book] 27 Feb 1891, p.409, further agreement between AUSNCo and Howard Smiths on the Gulf trade 1. E. Bland (AUSNCo sec Brisbane) to AUSNCo sec (London) 20 Aug 1891, AUSNCo, *Correspondence, 1886–1961*, McKellar Collection, ML MSS 4548/Box 126; agreement between AUSNCo. Howard Smiths and CSR re sugar trade from Mackay and Bundaberg to southern capitals includes tonnage and freight rate, Is. E. Bland (AUSNCo sec Brisbane) to AUSNCo sec London 17 July, 8 Sept, 18 Sept 1891, AUSNCo. *General Correspondence, McKellar Collection*, ML MSS 4548/Box 126; there are numerous references to agreements between AUSNCo and other companies, see *Correspondence, 1886–1961*, McKellar Collection, ML MSS 4548/Boxes 126–128; a pool agreement with AUSNCo yielded approximately 6,000 pounds per year for Howard Smiths, see *Directors Minute Book* [catalogued as Chairman's Minute Book], 19 May 1892, p.432, both in HSL, *Records*, ML MSS 3565/2x; agreement between Huddart, Parker and Union SSOs (owners of Tasmanian SSO) from 1 July, 1892, for regulation of Bass Strait trade, Arbon, *A History of the Union Steamship Co. of NZ*, vol.1, p.59; agreement between Huddart, Parker and Union SSOs, December 1894, for regulation of trans-Tasman trade and reciprocal ticketing arrangements for many ports in Australia and NZ, Arbon, *A History of the Union Steamship Co. of New Zealand*, Vol 1, p.61.

210 A Coal Vend Pool, in various forms, distributed earnings according to shares from its introduction in late 1883. An agreement between Huddart Parker, James Paterson and Howard Smith was concluded in Dec 1883 designed for "preventing an injurious competition between one another in their business for the period over which such contracts extend", Special Directors Meeting, Howard Smith and Sons *Directors Minute Book* [catalogued as Chairman's Minute Book], 23 Dec 1883, p.16, HSL, *Records*, ML MSS 3565/2x the distribution of earnings continued in the years following, see for example, Howard Smith and Sons *Directors Minute Book* [catalogued as Chairman's Minute Book], 19 May 1892, p.432, HSL, *Records*, ML MSS 3565/2x; reports of pool arrangements for AUSNCo see 1. Bland to AUSNCo sec, London, 20 Aug 1891, *General Correspondence, McKellar Collection*, ML MSS 4548/Box 126.

211 Where one company operated exclusively in a market, provided agreed payments were made to potential competitors. The Newcastle and Hunter River Steam Ship Company granted Howard Smith and Sons a "subsidy of 750 pounds per annum for five years" on condition that the latter withdrew the "Balmain" from the Newcastle trade from the first of April, 1890, see Howard Smith and Sons *Directors Minute Book* [catalogued as Chairman's Minute Book], 10 April 1891, p.411, received the Company seal, 31 Mar 1892, p.428, HSL, *Records*, ML MSS 3565/2x; AUSNCo and Howard Smith formed an agreement with Bryden Jones & Co. (owners of two small coal vessels) in which "they [Jones & Co] agreed not to interfere with the general trade in consideration of the Company and Messrs Smith protecting them in the Coal trade, [which] ... worked satisfactorily during the year [1893]" AUSNCo, *Report on the Working of the Company and Analysis of the Company's Accounts*, to 31 Dec 1893, 17 Oct 1894, p.8, McKellar Collection ML MSS 4548/Box 125 Envelope 363.

212 The joint purse agreement was between AUSNCo and Howard Smith negotiated in Dec 1890. It was not without problems however. Further agreement (coal trade to Adelaide) between, Howard Smith, ASSCo, Harrolds, Huddart Parker and Simpsons was conclude in Oct 1891, see McKellar, *From Derby Round to Burketown*, pp.142–145.

213 see eg the profits of the pool for AUSNCo, reported in AUSNCo, *Report on the Working of the Company and Analysis of the Company's Accounts* Year to 31 Dec 1893, 17 Oct 1894, p.29, McKellar Collection ML MSS 4548/Box 125 Envelope 363.
large part the impact of the employers associations, the Steamship Owners Association of Australasia (SOAA), based in Sydney, and the Victorian Steamship Owners Association (VSOA) based in Melbourne was significant in the informal harmonising of relations between companies and individuals over a range of issues.

The market agreements were selective and should not be over emphasised. They were not 'fixed' as such, but rather operated as a continuous process of negotiation, where business policy was subject to adjustments, cancellations and alliances which may or may not result in new agreements. In the first half of the decade price-cutting could break out at any time. 214 'Secret deals' were common, 'outsiders' 215 were forced to quit trades, or cut rates to operate only some trades. Anxious to retain goodwill the VSOA, in 1893, was unwilling to take action against overseas companies in some passenger trades as it "was not desirable to disturb the present friendly relations." 216 Yet in other trades, descriptions such as "exceptionally severe competition" were used. 217 In these instances, and many others, competition was overcome by trade and exclusionary market agreements. 218 It may be concluded that the associations provided a key coordination framework. Initially established for addressing labour issues, the Associations were a mechanism through which the extension of trade regulation flowed, albeit in tightening product market conditions. 219 Unity against labour was thus used as an industry-wide vehicle to introduce federation regulation of the market.

The most comprehensive scheme of regulation was the "Collins" agreement of 1902. The 1890s pattern of loose market regulation showed strain in the closing years of the decade as economic activity picked up. 220 Northcote at the Adelaide company pursued a more vigorous and independent commercial policy which provoked the suspicion of others. Initially Macdonald of the AUSNCo was concerned at the increases in tonnage capacity commissioned by the pool members with little indication that trade

---

214For example, the AUSNCo Annual Report for 1892, the company reported the outbreak of the "most unprovoked competition" in the Queensland trade from a company that had been "hitherto been working in friendly alliance". The company reported a profit of 21,978l. for the year, AUSNCo., Sixth Annual Report, (to 31 Dec 1892), 17 June 1893 p.3, McKellar Collection, ML MSS 4548/Box 9
215Outside the dominant companies listed earlier.
216VSOA Minutes, 24 Nov 1893, p.46 ANU/ABL E217/1
217AUSNCo Report on the Working of the Company and Analysis of the Company's Accounts, to 31 Dec 1893, 17 Oct 1894, p.7, also "very vigorous" opposition in the Normanton trade, "strong opposition" from the ASSCo and so on, McKellar Collection ML MSS 4548/Box 125 Envelope 363. The directors of Howard Smith & Sons Pty Ltd noted the "excessive competition" on the coast in 1891. One section of this, the Queensland trade, was solved by an agreement with the AUSNCo, also their recent membership would "tend to improve the position of the Company's business", see Directors Report (to June 1891) 8 Oct 1891, pp.38–39. Similar complaints were made in 1892 and the first half of 1894 mainly in reference to the coal trade, but not subsequently, see Directors Reports (to June 1892) p.40, (to Dec 1892) p.43 and (to June 1894) p.47 HSL, Records ML MSS 3565/4X
218Page, Fitted for the Voyage, p.147 notes that for shipowners the ideal pattern of operations was the division of the coast into sections where each had exclusive rights to operate or at least working to an 'agreement' in which fares and freights would be mutually agreed.
219The Association's 1886 report noted "a prolonged depression in shipping", although this was more the result of the significant expansion in capacity in the period from 1881, Second Annual Report, 26 Aug 1886, McKellar Collection, ML MSS 4548/Box 249
220Howard Smith adopted a more aggressive market policy, which lead to instability in 1889. Smiths operated outside established agreements in 1889, J. Mackay to Macdonald, 4 Dec 1903, James Mackay Correspondence 1900–1906, McKellar Collection ML MSS 4548/Box 160
was strong enough to support it. However, in keeping with the desire to contain and control competition the main companies engaged in a series of protracted negotiations which culminated in the extension of the pool agreement in the form of the "Collins" agreement. Aspects of this scheme began three years earlier under the auspices of the newly formed Australasian Steamship Owners Federation. It included a rebate system, referred to as a 'bonus' for shippers. With the Collins scheme, the private regulation of the Australian shipping freight market was the most comprehensive to date. Not only was revenue pooled but trade routes regulated, prices determined and ship tonnage allowances and building rights were allocated amongst the members.

It was shrouded in secrecy for the eight years of its existence, and it was decided "that all Minutes and documents relating to "Collins" including the old [ie the 1902 original] agreement be destroyed".

221 Mackay believed that Northcote of the Adelaide SSCo was soring the pool agreement in a range of ways, such as overcharging for lightering services in Queensland. He suggested that Macdonald do the same and have the difference rebated back to the AUSNCo., I. Sir James Mackay [later Lord Inchcape] to Macdonald, 24 May 1901, Mackay Correspondence, 1900–1906, McKellar Collection ML MSS 4548/Box 160; I. Macdonald to Mackay, 14 Sept 1901, Mackay Correspondence, 1900–1906 McKellar Collection ML MSS 4548/Box 160. Such suspicions did not cease after the formation of Collins, there was a suspicion that Northcote attempted to hide income from the pool in 1903, L. Mackay to Macdonald, 8 May 1903; that the Howard Co. were "disagreeable" and "insatiable in their demands" to the amend the pool for their advantage, I. Mackay to Macdonald, 4 Dec 1903; that in general there was too much "grab" in the methods of the members, L. Mackay to Macdonald, 20 Nov 1903, and so on, all in Mackay Correspondence, 1900–1906, McKellar Collection ML MSS 4548/Box 160. Northcote was a man of forceful personality, and his actions on the Collins committee were described 'very dictating and asserting', I. Macdonald to Mackay, 6 Dec 1902, Correspondence, 1886–1961, Private Letterbook No.1, p.255, McKellar Collection ML MSS 4548/Box 127.

222 Meetings were held from the first half of 1898 over the next four years in various trades to develop "Collins", see Epitome of Principal Events, 1895–1900, McKellar Collection ML MSS 4548/Box 214. It was not until 1901 that the basis of a comprehensive scheme was proposed by a director of the Howard Smith & Co. While problems were identified, Macdonald agreed with Siddeley that the scheme could "strengthen the amicable working of the different companies on the coast", I. Macdonald to Mackay, 9 Nov 1901, p.2, also refers to proposal Hector McLennan to Macdonald 1 Nov 1901. Detailed proposal, McLennan to Macdonald 14 Nov 1901, Macdonald Private Letter Book No.1, p.87,88,90,114, McKellar Collection ML MSS 4548/Box 127.

223 Bach, A Maritime History of Australia, p.207. Although there was a degree of discord at the time of the dissolution of the VSOA and the foundation of the ASOF, which will be discussed below. The Coal Vendors members were the core of the ASOF, although the Melbourne SSCo took several to join the Federation. The coal vend members were Howard Smith Co., McLaurin & McElachan, ASSCo., Huddart Parker, MSSCo. and James Patterson, I. Macdonald to Mackay, 9 Nov 1901, Macdonald Private Letter Book No.1, p.90 McKellar Collection ML MSS 4548/Box 127.

224 ASOF, File 'Private', Huddart Parker Papers, cited in Bach, A Maritime History of Australia, pp.207–208. The scheme was first introduced in trades between 10 ports from Geraldton in WA to Newcastle. It was extended in Sept 1901. Bach, however conflates trade related regulation and industrial organization. It is the case that both functions are performed by the one association. However he notes that a scheme for a "coastal combine" put forward in 1889 by the Hunter River Co was rejected under the auspices of the SOAA. He notes that this organization, being Sydney based, was only one among others in Adelaide, Melbourne, and Fremantle. Furthermore it was not until the ASOF that genuine unification took place. First, as Bach, notes the SOAA drew members from other colonies as well as NSW. Second there was no Victorian Association until the Sydney–based association helped establish one in the 1880s. Third, there was no shipowners association in Fremantle until the mid–1890s. It too was established with the advice and support of the SOAA. Finally, all these association were primarily industrial in function.

225 The original proposal from McLennan of Howard Smith, included provision for accountants to inspect member company books, control by central committee, with functions to include, reorganization of shipping services "to [the] mutual advantage" of members, introduce and lay up tonnage where necessary, charter or purchase additional tonnage, I. McLennan to Macdonald, 14 Nov 1901, paras.6,8,9 Macdonald Private Letter Book No.1, pp.114–115, McKellar Collection ML MSS 4548/Box 127.

226 I. Macdonald to Mackay [Lord Inchcape] 20 Jan 1911, p.2. This was restated in advice from solicitors in mid–1911 in the wake of the court action against coalowners for monopoly practices. Macdonald reported that a "very large number of documents" had been destroyed, and that although it may not be required in London, "the law is far reaching" I. Macdonald to Mackay, 9 June 1911. Further documents were reported as destroyed, I. Macdonald to Mackay 4 Aug 1911, all letters in Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259. The coal vend and the Joint Purse agreement of 1 July 1902 referred to in Page, Elisted for the Voyage, pp.166–167. Page notes that a 10 page agreement remains in the ASSCo files, however he argues that it was introduced as a defense mechanism of the Big Five (shipping companies) against the competition of overseas companies prior to 1902.
The documents that are survive as instructive. The pool agreement operated from 1 July 1902. Its five members, the Adelaide SSCO, AUSNCo., Howard Smith, Huddart Parker and McIlwraith, McEacharn, were each allocated points fixed on the basis of the average profit for the two years prior to the agreement. Proportional building (of ship tonnage) rights were set in relation to these points. Although the agreement was “drawn up and signed very much in the dark” concerning its operation and effects, it was a “great advantage to all members.” Put baldly the managing director of the AUSNCo wrote, “one of the principal objects of "Collins" is to retain the Coastal business for Members and other Companies associated with them.” In this the agreement was highly successful. With the exception of many of the small coastal trades, pool members controlled more than eighty percent of the Australian shipping trade. One estimate put this control at ninety percent if complementary agreements such as the coal vend were included.

The Collins pool was managed in the context of mounting criticism of shipping 'rings', directed at interstate and overseas companies. A challenge by John Brown, a Newcastle coalowner and shipowner, to the freight arrangements of the pool was resisted by the shipowners. They permitted Brown to nominally operate a steamer “with the object of keeping up the semblance of competition”. Collins was abandoned on 30 November 1910 under heavy pressure from the Federal Government's Australian Industries Preservation, and the Anti-Trust Amendment Acts. This was despite successful High Court challenges to the legislation the year before.

227 The ASSCo had a 31% interest, AUSNCo., 24%, HISCO., 23%, Huddart Parker and McIlwraith McEacharn 11% each, l. Macdonald to Mackay 25 Feb 1909, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259; l. McLennan to Macdonald, 14 Nov 1901, para. 7, that the profits were to be distributed in proportion to the nett profits of the companies for the two years prior to the agreement, Macdonald Private Letter Book No.1, pp.114–115, McKellar Collection ML MSS 4548/Box 127. Note that the Melbourne SSCO were not members. The original proposal from McLennan, paras. 1 & 2 involved only the five companies, with options to be offered to Unions SSCO, Melbourne SSCO and James Paterson.

228 1. Macdonald to Mackay 19 Oct 1906, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259; see also table of building rights l. Mackay to Macdonald 8 Sept 1905 Mackay Correspondence, McKellar Collection ML MSS 4548/Box 160

229 1. Macdonald to Mackay 25 Feb 1909, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

230 1. Macdonald to Mackay 30 Dec 1910 AUSNCo, Coal Vend Case file, [emphasis added], McKellar Collection ML MSS 4548/Box 259

231 Two such companies were, John Burke and Company began as a local operator in and around Moreton Bay in 1887. In 1908 the company began trading on north Queensland coastal trades, especially in sugar after WWI, see McKellar, From Derby Round to Burketown, ch.30, pp.41–426; and the Patrick Steamship Company, operating from Sydney.

232 Estimate from legal opinion if other competition continued to be excluded, I. E. Mitchell K.C. to Northcote (of Collins group) 25 Oct 1910, AUSNCo. Coal Vend Case file, McKellar Collection, ML MSS 4548/Box 259; the Royal Commission on Navigation had put the figure at 95%, with Collins controlling 188,000 tons of interstate shipping leaving less than 10,000 for the rest, Royal Commission on Navigation Report, 15 June 1906 p.xliii

233 Which was the subject of a Royal Commission by the Federal government, Royal Commission on Ocean Shipping Service, Report, 1906, Chairman J. Thomas, APPs, 1906 Vol 3, pp.1037–1433

234 Brown represented 9 companies, handling 350,000 tons of coal. They sought approximately 18% of the freight market, even though the shipowners and coal proprietors had engaged in discussions in early 1906 to get a “material increase in the price of coal or in the freight”. Not only was Brown to be excluded but other ‘outsiders’ such as Scott Fell & Co., l. Macdonald to Mackay 4 April 1906, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

Members were initially keen to negotiate a new trade agreement (a new agreement, "Hobson", effective for 7 years, was drafted and adopted in early 1911). But in the face of clear Federal Government antagonism, and legal action against the coalowners in April, there was a precipitate fall in support for the new agreement. Shipowners were "completely unnerved" by the court action, and formally abandoned "Hobson" in May. The Coal Vend members were found guilty and fined 500 pounds. Although later cleared on appeal, in 1911 the companies were in no mood to risk prosecution over another formal trade agreement. Informally though it appears that Hobson (codenamed "H") continued to collect and distribute revenue through the latter part of 1911. Indeed AUSNCo's Macdonald was hopeful of a continuation of similar pool arrangements without written agreements, or at least "traffic deals". However the political context made such agreements decidedly unattractive and Hobson fell into disuse.

In the immediate post-Collins period a number of avenues were explored to circumvent Federal monopolies legislation and develop a legitimation for continued regulation. The latter included the fact that shipping received no government assistance, regulation made the industry attractive to investors, partly through the removal of instability associated with unrestricted competition, it would enable employers to pay good wages and regulation would ensure a modern merchant fleet, given the high cost of ships (of approximately one hundred thousand pounds and upwards).

Collins undoubtedly stabilised the freight market in water transport. As revenue was in effect monitored for the industry as a whole, where the combined resources of the companies increased both market information and power. Not surprisingly then that despite their reaction to the Coal Vend case, the Collins group were reluctant to forego market regulation. They not only explored the alternatives open, such as the formation a joint company, but also maintained the 1000 pounds a day penalty.

---

236 The "Hobson" agreement was drawn up at a series of meetings in Sydney at the end of 1910 and early 1911 and was to operate from 1 December 1910, the day after Collins ceased. The new agreement was to have a 6 month notice of termination by members. The length of the termination period was also hotly disputed. I. Macdonald to Mackay, 28 Feb 1911, see also 12 Jan 1911, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

237 Shipowners were "dejected and nervous" lot and few meetings had been held, I. Macdonald to Mackay 19 May 1911. Later, MacDonald reported to Mackay (9 June), that the agreement had been cancelled, both letters in AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259; AUSNCo had been lucky to avoid being cited as party to the case, for they may have faced jail, ls. Macdonald to Mackay 7 & 21 July 1911 AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

238 The Adelaide SSCO appealed to the High Court which reversed the judgment on the grounds that the arrangement had not be to the detriment of the public. The Federal Government in turn appealed to the Privy Council, which was lost in 1913, Bach, A Maritime History of Australia, pp.213–214.

239 Macdonald gave it this code in March 1911, Ito Mackay 17 Mar 1911, drafts of the new agreement were transmitted in code form, a copy was attached to I. Macdonald to Mackay 20 Jan 1910, both in AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

240 See ls. Macdonald to Mackay, 30 July & 4 Aug 1911, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

241 I. Macdonald to Mackay 24 Aug & 9 June 1911; AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259

242 Northcote of the ASSCo, still made claims against Hobson as late as 1915, but Macdonald felt that these could not be sustained 5 years after the agreement was discontinued. He did note that the ASSCo and Howard Smith Co. did not submit their final accounts for Hobson, 1. Macdonald to Incheape, 29 April 1915, AUSNCo, Correspondence, 1886–1961, Letter Book No.8, pp. 296E&F, McKellar Collection, ML MSS 4548/Box 131.

243 Memo 21 Dec 1910, enclosed in I. Macdonald to Mackay 4 April 1906, AUSNCo, Coal Vend Case file, McKellar Collection ML MSS 4548/Box 259
provision of Hobson. Legal opinions on various arrangements were however adverse. Schemes, which included the formation of a single company, were all thought to be in contravention of Sec.7 of the Act in respect to monopoly organization.

The demise of "Collins" and "Hobson" marked the end of the period of private market regulation. Macdonald, of the AUSNCo, predicted that, "with the large increase in expensive tonnage and only a schedule to keep us [the companies] in check, there is sure to be a period of disastrous loss ahead unless something is done". It was under these political and market conditions – 1909–1911 – that shipowners entered national collective bargaining. This will be examined later.

Disaster did not occur. The demise of Collins in 1910 was followed by various schemes of market regulation which were ostensibly based on the rational economic principles outlined by employers in the battle against the Industries Preservation Act in 1909–1910. The coastal market was sealed through the protection afforded Australian companies by the cabotage provisions of the Navigation Act. Although passed in 1912 it did not come into force until 1921. A combination of pressure from the British government and the war held it up, but wartime conditions clearly made foreign competition highly improbable.

The first world war changed the nature of the problems facing the industry, but also halted the increase in coastal shipping capacity. The stock of ship capacity on the coast declined by half, as the Government chartered vessels for overseas use, and paid fixed rates for cargo transported on the Australian coast. During war the employers argued that the charter rates were increasingly inadequate. However the adverse political environment for shipowners and general wartime constraints allowed the government to remain indifferent to these claims. By 1917 the Federal Government had taken over 75 percent of overseas shipping, through the agency of the Commonwealth Shipping Board. The Board, under the chairmanship of Rear–Admiral Sir William Clarkson, operated until January 1919 and wartime requisitioning formally ended in April of 1920.

---

244] Macdonald to Mackay, 12 Jan 1911, Coal Vend Case file, *McKellar Collection* ML MSS 4548/Box 259
245] Opinion of Mitchell K.C. as it would have the same effect as any arrangement that pooled revenues which would amount to (a) gaining or attempting to gain exclusive right to trade or (2) lack of competition, I. Mitchell to Northcote (ASSCo, for Collins) 25 Dec 1910, also ls. Macdonald to Mackay 30 Dec 1910, 12 Jan 1911, and 28 Feb 1911, all in Coal Vend Case file, *McKellar Collection* ML MSS 4548/Box 259. There was little enthusiasm to test the point in the High Court.
246] As Macdonald reported to Mackay as pressure mounted against Collins in 1909, "We came into the Pool on the basis of profits from a sound and solid general Cargo business which we have been more than able to maintain", memo. by Macdonald (undated) enclosed in I. Mackay to Macdonald 25 Feb 1909, AUSNCo, Coal Vend Case file, *McKellar Collection* ML MSS 4548/Box 259
247] Macdonald to Mackay, 9 June 1911, AUSNCo, Coal Vend Case file, *McKellar Collection* ML MSS 4548/Box 259
248] *Final Report*, Select Committee on Sea Carriage, APPS *Votes and Proceedings*, 1920–1921 Vol 1, p.887, (hereafter SC on Sea Carriage, *Final Report* (1920)); McKellar, cited in *Bach, 4 Maritime History of Australia*, p.309 (fn. 5, p.325). From the data shown here the figure was accurate, as more than half of ASOF tonnage was requisitioned by the Government. The ASOF member fleet accounted for between 70% and 80% of the Australian merchant fleet and assuming that small local companies continued to operate, (Table 4 below indicates that there were at least 20 such companies operating).
With pressing wartime contingencies and pressure from the British government, the Federal
government was moved to consider a pooling system for commercial shipping as early as July 1917. Although not implemented until October 1919, the Government formed an Interstate Central Committee in the interim period. From early 1918, this Committee under the chairmanship of Clarkson, included the managers of the companies with requisitioned vessels. It had operational responsibility for vessels under Commonwealth control — which it ran as a single fleet. Significantly, Prime Minister Hughes was reported to have been concerned at the state of industrial relations, particularly the rail strike, but also the WWF "go slow" tactics, and the inefficient management of interstate shipping. Long standing concern over the role of British shipping 'rings' also prompted the Labor government to set up the Commonwealth Line of Steamers in 1916 to transport wheat to Britain and inter alia ensure that Australia was served by an independent shipping service in international trade. In other words, WWI provided an key impetus for a greater emphasis on efficiency in local (shipping) production and national goals.

The shipowners formed the Associated Steamship Owners to coordinate their commercial policy on the Interstate Central Committee. The Association operated more openly than its clandestine predecessor, the "Collins" group. The government—run pool soon lost money. So, amidst a post—war recession, the Government was keen to return the fleet to private control. To hasten this, it gave assurances to shipowners that the pooling arrangements could continue after the transfer to private control. This offer was also inspired by the Federal governments to prevent these ships being transferred to more lucrative and profitable trades overseas. The handover of vessels to the companies began in April 1920 and was completed within twelve months. Thus by early 1921, the Associated Steamship Owners were operating a private pool scheme. This arrangement was given legitimacy by a Select Committee Inquiry report into Australian overseas and interstate shipping. It recommended the 'collective' operation of interstate vessels. The scheme did not have the same punitive force of the earlier schemes (which had per diem fines for breaches of the existing schemes) by the owners showed little inclination to disturb the arrangement. Thus the pool was able to exert a similar effect on the product

---

250 MacDonald (AUSNCo) recognised the irony of Hughes' proposed scheme given his vehement opposition to "Collins", he wrote, "It is strange that "Collins" which was condemned by the then Attorney—General ... as illegal, should be the very system now suggested by him as Premier [ie PM]", I. MacDonald to Incheape, 3 Aug 1917, Correspondence, 1886—1961, Letter Book No.10, p.308, McKeLLar Collection ML MSS 4548/Box 131.

251 Bach, A Maritime History of Australia, pp.309—311

252 Macdonald reports that the government was finding it difficult to control the pool before the end of year (1918) and the companies were continually pressing for more management input, I. MacDonald to Incheape, 4 Nov 1918, Correspondence 1886—1961, Letter Book No.10, pp.466,466G McKeLLar Collection ML MSS 4548/Box 131.

253 Macdonald reported that the PM had attended a Interstate Control Board (of shipping) earlier in the week, I. MacDonald to Incheape, 3 Aug 1917; Hughes reported to have reaffirmed the efficiency aspects, when temporarily shelving the pool proposals in mid—Sept 1917, he stated that under a pool "all steamer [would be]... worked to the best advantage", I. MacDonald to Incheape, 7 Sept 1917, both in AUSNCo, Correspondence, 1886—1961, Letter Book No.10, pp.207,208,209 & 255, McKeLLar Collection ML MSS 4548/Box 131.

254 Komas Tsokhas, "W. M. Hughes, the Commonwealth Line and the British Shipping Cartel, 1914—1927", Prometheus, Vol 8 No 2, 1990, pp.288—303. Impetus was also given to the construction of railways during and immediately after the war.

255 The Association was formed in 1918 as a trade association to press for political concessions for the industry. Members were Adelaide SSCO, AUSNCo, Huddart Parker, Melbourne SSCO, Australian Steamship Co, McIlwrath McEacharn, Paterson's, Scott Fell, and J. Brown, Melbourne Steam Ship Co. Paper, 2.7.iii, cited in Bach, A Maritime History of Australia, fn. 10, p.325

market as the federation mode of regulation had done under Collins. This was aided in no small part by the close financial relationship between the ASOF companies themselves. This point was emphasised by minority elements on the Federal Government's Royal Commission on the Navigation Act three years later. The Commission set up to review the operation of the Act found that virtually all the Australian companies were in some manner controlled by the Inchcape group. Yet, the Royal Commission still concluded that interstate services were adequate and fares and freights reasonable, although high by overseas standards. It did concede that several trades were adversely affected by the Act. But in light of costs (in part due to the minimum provisions set for seamen) the Commission found no evidence of extraordinary profit taking Australian companies. A Tariff Board inquiry later in the decade confirmed these findings.

In a similar manner overseas shipping became subject to political sponsorship of market regulation. The British-dominated international conference system, mentioned earlier, was still in operation, albeit forced to fend off political pressure in the 1920s. The post-war economic conditions, the failure of the Commonwealth Line of Steamers and falling commodity prices in Europe, amongst other factors resulted in political pressure on the Federal Government to lower freight rates to Europe. The government responded by holding an Overseas Shipping Conference in April 1929. Held in Sydney, it resulted in the formation of the Australian Overseas Transport Association. This body brought together representatives of exporters and shipping companies in order to co-ordinate supply and demand. Ostensibly such an arrangement was to lower freight rates through closer matching of supply and demand and thus the elimination of inefficiencies from excess or shortage of hold space. This type of organization was also able to mute political pressure from shippers against the companies – ironically all in the name of 'efficient' market regulation.

In other words, war-time and post-war state intervention in shipping regulation was not only built on the demand for efficiency but regulation was for efficiency. The state sanctioned market regulation in the name of economic rationality. Prime Minister Hughes supported the formation of a national

---

257 *BBC on Navigation* (1924) pp.1048–1055
259 There were in fact three reports from the 7 commissioners. The Chairman, J. Prowse and A. Seabrook, were critical of inter-state companies and concluded that the cabotage provisions should be repealed, Commonwealth of Australia, *BBC on Navigation* (1924) Vol 2 1923–24, pp.1053–1055; the report by F. Austey, G. Yates and C. McHugh was far more favourable and recommended the maintenance of the provisions, *BBC on Navigation* (1924) pp.1085–1087; and the report by W. Duncan and H. Elliott concentrated on the financial performance of the shipping companies and concluded that they had not benefited from the Act in terms of profit and that the cabotage provisions should be repealed and replaced by duties on foreign shipping. The ASOF itself reported to its members that the Royal Commission was favourable to interstate owners, see ASOF, *Report for Year 1924*, p.5, ANU/ABL E217/92. This was however a more than favourable reading of the Reports.
261 The AOTA was in fact an umbrella organization encompassing a number of other bodies. The critical point for the argument here is that the Federal Government sanctioned this market regulation of the British trade to the extent of amending the Industries Preservation Act which prohibited such closed agreements prior to the formation of the AOTA. Loyalty rebates were permitted. It should also be pointed out that no other international shipping conference trades were granted such concessions. See Bach, *A Maritime History fo Australia*, pp.300–303
shipping pool in precisely these terms. He argued that "the whole trend of modern business was towards the formation of combines, both Capital and Labour – which proved [ie provided] for efficiency and economical management." 262

More than a decade later, in early 1929, the Tariff Board, echoed these sentiments. In a wide-ranging investigation of the industry, the Board (felicitorously for shipowners) concluded that the trading, or pool, arrangements of the post-war Agreement had been,

a decided benefit to both the Interstate shipping industry and the community in that it made for 'rationalisation' of the services without which it ...[was] doubtful whether ... efficiency and ... the same freights and fares as now obtain [could have been attained]263.

In effect then market regulation underpinned the direction and consolidation of industrialisation in Australian shipping from the late 1890s to the depression. Initially this took the form of privately negotiated, federation coordination, to be replaced by state sanctioned private pooling arrangements in the name of economic efficiency.

5.2 Effects on Technology

A key effect of market regulation was seen in technological change. When regulation was weak, as in the 1880s and 1890s investment was directed into larger, more efficient ships, along with wage cuts and manning reviews.264 As noted in reference to Table 3 earlier, steamship capacity in the 1890s expanded markedly. Registrations of smaller, less efficient vessels fell away as companies purchased larger steamships.265 In the 10 years to 1889, 326 steamships were registered, of which 38 were over 500 tons (ratio 9:1 in favour of small vessels). In the 1890s 165 vessels were registered of which 37 were over 500 tons (ratio fell to 5:1). This meant ships were better tailored to more efficient use of investment in ship capacity. Seventeen vessels over vessels 1500 tons were registered in Sydney in the 1890s.266 The average size of SOOA members vessels was approximately 450 net tons in 1889–1890.267 By 1901, the official Australian fleet average net tonnage was more 1000 tons.268 On a company basis, the AUSNCo average vessel tonnage increased from 933 tons in 1887 to 1336 tons in

---

262 Hughes replying to criticisms of the proposed pool scheme by Northcote of the ASSCo. at a meeting of the Shipping Control Board, reported in L. Macdonald to Inchcape, 10 Aug 1917, Correspondence 1886–1961, Letter Book No.10, p.212 [emphasis added]. McKellar Collection ML MSS 4548/Box 131.


264 Manning Report considered by VSOA, Minute Book, 11 Sept 1896, p.217, ANU/ABL E217/1; "unduly high rate of wages" need to be cut, SOOA, Eighth Annual Report, 16 Aug 1892, p.4. McKellar Collection, ML MSS 4548/Box 249

265 The Adelaide SSCo purchased 17 new steamers between 1895–1900, Page, Fitted for the Voyage, p.150

266 The boom immediately prior to the strike was 1881–1884 (one ship was actually registered in 1885). Moreover, in the 10 years from 1880, there were 326 steamships registered in Sydney, compared to 165 in the decade from 1890, with 35 being more than 500 tons; in terms of design, in the 1880s 63 vessels were paddle steamers, only 23 were in the 1890s, figures compiled from Parsons, Steamships Registered Sydney, 1834–1899. These changes point to a fundamental industrialisation of shipping technology during and after the 1880s.

267 Calculated from fleet lists in SOOA, Annual Reports, 1886–1894, McKellar Collection ML MSS 4548/Box 249

268 Even the size of sailing vessels increased in this period. The Secretary of the Sydney and Manly Ferry Employees' Union, Henry Mitchell, in answer to a question on the tonnage of sailing vessels (which the members of his union moved around Sydney harbour) stated, "[i]n the old days the average ship was about 1,000 tons; now they are from 1,500 to 2,000 tons; they are all extraordinary [sic] large ships", Court of Arbitration, Transcripts, 5 Dec 1905, Vol 16 1905, p.76 NSW Archives Industrial Commission File 2/72.
1893 in the depths of the depression.\textsuperscript{269} Given that larger vessels decreased the capital cost per ton transported, employers raised capital efficiency in this period, that is a process of capital rationalisation.

In contrast, the "Collins" period was marked by a distinct slow down in building. According to statistics held by the group, the original agreement operating from July 1902, covered a fleet of 135,695 (gross) tons and charter money of 984,946\textpounds. When it was abandoned, the group controlled 202,622 (gross) tons with charter money of over 1,426,915\textpounds.\textsuperscript{270} Under Collins, owners soon discovered that it was more profitable to have heavier and costly ships, as cost was the basis of Chartering under the agreement. In particular smaller companies benefited more, as heavier ships attracted superior interest and depreciation allowances under the Charter rate paid by the pool.\textsuperscript{271} Whereas at the time of its formation in 1902, most ships had been built for competition. Running costs, including port dues and the like (which were based on gross tonnage) were minimised resulting in low gross to deadweight ratio. In short, the pooling system effectively discouraged efficiency considerations in investment decisions.\textsuperscript{272}

AUSNCo's Macdonald was critical of the basis of the points system, which he described as "unwieldy and unsatisfactory". He favoured a system based on the class and age of vessels, an approach which was rejected in favour of the financial model.\textsuperscript{273} This problem was addressed in the short-lived "Hobson" agreement. It specifically excluded the regulation of ship building – a decision which was "hotly debated" before it was adopted.\textsuperscript{274}

Second, Australian shipping had a virtual monopoly of the interstate passenger market, as road and rail transport were not viable alternatives over long distances until the 1920s. The passenger capacity figures set out in Table 4 reflect the distribution of the types of ships on the coast. In 1910 most (approximately 56 percent) of the coastal fleet of the largest companies were passenger liners.\textsuperscript{275} These vessels carried considerable cargo, but the carriage of passengers impeded the efficiency of cargo shipping and handling in the industry as a whole. There were a number of reasons for this, including \textit{inter alia}, the transportation of passengers was labour intensive, ship design often impeded cargo handling and stevedoring and the cost of vessel fitouts was high.

\textsuperscript{269}The number of ships fell from 30 to 25 in that period as well, AUSNCo, \textit{Report on the Working of the Company and Analysis of the Company's Accounts}, 31 Dec 1893, p.9, \textit{McKellar Collection} ML MSS 4548/Box 125 Envelope 363.

\textsuperscript{270}Macdonald to Mackay, 28 Feb 1911, Coal Vend Case file, \textit{McKellar Collection} ML MSS 4548/Box 259

\textsuperscript{271}Partly destroyed [probably Macdonald to Mackay] 3 Feb 1905; also 19 Oct 1906, both AUSNCo, Coal Vend Case file, \textit{McKellar Collection} ML MSS 4548/Box 259. McKellar points out that despite the opportunities to build new tonnage (provided tonnage was also deleted to enable companies to stay within the tonnage limits allocated) companies were reluctant to delete older vessels due to the 40% lay-up hire. With 60,000 tons laid up in 1903 it was also not possible to add new tonnage. \textit{From Derby Round to Barkoutown}, p.230.

\textsuperscript{272}McKellar, \textit{From Derby Around to Barkoutown} p.223. Norman McKellar was a long serving manager for the AUSNCo. His detailed work on the history of the company was published in the aforementioned book.

\textsuperscript{273}Quote and opinion in 1. Macdonald to Mackay, 19 Oct 1906, AUSNCo, Coal Vend Case file, \textit{McKellar Collection} ML MSS 4548/Box 259; McKellar, \textit{From Derby Around to Barkoutown} pp.233–234, discusses several of the objections that Mackay and MacDonald had with the arrangement and the lack of action of the issue of the allocation of tonnage in 1905–1906.

\textsuperscript{274}McDonald to Mackay, 20 Jan, 28 Feb 1911, AUSNCo, Coal Vend Case file, \textit{McKellar Collection} ML MSS 4548/Box 259

### Table 4 Australian Interstate and Coastal Shipping as of 31 Dec (regular service) 1901–1939

<table>
<thead>
<tr>
<th>Year</th>
<th>No. Coys*</th>
<th>No. Ships</th>
<th>Net Tonnage ('000s)</th>
<th>Av. Net Tonnage</th>
<th>Licensed for Passengers First Class</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>11</td>
<td>113</td>
<td>114.6</td>
<td>1014</td>
<td>4617</td>
<td>4490</td>
</tr>
<tr>
<td>1907</td>
<td>+22</td>
<td>163</td>
<td>146.1</td>
<td>896</td>
<td>4617</td>
<td>4490</td>
</tr>
<tr>
<td>1908</td>
<td>23</td>
<td>175</td>
<td>156.5</td>
<td>894</td>
<td>7100</td>
<td>6156</td>
</tr>
<tr>
<td>1909</td>
<td>23</td>
<td>181</td>
<td>168.2</td>
<td>929</td>
<td>7087</td>
<td>6469</td>
</tr>
<tr>
<td>1910</td>
<td>24</td>
<td>180</td>
<td>172.4</td>
<td>957</td>
<td>7041</td>
<td>6395</td>
</tr>
<tr>
<td>1911</td>
<td>24</td>
<td>178</td>
<td>179.9</td>
<td>1011</td>
<td>8616</td>
<td>6256</td>
</tr>
<tr>
<td>1912</td>
<td>24</td>
<td>180</td>
<td>189.9</td>
<td>1055</td>
<td>9084</td>
<td>6376</td>
</tr>
<tr>
<td>1913</td>
<td>23</td>
<td>190</td>
<td>206.3</td>
<td>1086</td>
<td>9826</td>
<td>7635</td>
</tr>
<tr>
<td>1914</td>
<td>23</td>
<td>174</td>
<td>206.4</td>
<td>1186</td>
<td>8068</td>
<td>8666</td>
</tr>
<tr>
<td>1915</td>
<td>23</td>
<td>174</td>
<td>205.7</td>
<td>1182</td>
<td>9557</td>
<td>6808</td>
</tr>
<tr>
<td>1916</td>
<td>23</td>
<td>169</td>
<td>204.3</td>
<td>1209</td>
<td>9077</td>
<td>6578</td>
</tr>
<tr>
<td>1917</td>
<td>23</td>
<td>148</td>
<td>145.4</td>
<td>982</td>
<td>5459</td>
<td>5029</td>
</tr>
<tr>
<td>1918</td>
<td>23</td>
<td>142</td>
<td>126.4</td>
<td>890</td>
<td>4674</td>
<td>4325</td>
</tr>
<tr>
<td>1919</td>
<td>23</td>
<td>143</td>
<td>143.1</td>
<td>1001</td>
<td>5229</td>
<td>5524</td>
</tr>
<tr>
<td>1920</td>
<td>23</td>
<td>154</td>
<td>159.2</td>
<td>1034</td>
<td>5250</td>
<td>5632</td>
</tr>
<tr>
<td>1921</td>
<td>#39</td>
<td>183</td>
<td>179.3</td>
<td>980</td>
<td>4226</td>
<td>4642</td>
</tr>
<tr>
<td>1922</td>
<td>32</td>
<td>195</td>
<td>204.2</td>
<td>1047</td>
<td>4647</td>
<td>5016</td>
</tr>
<tr>
<td>1923</td>
<td>35</td>
<td>205</td>
<td>220.0</td>
<td>1073</td>
<td>9184</td>
<td>4756</td>
</tr>
<tr>
<td>1924</td>
<td>39</td>
<td>207</td>
<td>217.6</td>
<td>1051</td>
<td>9538</td>
<td>4343</td>
</tr>
<tr>
<td>1925</td>
<td>41</td>
<td>209</td>
<td>216.3</td>
<td>1035</td>
<td>9110</td>
<td>4204</td>
</tr>
<tr>
<td>1926</td>
<td>44</td>
<td>216</td>
<td>214.0</td>
<td>990</td>
<td>8686</td>
<td>3650</td>
</tr>
<tr>
<td>1927</td>
<td>40</td>
<td>212</td>
<td>214.7</td>
<td>1012</td>
<td>7909</td>
<td>3438</td>
</tr>
<tr>
<td>1928</td>
<td>38</td>
<td>201</td>
<td>208.0</td>
<td>1035</td>
<td>7686</td>
<td>3240</td>
</tr>
<tr>
<td>1929</td>
<td>29</td>
<td>181</td>
<td>202.7</td>
<td>1120</td>
<td>7983</td>
<td>1755</td>
</tr>
<tr>
<td>1930</td>
<td>22</td>
<td>173</td>
<td>196.3</td>
<td>1134</td>
<td>7686</td>
<td>1784</td>
</tr>
<tr>
<td>1931</td>
<td>23</td>
<td>162</td>
<td>178.5</td>
<td>1102</td>
<td>7278</td>
<td>1775</td>
</tr>
<tr>
<td>1932</td>
<td>23</td>
<td>154</td>
<td>171.0</td>
<td>1110</td>
<td>7222</td>
<td>1755</td>
</tr>
<tr>
<td>1933</td>
<td>22</td>
<td>154</td>
<td>172.3</td>
<td>1119</td>
<td>7230</td>
<td>1755</td>
</tr>
<tr>
<td>1934</td>
<td>31</td>
<td>155</td>
<td>168.0</td>
<td>1084</td>
<td>3914</td>
<td>1755</td>
</tr>
<tr>
<td>1935</td>
<td>30</td>
<td>156</td>
<td>180.4</td>
<td>1156</td>
<td>4311</td>
<td>1920</td>
</tr>
<tr>
<td>1936</td>
<td>29</td>
<td>160</td>
<td>197.2</td>
<td>1234</td>
<td>4450</td>
<td>1695</td>
</tr>
<tr>
<td>1937</td>
<td>30</td>
<td>162</td>
<td>197.1</td>
<td>1216</td>
<td>4410</td>
<td>1801</td>
</tr>
<tr>
<td>1938</td>
<td>30</td>
<td>167</td>
<td>200.1</td>
<td>1198</td>
<td>3909</td>
<td>1719</td>
</tr>
<tr>
<td>1939</td>
<td>28</td>
<td>154</td>
<td>190.6</td>
<td>1237</td>
<td>3385</td>
<td>1332</td>
</tr>
</tbody>
</table>

* only companies making returns, so these figures are only indicative
+ a number of smaller companies supplied return for the first time although most were operating in 1901
# a number of small organizations included for the first time

Source: compiled from *Year Book of the Commonwealth of Australia* (various issues)

In particular this encouraged a management focus on labour costs for sea-going operations, in part because stevedoring was performed by agents and contractors. As integration deepened though, labour costs on shore also became a preoccupation of management. The ASOF compiled a series of statistics on the sea-going activities of its members. This included wage costs (though none on wharf labour) and manning levels for all classes of sea-going labour. Table 5 shows that labour efficiency (in cargo operations) for passenger liners was markedly lower than cargo vessels. Columns (1) and (2) show the higher on-board labour costs for passenger vessels primarily due to the larger crew. Between 1913 and 1928 the average tonnage per crew member on cargo vessels fell marginally while the gain on passenger vessels was only marginally positive. Indeed the ratio of wages (standardised at rate per 100
tons) for passenger vessel crews rose marginally in the mid-1920s. This was despite the fall in the number of stewards and cooks (1913 to 1930) of 44.2 and 23.8 percent respectively. Overall, employers were keen to lower labour costs at every opportunity.

<table>
<thead>
<tr>
<th>Year</th>
<th>Pass'r Ships</th>
<th>Cargo Ships</th>
<th>Gross Tons per Crew</th>
<th>Ratio Monthly Wages/100 tons of Pass'r to Cargo Vessels</th>
<th>Average No. of Seamen# per 1000 gross tons</th>
<th>Index of Col (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1913</td>
<td>45.5</td>
<td>76.5</td>
<td>1.49</td>
<td>8.77</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>1922</td>
<td>42.9</td>
<td>73.9</td>
<td>1.57</td>
<td>8.66</td>
<td>98.7</td>
<td></td>
</tr>
<tr>
<td>1923</td>
<td>43.4</td>
<td>73.8</td>
<td>1.51</td>
<td>8.69</td>
<td>99.1</td>
<td></td>
</tr>
<tr>
<td>1924</td>
<td>43.9</td>
<td>75.7</td>
<td>1.52</td>
<td>8.47</td>
<td>96.6</td>
<td></td>
</tr>
<tr>
<td>1925</td>
<td>44.2</td>
<td>76.7</td>
<td>1.55</td>
<td>8.35</td>
<td>95.2</td>
<td></td>
</tr>
<tr>
<td>1926</td>
<td>43.6</td>
<td>76.3</td>
<td>1.57</td>
<td>8.28</td>
<td>94.4</td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>46.3</td>
<td>76.5</td>
<td>1.45</td>
<td>7.99</td>
<td>91.1</td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>46.2</td>
<td>75.2</td>
<td>1.45</td>
<td>8.08</td>
<td>92.1</td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>48.1</td>
<td>73.1</td>
<td>1.35</td>
<td>7.95</td>
<td>90.6</td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>49.7</td>
<td>74.7</td>
<td>1.33</td>
<td>7.80</td>
<td>88.9</td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>50.6</td>
<td>73.3</td>
<td>1.27</td>
<td>7.77</td>
<td>88.6</td>
<td></td>
</tr>
</tbody>
</table>

* Figures based on January 1913 and December of each year 1922 to 1931
b calculated from number of crew carried and total tonnage of passenger and cargo vessels for the month
* defined as all ship board crew (officers, engineers, seamen, carpenters, stewards and cooks, pursers, wireless operators, surgeons, musicians and boys)
# defined as deck, stokehold and engine room labour

Source: calculated from ASOF, Report for Year 1931, Appendix "B" p.34, ANU/ABL E217/99

Apart from the slow introduction of the marine diesel engine in the 1920s shipping technology changed little through to the depression. Table 4 indicates the size of the Australian fleet was only about 12 percent larger at the close the 1920s than in the years immediately before WWI. Moreover the fleet capacity surged in 1910–1913 and 1920–1923 – that is periods when it appeared market regulation may decline. In response to the market change there was a marked shift in the type of ships in the 1920s. Dedicated cargo vessels increased more than 62 percent, whereas passenger liner capacity contracted 30 percent. Thus the mix of passenger and cargo vessels altered, particularly from 1923. The result was that by 1930, more than 70 percent of the fleet of larger companies was in cargo vessels compared to 40 percent pre-WWI. But as Table 5 demonstrates falls wage costs and the other measures listed, were

---

276 All categories fell, with the exception of boys (rising 320% from a low base of 20) with a total fall in employment being 21.2% from 1913 to 1930. However wireless operators (between 71 and 76 employed between 1922 and 1930) were not employed prior to 1921 as they were a requirement under the federal Navigation Act. The largest category figures from ASOF, Report for Year 1930, Appendix, "C" p.37, ANU/ABL E217/98
modest. And the average gross tonnage of the ASOF fleet was only marginally higher than 1913, approximately 17 percent almost twenty years later.

The passenger market in shipping contracted in the 1920s, as non-first class passengers deserted shipping for rail. Rail was not a market competitor until the 1920s, except in local trades for passengers and freight. Road transport then entered the market in the 1930s. The rail line from North Queensland to Brisbane was not completed until 1922 and the line across the Nullabor immediately prior to this. The rail line to the NSW north coat was completed in the 1920s, however the final bridge over the Clarence River was not completed until 1932. In addition when lines were completed between states, double-handling at state borders (due to rail gauge differences) effected freight services and only an inconvenience for passengers. These factors delayed the competitive effects of rail for the period covered here. The loss of market though extended to freight services in the two decades after the depression.

In short, the new cargo vessels brought into service after WWI were essentially of the same type as a generation earlier. Investment was still directed to passenger carrying vessels for a declining passenger market after 1924. This was largely for first class passengers and the market prestige that larger passenger carrying vessels brought to each company. It also meant that, of the approximately 5,000 strong sea-going labour force over the 1920s, 30 percent were directly employed to service passengers. This represented an increasingly significant labour cost burden on the industry.

The close federation mode of cooperation of the dominant companies was also reflected in their continuing market dominance. The "Collins" policy of market control was maintained in practice.

---

277 In addition, the effects of the industrial provisions of the Navigation Act raised labour costs, eg wireless operators, doctors for crew and passengers, and changes in manning schedule – the introduction of these provisions were staggered over a 27 month period from 1 July 1921 to 1 Oct 1923, RNC on Navigation (1924) p.1024. From the shipowners point of view, the "combined effect of the requirements of the Act resulted in very heavy additional expenditure and a considerable addition to the running costs consequent upon the increased manning...", ASOF, Report for Year 1922, p.4, ANU/ABL E217/90.


279 In 1927, 50% the cargo fleet was less than ten years old, and 75 percent was less than twenty years old, ASOF, Report for Year 1927, Appendix, "D" p.33, ANU/ABL E217/95

280 The differences in the passenger markets may be seen in the occupancy rates for different class berths. For example on the in the Sydney to Melbourne route in 1921, first class occupancy was 46% while only 25% for third class (overall 44%). In 1923 it was 63% and 32% respectively (overall 56%) a similar pattern was found on 9 other routes for which statistics appear, calculated from ASOF, Report for Year 1923, Appendix "I" p.28, ANU/ABL E217/91.

281 In 1913, out of a labour force of 5,568 stewards, cooks or boys accounted for 1,839 (33%), in 1923 the figures were 4,880 and 1,365 (27.9%) respectively, in 1929 they were 4,486 and 1,263 (28.1%) and 1930, 1,195 (includes 10 musicians) (27.2%), calculated from statistics in ASOF, Report for the Year 1930, Appendix "C", p.37 ANU/ABL E217/98. Page reports that the Adelaide SSCo recognised the decline in passenger demand during WWI and began to discard its older passenger vessels (5 in all) but found it difficult to replace them with cargo vessels, Fitted for the Voyage, pp.192–193.

282 Of course passengers generated revenue, but the argument here is that the labour costs for the revenue generated did not compensate for the efficiency deficits for cargo transport.

283 One enthusiastic writer painted a most positive picture of "Collins", and writes, "[I]nstead of fighting each other the shipowners drew together for mutual protection against the world which began to deny them their original role of carrying passengers and cargo on their own terms" Page, Fitted for the Voyage, p.140 [emphasis added]. This view is more a reconstruction of an idealised past than the actual nature of shipping in the decades before the 1900.
Table 6 details the extent of that market dominance. The 90 percent market share during the Collins period remained high through the 1920s, with the ASOF companies controlling approximately 80 percent of the national fleet through the decade (column 7).

Turning to stevedoring, not surprisingly we find little investment in stevedoring or materials handling technology over this period. A Federal government inquiry into Australian ports by Sir George Buchanan (a British specialist in port administration) reported in 1926 that, *inter alia*, accommodation for shipping, loading equipment, and handling methods in Australian ports were all poor.

Table 6  Companies, Steamers and Tonnage Engaged in Regular Interstate and Coastal Service, Australia, and ASOF Members, 1911–1939 (selected years)

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Coys (Aust)</th>
<th>No. of Steamers (Aust)</th>
<th>Tons (gross, '000s) (Aust)</th>
<th>No. of Coys (ASOF)</th>
<th>No. of Vessels (ASOF)</th>
<th>Tons (gross, '000s) (ASOF)</th>
<th>Ton'se Ratio Aust/ASOF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>24</td>
<td>178</td>
<td>288</td>
<td>7</td>
<td>9136</td>
<td>293@</td>
<td>1.01</td>
</tr>
<tr>
<td>1921</td>
<td>#39</td>
<td>183</td>
<td>317</td>
<td>8</td>
<td>n.a.</td>
<td>258</td>
<td>0.81</td>
</tr>
<tr>
<td>1925</td>
<td>41</td>
<td>209</td>
<td>384</td>
<td>9</td>
<td>116</td>
<td>283</td>
<td>0.73</td>
</tr>
<tr>
<td>1926</td>
<td>44</td>
<td>216</td>
<td>376</td>
<td>9</td>
<td>116</td>
<td>294</td>
<td>0.75</td>
</tr>
<tr>
<td>1927</td>
<td>40</td>
<td>212</td>
<td>399</td>
<td>9</td>
<td>122</td>
<td>281</td>
<td>0.70</td>
</tr>
<tr>
<td>1928</td>
<td>38</td>
<td>201</td>
<td>371</td>
<td>9</td>
<td>122</td>
<td>304</td>
<td>0.81</td>
</tr>
<tr>
<td>1929</td>
<td>22</td>
<td>173</td>
<td>349</td>
<td>9</td>
<td>116</td>
<td>302</td>
<td>0.85</td>
</tr>
<tr>
<td>1930</td>
<td>22</td>
<td>173</td>
<td>349</td>
<td>9</td>
<td>104</td>
<td>284</td>
<td>0.81</td>
</tr>
<tr>
<td>1931</td>
<td>23</td>
<td>162</td>
<td>320</td>
<td>9</td>
<td>95</td>
<td>286</td>
<td>0.89</td>
</tr>
<tr>
<td>1932</td>
<td>23</td>
<td>154</td>
<td>307</td>
<td>9</td>
<td>89</td>
<td>254</td>
<td>0.82</td>
</tr>
<tr>
<td>1933</td>
<td>22</td>
<td>154</td>
<td>309</td>
<td>9</td>
<td>88</td>
<td>240</td>
<td>0.77</td>
</tr>
<tr>
<td>1934</td>
<td>23</td>
<td>155</td>
<td>303</td>
<td>9</td>
<td>86</td>
<td>241</td>
<td>0.72</td>
</tr>
<tr>
<td>1935</td>
<td>22</td>
<td>156</td>
<td>325</td>
<td>9</td>
<td>86</td>
<td>235</td>
<td>0.79</td>
</tr>
<tr>
<td>1938</td>
<td>30</td>
<td>167</td>
<td>366</td>
<td>9</td>
<td>94</td>
<td>271</td>
<td>0.74</td>
</tr>
<tr>
<td>1939</td>
<td>30</td>
<td>166</td>
<td>361</td>
<td>9</td>
<td>91</td>
<td>277</td>
<td>0.76</td>
</tr>
</tbody>
</table>

* total for 1913
# Number of small companies included for the first time
@ includes tugs (and several small coys not included in national figures) up to and including 1930 (only 2,000 tons or less)
* includes vessels under the control of the Australian Shipping Board


In regard to Sydney and Melbourne, the report noted that in contrast to British, American and even Indian ports, there were no wharf cranes for stevedoring or handling cargoes on wharves. Although several hand, hydraulic, steam and electric powered cranes existed. Thus in these ports "all lifting [was] done by ships gear [in Sydney]" and "all discharging and loading done by ships gear [in Melbourne]." The report concluded that Sydney was "almost devoid of mechanical equipment and is deficient in railway communication and the port of Melbourne had "practically no mechanical

---

284 *Buchanan Report*, Vol 1 1926, for Sydney, para.393, p.198. Moreover the report quotes the 1924 Royal Commission on proposals for a new state, that although the port of Sydney was not congested at the time, the "...wharf equipment leaves much to be desired", quoted in para.115, p.71. For American ports see Stern, *Cargo Handling and Longshore Labor Conditions*, (1932), ch.1, pp.4–16. Although the majority of ports had the older narrow wharf upon where the use of mechanical equipment was difficult and often inefficient, there were numerous instances of modern pier design and use of equipment.
equipment ... faced ... congestion in the future ... unless railway communications [were] improved" and the dock lay-out was uneconomic. 285 In Port Adelaide, the "mechanical equipment there ...[was] practically none", road and rail communications were deficient and the layout of future dock construction was poor. 286

In contrast Buchanan was more complementary about Fremantle, where it was "far ahead of any other port in Australia" in regard to mechanical equipment. Yet it still lacked adequate rail and road connections. 287 However the equipment was not used for direct stevedoring operations. Like other Australian ports, ships' equipment was used for loading and discharging over the side of the vessel. And on the wharf, manual handling (using hand-pulled or -pushed equipment) was the conventional method used. 288

On the positive side, some bulk cargoes, particularly in coal loading, wheat and certain bagged cargoes, used straights, chutes, and conveyors. But this was limited. A federal inquiry into shipping in 1920 noted the "antiquated methods of discharging coal at the main ports of Australia". 289 In short, it is difficult not to conclude that technological change in stevedoring was far more limited than in shipping. 290

In reference to port facilities, there were deficiencies in almost all respects. Port wharf accommodation was poor. Small sheds and berths, narrow wharf aprons and poor road access to wharves were common characteristics. 291 All slowed down the labour process. So too did rough timber wharf decking. The first concrete wharf apron in Sydney at Darling Harbour was not constructed until 1923, almost thirty

---

285 Buchanan Report, Vol 1 1926 for Melbourne, para.423, p.204. Melbourne had the largest cranes on the Australian waterfront, one 60 ton steam crane and 2 hydraulic cranes, one at 30 tons and one 15 ton. (By contrast the largest crane in Sydney was 7 tons, although 10–15 tons cranes were found in other ports). The large cranes were, however, only used for heavy lifts. The Harbour Trust reported that the large steam crane was 70 tons and was installed in 1901, followed by a 35 ton hydraulic steam crane. 286 Port of Melbourne Quarterly, Vol 3 No 4 1950

286 Buchanan Report, Vol 1 1926, for ports mentioned, para.552, p.237


288 M. Tull, "Blood on the Cargo" pp.20–22

289 Select Committee on Sea Carriage, Final Report, APPs, Votes and Proceedings, 1920/21 Vol 1 p.892. The Committee noted that there had been an "extreme shortage" of coal in Victoria in recent years as a result of the lack of adequate mechanical equipment. It recommended that "the immediate provision of the most up-to-date mechanical appliances at ports where the volume of trade warrants it is an essential factor in providing adequate shipping facilities for the future" (p.892).

290 Cf. overseas ports, where despite new technology, the intensification of traditional methods still was the main shippers' strategy. In Liverpool, between approximately 1890 and 1920, the introduction of fixed and floating grain elevators, similar coal elevators, which allowed 100 men to do the work of 300 or 400 men of a couple of weeks, in 3 days, electromagnatic cranes (for pig iron, tinplate, iron and steel sheets) occurred. Yet, Taplin concludes that the "need for a rapid turn-round [was met] by using traditional labour methods more intensively". The Dockers' Union, pp.9–10.

291 For example the condition of wharf accommodation in many small ports was poor, even by the owners internal assessments. For example the minutes of the Maryborough Wharves Limited chronicle inter alia the years of neglect and lack of maintenance, much less investment, in waterfront plant; 23 May 1916, decking in bad repair, iron roof on sheds bad, pot holes in yard (the Directors had inspected the facilities); 18 Dec 1917, extensive repairs; 28 Aug 1923, complaints of lack of facilities for lifting heavy packages by consigneen, timber derrick erected, cost 15. and second–hand double purchase winch obtained to lift 2 to 3 tons; 29 Jan 1924, AGM told wharf was very old; 24 Feb 1925 gas lights abolished and electric lights extended; and so on for more than the next 25 years until the wharves were demolished (23 June 1953) with accumulated company losses of 5,308l. (17 April 1953) Extract from Minutes (MWL), Mckellar Collection ML MSS 4548/Box 248.
years after concrete was introduced in public works construction.\textsuperscript{292} Indeed, only at the end of the decade were tests conducted that confirmed the need for stronger aprons due to increased wheel loads.\textsuperscript{293} In Melbourne internal company reports detailed the state of wharf decking. AUSNC Marine Superintendent described all interstate berths as "in a deplorable condition, and wharf trucking therefore is arduous and slow." Moreover the berths were "poorly positioned ...[with] inadequate facilities" for the efficient stevedoring of the company vessels. Wharves and sheds were congested. This was "reflected in both the despatch and in stevedoring costs". Moreover, Harbour Trust sorting and stacking By-laws hampered the movement of cargo.\textsuperscript{294}

In regard to the structure of the Australian port system, the \textit{Buchanan Report} concluded that there were too many ports in service, especially in overseas trades. As a consequence all were, in some way, ill-equipped or ill-designed for satisfactory stevedoring operations.\textsuperscript{295} This assessment was confirmed a decade later by a Queensland government inquiry into the ports in operation that the state.\textsuperscript{296} This was a result of regional rivalry and the nature of port development.

In general port expansion from the 1890s to the depression was largely extensive rather than intensive development. That is the length (or width) of wharfage was merely extended, in preference to investment in advanced mechanical equipment to increase the rate of cargo handling over existing wharves. The absence of investment alone was estimated to have cut labour productivity by 40 percent. In the 1920s it was estimated that the maximum rate of cargo handling for 500 foot ship was approximately 2,000 tons per eight hour day, if wharf equipment was used in addition to good ship's gear. In the absence of wharf equipment, and with ordinary ship's gear, the rate dropped to 1,200 tons per eight hour day – well below overseas standards.\textsuperscript{297} In Buchanan's view the "almost phenomenal lengths of quay space" possessed by Sydney and Melbourne – sixty and fifty–thousand feet respectively – was out of proportion with its trade of 6.78 and 4.89 mill. tons annually.\textsuperscript{298} The importance of the general pattern of technological change cannot be underestimated. This is

\textsuperscript{292}D. J. Fraser, "Early Reinforced Concrete in New South Wales (1895–1915)"; Institution of Engineers Australia, \textit{Transactions: Multidisciplinary Engineering}, 1985, pp.1–8

\textsuperscript{293}W. T. Bell, "Development of the Design of Wharves and Sheds in the Port of Sydney", \textit{Port Of Sydney Journal}, Vol 6 No 2, 1958, p.35.

The cheapness of timber had made this a viable material for wharf construction up to this time. However it only had a life of approximately 10 years.


\textsuperscript{295}Regional competition meant that each port became beacon for the region, with resources being spread too thinly. There were 15 ports in Queensland, 8 of which accepted overseas vessels, \textit{Buchanan Report}, Vol 1 1926, for ports in general and Queensland, see paras.133–134,538,546,549, pp.44,143,145–146. On the social and political climate of port development in Queensland, see John Lewis, \textit{A History of the Ports of Queensland}, University of Queensland Press, St Lucia, QLD, 1973, ch.1

\textsuperscript{296}A state that alone had a dozen ports, Government of Queensland, \textit{Royal Commission on Transport}, Transcript of Evidence, 4 Vols, 29 Jul 1936–12 Jan 1937, \textit{Old State Archives}, ROY/35–38


\textsuperscript{298}Other Imperial ports (such as Bombay and Calcutta) handled marginally less cargo with 60 and 64 percent less wharfage respectively, \textit{Buchanan Report}, Vol 2, 1927, p.247. Bombay handled 6.46 mill. tons of cargo with 24,000 feet of quays and Calcutta, 4.44 mill tons with 17,900 feet.
particularly so, since there are numerous reports by workers that 'technological' changes in working increased the burden of work. These were references to the speed of the winch described above.

In light of the poor conditions mentioned the rate of working (measured as tons handled per gang per hour) in general cargo hovered around 20 to 25 tons in the 1910s and 1920s. It ranged between single figures (in the case of 'slow working' or 'go-slow') to over 30 or 40 tons per hour, but 20 to 25 tons was an accepted average. With four gangs (an average of 4 holds per 500 foot vessel) working the tonnage handled was 640–700 tons per eight-hour shift. That is, just over half the potential total of 1,200 tons given above – which was 65 percent below the potential productivity.

By this stage the deepening of the integrative organizational structure saw the stevedoring labour process become more closely coordinated with shipping. Thus shipowners, through improved control-systems, became more acutely aware of productivity and costs associated with stevedoring. Not surprisingly labour costs accounted for the bulk of stevedoring costs, and so the operation of gangs was of key concern to shipping companies. Hence, in addition to the structure of the labour market, the rate of work of gangs gained saliency for employers. But the attention of shipowners was welded to the relation between the labour market control and the rate of work. Thus for shipowners labour bureaus were the framework in which the practical operation of the labour process was best conducted. Employers, initially through the claim to the "freedom of contract" in the 1890s, asserted absolute authority in the workplace. Long shifts (often exceeding 24 hours) became part of the industry, larger slings loads, faster speeds of the hook, managerial perogative in labour allocation and transfer and the level of overtime all progressively became part of the industry from before WWI. The introduction of shift work, wider discretion on transfers and specific award-based penalties on officials and workers were all specifically introduced in the 1928 award. Not surprisingly the award precipitated a bitter six–week strike in September and October.

In sum, technological change in the Australian fleet remained relatively static after 1900. Shipping companies and state governments did not invest sufficient capital in port infrastructure. Facilities were therefore inadequate. In turn, management choices for stevedoring continued to narrow and reflected the marginal status of the function. This was also reflected in senior management's won view of the shipping industry. The Chairman of the Commonwealth Steamship Owners Association, Edward Northcote (of the ASSCo), stated on the eve of WWI that, "we [shipowners] are only intermediaries,

---


300 The effects on the labour process were claimed by many to be as dramatic, Nelson asserts that work rates by the mid–1930s had climbed dramatically, as waterside workers toiled in "almost inhuman conditions" to produce handling rates of 100 tons per hour for lead 80 tons per hour for sugar and up to 2,000 bales per 8–hour shift for wool, *The Hungry Mile*, p.34. At the rate for sugar, assuming 4 holds were worked, toalrs more than 2,500 tons per 8–hour for the average vessel (cf discussion above).
that is, we must pass it [higher (wage) costs] on to the general public...". With little or no technological change in stevedoring productivity was based largely on conventional methods, existing modes of labour organization and increased effort. In other words the establishment of stevedoring as a capitalist industry was on a cost-plus basis. But, this does not imply that the intensity of industrial relations was thereby diminished. Particular as company integration in the context of little investment in technology led to an intensification of labour. This summarised the form of industrialisation of this industry, and arguably Australian industry in general.

5.3 Organizational Continuity in Industrial Matters

Shipowners associations date from 1878 in Sydney. It was not until the Sydney-based Australasian Steamship Owners Association (SOAA) formed in 1884 that organizational continuity was established. The SOAA claimed intercolonial status, although its membership was largely centred on the strong commercial interests of NSW shipping. For this reason it was the most prominent in the 1890 strike, although its position waned considerably at the end of the decade. Separate associations existed in Melbourne, Adelaide and Brisbane based on a membership of companies operating in those colonies.

The prominent position of the dominant intercolonial companies in the major ports, lead to considerable overlap of membership between the colonies. The shift to the formalisation of industrial authority had organizational effects, one of which was continuous internal organization amongst the parties to the new emergent industrial relations; employers, unions and the state. Associational continuity and cooperation were vital for employers.

301 CSOA, *Precis of Proceedings*, meeting of Shipping Representatives, Melbourne 14 Jan 1914, p.2. This was a confidential meeting of 30 shipping company representatives in the midst of negotiations with the WWF immediately prior to the Federal Conciliation and Arbitration Court handling the issues. Indeed in reference to the payment of the wage increase demanded by the WWF, Northcote remarked the next day (following a meeting with the WWF on the afternoon of the 14 Jan) that, "[I]t was not as if the Shipowners were going to pay this money out of their own pockets. They would have to go to the public for it..." CSOA, *Precis of Proceedings*, meeting of Shipping Representatives, Melbourne 15 Jan 1914, p.1.

302 This proposition, of course, requires further research and lies beyond the scope of this study. However, this study points to important effects which are characteristic this pattern in Australia; first, market regulation or more generally tariff protection, did not necessarily create a more attractive bargaining context for unions or, second, an improved workplace environment for workers. Indeed where protection 'defined' the market (since non-primary export was economically implausible) and wages removed from a competitive market, employers were forced to depend extracting more from non-wage employment conditions (speed up, work intensification and so on) which generated a high level of management/working conditions related disputation characteristic of the pattern of Australian strikes. Furthermore, lack of significant growth in the scale of production (effective restriction on exports) retarded technological investment. This combined with the first point, created a poor workplace environment to deal with industrial authority and in terms of occupational safety. For all changes in conditions were inevitably seen as aspects of the effort bargain, in contrast to production efficiency. The result has been a pattern of medium to high level of disputes.

303 The existence of short-lived merchant and shipowner associations prior to this date is ignored here, as these reflected the limited formal coordination characteristic of merchant capital period in shipping. In 1878, the NSW Shipowners formed an association in response to a dispute over the use of Chinese crewmen on ASNCo vessels in November.

304 Of the 25 members of the SOAA in 1889, 8 were engaged in intercolonial and coastal trades, 9 in coastal trades, 6 in the coal trade, 1 tug company and 1 foreign (A. Currie & Co. in Melbourne). Of the total number of companies, 7 (Union SSCO, Howard Smiths, Huddart Parker, Tasmanian SSCO, Adelaide SSCO, Harrolds (S.A) and Currie were based outside NSW, SOAA, *Fifth Annual General Meeting and Reports*, list of members, p.10, *McKellar Collection* ML MSS 4548/Box 249. Moreover, Burns Philp described itself as shipping agents and merchants, Ferguson, was also secretary of the Pastoralists Union, and several of the members were agents for overseas companies and the AUSNCo was part of the Inchcape group. There was a turnover of members in 1891, but of the 19 members, 6 were intercolonial and coastal, 6 coastal, and 7 coal, again with many of the same companies based outside NSW, *Seventh Annual Report*, p.10, *McKellar Collection* ML MSS 4548/Box 249.
In the wake of the 1890 strike the SOAA reported that it worked with the associations in Melbourne and Adelaide.\textsuperscript{305} Moreover it had developed information and support links with the Shipping Federation in Britain,\textsuperscript{306} which was maintained in succeeding years. In fact the Federation President, Thomas Devitt, visited Australia in 1892.\textsuperscript{307} In a similar manner the Victorian Steamship Owners Association (VSOA) established contact with the British body.\textsuperscript{308} The two central associations – in Melbourne and Sydney – exchanged information on a regular basis, with the VSOA Minute Book containing copies of the minutes of several Sydney association meetings. Information deemed to be of importance for members of both associations was circularised.

These procedures required more than merely meetings of employers; they required an administrative structure. The \textit{organizational capacities} for these functions were increased through the formation of a secretariat. The SOAA appointed a full-time secretary, John Ferguson\textsuperscript{309} probably during its first year, in 1885. The VSOA also employed a full-time secretary, Charles Hudson. Despite cutbacks in administration at the height of the depression in at least one association,\textsuperscript{310} these positions survived and maintained coordination and cooperation amongst employers. This continuity marked a key change in the development of formalised industrial relations.

In addition two areas of organization were addressed by the associations through the 1890s, first, the amalgamation of the separate colonial bodies and second, the organization of overseas shipping. Fremantle was the only colonial association, before 1900, that claimed direct organizational affiliation with another. In 1896, Fremantle shipowners requested, from the VSOA, information about forming an association.\textsuperscript{311} However the association formed later in the year was known as the Fremantle Branch.

\textsuperscript{305} \textit{Seventh Annual Report}, 17 Aug 1891, p.4, \textit{McKellar Collection}, ML MSS 4548/Box 249
\textsuperscript{307} SOAA, \textit{Eighth Annual Report}, 16 Aug 1892, p.6, \textit{McKellar Collection}, ML MSS 4548/Box 249
\textsuperscript{308} see communication reported in VSOA, \textit{Minutes}, 25 Sept 1893, 6 Feb 1896 (correspondence 10 & 20 Dec 1895), 15 May 1896, 26 Nov 1896, pp.1,174,191,247 respectively, on the other hand the association urged the Federation to lobby the British Government to amend the Merchant Shipping Act to allow for casual pick-up of seamen at the mercantile bureau, 24 Nov 1893, p.47, ANU/ABL E217/1.
\textsuperscript{309} Ferguson's position was costed at 300L in the second year if the association's relaunch in 1884, SOAA, \textit{Second Annual General Meeting and Report}, 31 July 1886, p.5, meeting 16 & 26 Aug. 1886, \textit{McKellar Collection}, ML MSS 4548/Box 249. Ferguson was later replaced by A.B. Cockburn, see Minutes of SOAA 27 Sept 1893, VSOA, \textit{Minutes Book}, p.5 ANU/ABL E217/1
\textsuperscript{310} The SOAA cut the salary of the secretary by more than a third and dismissed a clerk, SOAA Minutes, 1 May 1894, in VSOA, \textit{Minutes Book}, p.61 ANU/ABL E217/1
\textsuperscript{311} VSOA, \textit{Minutes}, 20 Mar 1896, p.186, ANU/ABL E217/1
of the SOAA. Its membership consisted almost entirely of the Melbourne based intercolonial companies.

The two key associations were keen to see an intercolonial body formed. A series of attempts at amalgamation were made over the next seven years. The SOAA prepared a federal scheme in 1893, only to see it lapse "due to unsettled conditions". Three years later, following consideration by a committee, the VSOA sought to reorganise shipowners, "on a broader basis". It advocated the formation of a single association of intercolonial and local companies, to be based in Melbourne. Support came from Munro of AUSNCo, and Houghton of the USSCo of NZ, under condition that there would be no split with the SOAA. Both were members of the SOAA. Consequently, in July 1896, the Victorian committee resolved to form such an association or federation, based on the model of the British Shipping Federation. A draft constitution was circulated to members in mid-September. The Port Adelaide association was quick to respond, nominating itself as a representative for the proposed association even before the terms of the association were settled. In November 1896, all companies arrived at an in-principle agreement for a federation. The details were settled in a series of meetings later that month and a draft constitution was approved in early December, albeit subject to legal opinion. But no action was taken largely due to the influence of the small local companies. Although the VSOA reaffirmed the importance of federation over the next two years and the major companies were in favour, those opposed were able to stall any action by marshalling the small local coastal companies to oppose it. In part, the main forces supporting amalgamation, J. Leresche of the AUSNCo, Bill Appleton of Huddart Parker and James Burns of Burns Philip were located in different cities – Brisbane, Melbourne and Sydney respectively. For their part, the intrastate companies feared being engulfed by a larger body.

Two years later, in October 1898, the issue resurfaced. It was referred to a subcommittee in Victoria, which then waited two months for the return of Northcote of the ASSCo. Northcote was reluctant to join a larger association. But since the sub-committee considered it "absolutely necessary" that the ASSCo join, several months elapsed before further action was taken. Northcote still appeared

---

312 The Fremantle association issued annual reports from 1897 under this title, see First Annual Report 31 Dec 1896, Reports also for 1897 and 1900, McKellar Collection, ML MSS 4548/Box 249.
313 The founding members were, Howard Smith Co., ASSCo, AUSNCo, Huddart Parker, McIlwraith McEacham, MSSCo, plus local shipowners, George Shenton, and Trinter, Anderson and Co. The SOAA, First Annual Report 31 Dec 1896, p.1, by 1900 the membership was only the 6 interstate companies, McKellar Collection, ML MSS 4548/Box 249.
314 However the shelving of the idea was by "common consent", SOAA, Ninth Annual Report, 21 Nov 1893, pp.5–6, McKellar Collection, ML MSS 4548/Box 249.
315 Based on correspondence advocating a federation of employers, VSOA, Minutes, 11 June 1896, p.201, ANU/ABL E217/1
316 VSOA, Minutes, 16 July 1896, p.212, ANU/ABL E217/1
317 The resolution read, "That it is desirable to form a Shipowners Federation or Association for all the colonies with Melbourne as the central office", VSOA, Minutes, 16 July 1896, p.212, ANU/ABL E217/1
318 The Adelaide shipowners nomination of a representative was received before the draft constitution was approved for circulation, both appear in the minutes of the same meeting, VSOA, Minutes, 11 Sept 1896, pp.217,218, ANU/ABL E217/1
319 VSOA Minutes, 26 Nov, 30 Nov, 3 Dec 1896 pp.247–248,250 ANU/ABL E217/1
320 VSOA Minutes, 5 Aug 1897 p.299 ANU/ABL E217/1
321 McKellar, From Derby Round to Burnettown, p.203
unwilling to accept the conditions of the association in early 1899.322 He had taken over from Turnbull as the ASSCo general manager and seemed intent on pursuing a more aggressive commercial and organizational policy for the ASSCo. around the coast. Indeed differences between the Adelaide company and others had surfaced in 1898, the year the Melbourne SSCo withdrew from the Victorian Association.323

The Victorian committee was dismayed at the lack of progress. Nevertheless in mid-January 1899 it voted, unanimously, to dissolve the association, effective from 28 February. In doing so the members expressed hope for a reorganization of the association "upon a broader and more equitable basis".324 The hope was not forlorn. In the context of a major dispute in Fremantle,325 impending political federation and the increasing scale of commercial cooperation in the product market, employers soon recommenced negotiations. Indeed, Northcote moved to support a new association only a week before the official dissolution of the VSOA.326 Negotiations continued through April and May and an agreement emerged by June. The Australasian Steamship Owners Federation (ASOF), met for the first time in September 1899, in Melbourne.327 The founding members, Huddart Parker, ASSCo, McIlwraith McEacharn, Union SSCo and AUSSCo., were joined by the Melbourne SSCo in November 1902.328

The influence of the SOAA on national employer policy quickly faded. Although it reported that its position was "thoroughly sound" in mid-1899 and updated its Rules at the annual meeting in August, events had overtaken it.329 The first meeting of the ASOF in September precipitated a motion to wind up the SOAA at an October meeting. It survived another eighteen months, holding its last meetings in early 1901,330 but by this stage it was an ineffective body. The ASOF quickly moved to establish a Sydney branch in March, 1901, when the association was finally wound up.331

322 VSOA Minutes, 13 Oct, 1 Dec 1898, 17 Jan 1899 pp.335,337,343, ANU/ABL E217/1
323 C. H. Dillon Notes on the History of the ASOF, cited in McKellar, From Derby Round to Burketown, p.203
324 VSOA, Minutes 17 Jan 1899, p.343, ANU/ABL E217/1
325 While I have found no evidence of any direct connection between the 8-week wharf lumpe (and truckers) dispute in Fremantle, from 1 March to 27 April, 1899, all the major intercolonial companies (AUSSCo, ASSCo, MSSCo, Howard Smith, Huddart Parker and McIlwraith McEacharn) were involved. The Fremantle Association while under considerable pressure was able to prevail. The dispute is discussed in I. H. Vanden Driessen, "Confrontation and reconciliation on the waterfront: the Fremantle lumpers strike–1899", Labour History, No.40 May 1981, pp.29–47.
326 VSOA, Minutes 21 Feb 1899, p.345, ANU/ABL E217/1. The committee met on several occasions until the end of April to wind up the Association.
327 ASOF First Annual Report to 31 Dec 1900, McKellar Collection, ML MSS 4548/Box 249
328 Discord between the ASSCos and the Melbourne company delayed the membership of the latter, but David Syme, of the latter company attended meetings of the ASOF, C. H. Dillon Notes on the History of the ASOF, cited in McKellar, From Derby Round to Burketown, p.203
329 SOAA, Fifteenth Annual Report, 21 Aug 1899; Rules of the Steamship Owners' Association of Australasia, amended 21 Aug 1891. The latter reflected wider objects (sec.2, p.4), more detailed regulation on resolutions (sec.19, p.7) and sections in the Association (secs.40–44, p.15), McKellar Collection ML MSS 4548/Box 249
330 The resolution for dissolution was proposed 5 Oct 1899 and discussed again 2 Nov 1899. Memo from A.B. Cockburn Special Meeting of SOAA Thurs 7 Feb 1901 to wind up the Association meeting to be held within a month for final details, McKellar Collection ML MSS 4548/Box 249.
331 ASOF, Minutes, 21 Feb 1901, p.17, ANU/ABL E217/2. The Sydney branch reported regularly and issues were discussed and decisions taken on Sydney matters from this date, eg. 5 Sept, 19 Sept, 12 Dec 1901, pp.75,78,97.
In a similar manner associations in other states became branches of the ASOF, or worked more closely with it. The Fremantle association became a branch of the Federation the year before, and registered under the Western Australia Arbitration Act in 1905.332 In Queensland, the Federation monitored activities through its member companies.333 The Brisbane Waterside Employers Association retained its independence until 1922, when a branch of the Federation was formed under secretary T. W. Brook.334 Adelaide shipowners worked in close cooperation with the Federation. In sum, national organization of interstate employers was effectively in place by the end of 1899.

The other organizational goal of shipowners was the inclusion of overseas companies. In the wake of the 1890 strike, Australian shipowners, particularly in Sydney, made attempts to formally organise the overseas companies, or at least their colonial representatives. They were unsuccessful. The SOOA attempts to establish a separate section under the association charter failed in mid–1891. For although those who attended a meeting for the purpose were supportive, they were unable to make any commitment without head office approval.335 The SOOA continued its efforts in the following year, but by this time reservations surfaced. Overseas companies feared that joining the SOOA may bring with it restrictions on their "liberty".336 They nevertheless cooperated widely with the association. They obtained labour through the Free Labour Bureau, engaged in joint advertising and "liberally contributed donations to the funds of the Association."337 This at least maintained employer unity, but did not represent any significant contribution to policy formation by the overseas company representatives in Sydney.

In contrast, there appeared to be little effort by the VSOA to organise overseas companies. The commercial forces dividing the sections of the industry outweighed their mutual interests in labour policy. The Melbourne–based intercolonial owners were in direct commercial competition with several overseas companies. The latter carried passengers between the Australian coasts, thus cutting into the coastal market, despite charging higher rates.338 The VSOA was consistently critical of the competition. But despite persistence complaints through the 1890s was only successful in discouraging P. & O. Even this was largely achieved through the influence of Leresche, of the AUSNC Co., a

332 ASOF Report for years 1904, 1905, 1906, p.4, ANU/ABL E217/89
334 ASOF, Report for Year 1922, p.18, ANU/ABL E217/90
335 Under paras.43,44 of the SOOA Rules. 24 Jan 1887, the Association made provision for sectional divisions for intercolonial, coastal and collier sections, each of which were entitled to sectional meetings with separate chairmen. The committee clearly wished to add an overseas section, under this structure. The Rules were registered, 3 Sept 1887, under the NSW Trade Union Act of 1881, NSW Archives, A.O. Box 10/42122 T.11.58; no concrete proposals resulted at a meeting held on 17 July 1891, SOOA, Seventh Annual Report, 17 Aug 1891, p.7. McKellar Collection. Mi. MSS 4548/Box 249
336 SOOA, Eighth Annual Report 16 Aug 1892, p.8 McKellar Collection, Mi. MSS 4548/Box 249
337 SOOA, Seventh Annual Report, 17 Aug 1891, p.8, McKellar Collection, Mi. MSS 4548/Box 249; the overseas companies considered the bureau to be in the interests of all the companies, SOOA, Ninth Annual Report, General meeting 21 Nov 1893, p.8, McKellar Collection, Mi. MSS 4548/Box 249
338 Criticisms were made, protests lodged, or interviews with overseas were constant after 1895, see VSOA, Minutes, 24 Nov 1893, p.46; 8 Aug 1895, p.140; 12 Mar, 15 May, 11 June, 26 Oct, 26 Nov, 1896, pp.196,191,198,197,239,248; 26 Nov 1897, p.307; 3 Feb 28 Apr, 1 Dec 1898, pp.317,334,339, ANU/ABL E217/1.
company also owned by Inchcape group.\textsuperscript{339} Several other companies, such as the Orient Line, continued to offer a coastal passenger services.

Despite these differences, cooperation with overseas companies occurred but no continuity of organization between the trades developed.\textsuperscript{340} Little changed after the formation of the ASOF, which did not include overseas members. Indeed, until Federal Arbitration Court intervened in the industry in 1914, overseas companies had little direct influence over national employer labour policy in the maritime industry. Cooperation was limited and \textit{ad hoc}. After 1901 the coastal trades issue was a primary impetus for shipowners pressing the Federal government for protection. The ASOF maintained a stream of complaints against overseas companies for more than a decade.\textsuperscript{341} In addition to the discord over the coastal trades, the overseas companies had a propensity to accede to waterside worker demands. This annoyed interstate owners, and kept the overseas companies out of the employers representational structure until after WWI. They did however form a separate organization in 1912, a issue I will return to below. One final point needs to be made.

The forging of the national ASOF was not, however, without cost. The local coastal companies remained outside this body were the colonial associations had sought to include all interests, particularly the SOAA. Its Rules made provision for separate sections which were designed to allow autonomy for specialist interests. However, this policy was largely unsuccessful. The depression of the early 1890s saw the smaller, local companies withdraw, for a variety of reasons. The Newcastle, Hunter River, and Tasmanian SSCos and two other small operators, all withdrew from the SOAA in the early 1890s. The first two claimed inaction by the Association over the problem of competition, the others withdrew as a result of takeovers.\textsuperscript{342} The amalgamated Newcastle company rejoined two years later, but six coal companies left, and the membership fell to thirteen.\textsuperscript{343} The Newcastle & Hunter River SSCo resigned again in May 1894, claiming inadequate representation by the Association, particularly in light of the fees charged.\textsuperscript{344} In Victoria, the Portland and Belfast SNCos withdrew from the VSOA at the end of 1893.\textsuperscript{345} This disaffection must, however, be put into perspective. Local trades were in decline as early as the 1890s. Rail competition cut deeply into their market and interstate companies were quick to buy out the companies or take over the remaining trade.

\textsuperscript{339} Reply to the Association protest of 12 Mar 1896, on 15 May was "not considered satisfactory", but a direct approach to London, brought a "very satisfactory reply" by the manager of P&O in London, in that such competition would be discontinued, VSOA \textit{Minutes}, 12 Mar, 15 May, 26 Nov 1896, pp.196,191,248, ANU/ABL E217/1

\textsuperscript{340} Joint action was directed at the South Australian Employers Liability Act in mid–1895. A conference was held with the overseas companies and a committee formed to oppose the Act, VSOA, \textit{Minutes}, 30 Aug 1895, p.143, ANU/ABL E217/1

\textsuperscript{341} Complaints continued to be on the agenda of the Federation, ASOF, \textit{Minutes}, 7 Aug 1902, 30 April 1903 p. 137 ANU/ABL E217/2.

\textsuperscript{342} SOOA, \textit{Seventh Annual Report}, 17 Aug 1891, p.8 McKellar Collection, ML MSS 4548/Box 249

\textsuperscript{343} For membership see Table 9.3: SOOA, \textit{Ninth Annual Report} 21 Nov 1893, p.8 McKellar Collection, ML MSS 4548/Box 249

\textsuperscript{344} SOOA, \textit{Minutes}, 1 May 1894, copy in VSOA, \textit{Minutes Book}, p.61, ANU/AFL E217/1

\textsuperscript{345} VSOA, \textit{Minutes}, 24 Nov 1893, p.32 ANU/ABL E217/1
In sum, the formation of the ASOF confirmed the shift in dominance of Australian shipping to Melbourne. It remained there for more than sixty years. The ASOF represented the federal centralisation of shipowner organization before similar organization of wharf labourers in 1902. It was not until the decline of the interstate passenger and cargo industry that the dominant position of the Melbourne–based ASOF was challenged in the 1950s. For stevedoring, the dominance of interstate companies in industrial matters was a direct function of organizational integration and the subsumption of the labour process discussed above. In contrast overseas companies remained dependent on local agents and/or the same stevedoring companies that the Australian shipowners had acquired or established.

The head offices of many major companies were in Melbourne and between 1901 and 1927 the Federal Parliament sat in Melbourne. The close physical location of company head offices and the industry level decision-making body in Melbourne, was an important condition for the dual regulatory structure of employers. The importance of the strength of personal contact between ASOF company principals and senior management should not be underestimated in the continuity that developed over more than four decades from the 1890s to the 1930s. The pattern of management structure and careers follows that of personal capitalism identified by Chandler.

Thus the formation of the ASOF merely formalised the centralisation tendencies in major policy–making in industrial relations. There is little doubt that the stabilisation of commercial policy was a mutually reinforcing condition for the continuity of cooperation on industrial issues. Overseas and local intrastate companies were excluded from the market organization. Only New South Wales sustained a local coastal industry large enough to see separate employer organization and of course conference arrangements kept overseas companies over commercial matters. Not surprisingly the organizational capacities for these sections was limited in terms of industrial matters.

It was the 1901 NSW Industrial Arbitration Act, that provided an apparatus for industrial organization of the stevedores in overseas and local trades. Five representative organizations of employers in shipping registered under the NSW Act in the first twelve months. In addition to a few individual companies the coalowners that registered, the NSW Coastal Steamship Owners Association (NSWCSCO) represented shipowners operating to the north and south coasts. The Sydney Stevedores',

---

346 Of course the intercolonial companies became interstate on Australian Federation on 1 Jan 1901.
347 By personal management refers to both positional authority (governance structure) and managerial style. That is, managerial hierarchies were flatter, founder–family control greater and reliance on personal relations greater, Alfred D. Chandler, Scale and Scope, Part III, esp. pp. 240,242.
348 The decline in these sections of the industry by the end of the first world war was the result of rail competition, the decline in passengers and that many of the interstate companies (headquartered in Melbourne) looked on the Victorian trades as their own, see Bull & Williams, Story of Gippsland Shipping, and W. S. Logan, “The decline of Victoria’s southwestern outports, 1890–1900”, esp pp.35–46. The North and South coast trades in NSW had several companies serving them, but were under constant pressure from rail. The small South companies were amalgamated and then taken over by the ASSCo. The remaining states were served by a combination of small local companies and interstate and overseas companies. While political criticism was directed at the interstate companies, only Western Australia took practical steps to challenge them, through the formation of the Western Australian State Shipping Commission in 1912, by the Scadden Labor Government, see Bach, A Maritime History of Australia, pp. 244–245; A. M. Stephens, The Statehips Story 1912–1977. Fremantle, 1977
Wool-dumping and Lighterage Association (SSWLA) covered the stevedores largely in the overseas trades. While this association was not an overseas company association as such, the deep-sea award of the NSW court did regulate this section of Sydney waterside workers up to WWI. In a similar manner the 1908 Queensland Wages Board Act saw the Brisbane overseas trade regulated by a deep-sea wages board.\textsuperscript{349}

The ASOF attitude to arbitration was largely antagonistic. The Federation was equivocal over registration under the 1901 NSW Act. It however registered in early 1902, under the title the NSW Interstate Steamship Owners Association (NSWISOA), largely in response to wharf labourer registration in Newcastle and later in Sydney.\textsuperscript{350} While in Fremantle the owners sought registration under the 1900 Western Australian Conciliation and Arbitration Act in 1901. This was delayed by the ASOF until August 1905.\textsuperscript{351} The ASOF was nevertheless quick to register under the 1904 Commonwealth Conciliation and Arbitration Act. It registered in July 1905 under the name of the Commonwealth Steamship Owners Association.\textsuperscript{352} In short, the interstate owners were reluctantly drawn into the arbitration system from 1900 to 1908.

As we have seen arbitration also brought the SSWLA into existence. Dissension between SSWLA and interstate shipowners developed soon after. In 1901, the Federation declined to support the overseas companies in their proposed action against the Sydney waterside workers’ ban on permanent men working on the wharf. The interstate companies preferred to protect their recent agreement with the waterside workers. Moreover they resented earlier unilateral action by the overseas companies in granting union demands.\textsuperscript{353} Indeed, the ASOF preferred to deal directly with London over industry matters, reporting "considerable correspondence" with the British Shipping Federation in years immediately after Australian Federation.\textsuperscript{354} Correspondence with this body and the British Chamber of Shipping continued throughout the period under discussion here.\textsuperscript{355} It appears that only irregular or informal contact was maintained by Australian and overseas companies over the first decade.\textsuperscript{356}


\textsuperscript{350} Byrne Philip and the Port Jackson Co-operative Steamship Company (which operated very small steamships on Sydney harbour); other associations were, the Sydney Steam Colliers Owners & Coal Stevedores Association and the Newcastle Stevedores Association, \textit{NSW Industrial Arbitration Reports}, 1902 Vol 1, pp.145,146–148; the ASOF members recommended registration in Jan 1902, but were ambivalent only two weeks earlier, ASOF Minutes, 27 Dec 1901, 9 Jan 1902, pp.99,103 ANU/ABL E217/2

\textsuperscript{351} In May 1901 the ASOF established a sub-committee to investigate the Fremantle Associations desire to register under the Act. Little appears to have been done, ASOF, Minutes, 16 May 1901, p.35, ANU/ABL E217/2. It was reported several years later that the Fremantle Branch registered in 1905, ASOF, Report for 1904,1905,1906, p.4, ANU/ABL E217/89.

\textsuperscript{352} The Association was officially registered on 11 July 1905, Certificate of Registration of the \textit{Rules and Regulations 1905}, 27 May 1905, \textit{McKellar Collection}, ML MSS 4548/Box 249; ASOF Report for years 1904, 1905, 1906, p.10, ANU/ABL E217/89

\textsuperscript{353} ASOF, Minutes, 19 Sept 1901, p.78 ANU/ABL E217/2

\textsuperscript{354} Matters covered related to the Royal Commission on Navigation and the Shipping Bill, information concerning the British Manning Commission, ASOF Report for years 1904, 1905, 1906, p.5, ANU/ABL E217/89

\textsuperscript{355} See e.g, reports such as, "During the year through the courtesy of the United Kingdom Chamber of Shipping, this Federation was kept in constant touch with maritime matters overseas", ASOF, Report for Year 1927, p.27, ANU/ABL E217/95.

\textsuperscript{356} Contact was based on \textit{ad hoc} issue-based co-ordination of action. For example, at a meeting on 20 Aug 1901, attended by Australian shipowners and the Melbourne overseas companies, the former supported an overseas company petition to the Senate, over the proposed Federal Customs Bill, l. Macdonald to Mackay, 23 Aug 1901, Correspondence 1886–1961, Private Letterbook No.3, p.23, \textit{McKellar Collection}, ML MSS 4548/Box 127.
Overseas companies had no separate national organization nor had they much contact with the ASOF, through the SSLWA or other channels over policy or industrial issues.\footnote{The ASOF Minutes reveal very few instances of direct cooperation on policy or industrial issues over the first decade after federation. In reference to legislation, (in mid–1901), the Federal government had a number of bills on their agenda, such as the Customs Bill, Post and Telegraph Bill and the Immigration Restriction Bill, which were under review by the Federation’s Legislative Committee. Cooperation was sought from overseas companies to secure amendments, particularly for the Customs bill, ASOF Minutes 11 July 1901, p.66. The ASOF organised political protests, such as a petition to Parliament over the Federal Customs Bill in 1901. It sought a financial contribution from the overseas companies, \textit{ASOF, Minutes}, 5 Sept 1901, p.76, both ANU/ABL E217/2. Meeting was on 20 August attended by overseas companies which supported the petition to the Senate, I. Macdonald to Mackay, 23 Aug 1901, \textit{Private Letter Book} No 1, p.123, \textit{McKellar Collection} ML MSS 4548/Box 127.} Further the SSWLA was restricted to industrial matters and had little or no influence in general employer industry policy. Moreover its influence in industrial matters fell sharply after 1911, when the CSOA concluded an extensive series of agreements with the WWF around the country. This strengthened the position of Australian shipowners in terms of the industrial relations policy for wharf labour on a national scale.

The antagonism mentioned earlier over industrial issues of the two sections was largely the result of two conditions. First, different economic priorities obtained in the two trades. Stevedoring costs were a lower proportion of total operating costs for overseas owners and delays in port were more costly than minor additions to wages. Thus they were more likely to buy industrial peace – which was reflected in the higher hourly rate generally paid in all ports in the overseas trade (the differential declined after 1914). Second, the port and sectional pattern of wage bargaining resulted not only in port level agreements, but also separate agreements for interstate and overseas workers. Since the two sections had little formal contact, the agreements were uncoordinated across the sections and ports. Where the ASOF companies monitored interstate agreements across the nation, the overseas companies had no comparable national coordination. And of course the ASOF had no control over overseas agreements.\footnote{Before WWI all major ports and some regional ports had separate agreements for the overseas and interstate sections of the stevedoring industry. Sydney had additional agreements for some of the local coastal trades.} The pattern of sectional port agreements eventually lead to a pattern of leapfrogging between sections and between ports. In fact, the largest differences in agreements were often in additional payments (for special cargoes for example) and local conditions. And the underlying economic differences between the sections undermined their collective action.

In order to address this problem the ASOF was increasingly attracted to a national scope of agreements. From 1907 the Federation more closely monitored not only wages (which it had attempted to standardise from 1900) but other payments and conditions. In 1908–1909 it negotiated the first multi-port agreement with the WWF, covering Queensland ports. It was not only able to standardise wages and conditions, but forestall the influence of the Queensland act on the interstate section. Two years later the first interstate collective agreement was signed. These developments in collective bargaining
marginalised the overseas section over industrial policy in many respects. Added to this was the eventual passage of the Navigation Act through the Federal parliament in 1912. Both developments spurred overseas companies into organization. The Oversea Shipping Representatives' Association (OSRA), formed in 1912 and based in Sydney, was the result.\textsuperscript{359} Unified national organization of the two trades was still more than a decade off.

Although OSRA was primarily concerned with commercial interests and regulation,\textsuperscript{360} the economic and industrial conditions post–1910 pressed it into accommodation with the ASOF. Rises in wage costs from 1911, the increasing cost of slow turnaround time and industrial delays for overseas vessels, and the impact of Commonwealth Conciliation and Arbitration Court intervention in stevedoring forced the Association into cooperation with the ASOF.

For its part, many ASOF members faced uncertainty as "Hobson" was abandoned in June 1911. Within three months a coordinated set of collective bargaining agreements for eighteen ports in four states was finalised with the WWF after a long period of disputes and delays through 1910 and early 1911.\textsuperscript{361} However the economic conditions of 1911–1913 just mentioned affected ASOF companies and overseas operators. In the face of WWF wage and other demands on the expiry of the 1911 agreement, the shipowners stonewalled at the end of 1913. They opted to enter the federal Arbitration Court for three main reasons. First, to deflect responsibility for any wage increases in the face of continued public antipathy. Second, they considered that the Court would award a lower wage increase than they would be forced to concede under collective bargaining. Third, Arbitration could be used as a disciplinary mechanism against the spread of work control demands and industrial agitation.\textsuperscript{362} A no strike clause, penalties and a conciliation procedure were already part of the 1911 agreements.

Ironically, the shipowners policy turnaround on arbitration (which the shipowners had viewed with antipathy for more than a decade) provoked national industrial action by the WWF. Under direction from the Arbitration Court for compulsory conferences in early 1914, both sections of the employers saw clear benefits in a common position. The first Federal Award, of May 1914, absorbed the local port agreements through the schedule structure.\textsuperscript{363} To be sure the economics of international and interstate shipping were different, but uniform wages and conditions diminished much of the scope for leap-frogging tactics of the WWF. Furthermore, the need for national coordination in shipping during

\textsuperscript{359} An offer of secretarial assistance was made by the ASOF in response to correspondence to the Federation by Capt Webb (of the SSWLA) and Johnson, ASOF, \textit{Minutes}, 17 June 1912, p.195, ANU/ABI E217/4

\textsuperscript{360} OSRA, represented all the conference lines trading to Australia, and is reported to have made agreements between members over services, allocated tonnage and set freight rates. It was also an important organization in the AOTA arrangements established by the Federal Government at the end of the 1920s mentioned above, see Bach, \textit{A Maritime History of Australia}, pp.301–302. Bach dates the formation of OSRA as 1913.

\textsuperscript{361} The 18 ports were Sydney, all 12 Queensland ports, Hobart, Launceston, Devonport and Strahan in Tasmania and Albany, Western Australia, \textit{Industrial Agreement}, CSOA and WWFA, 6 Oct 1911, copy of 13 from AEWL, federal office, Sydney. Strahan 1911 agreement, WWF, Federal Office ANU/ABL Z55/Box 52

\textsuperscript{362} See arguments expressed by shipowners during numerous private meetings in Jan 1914, \textit{Precis of Proceedings}, meeting of Shipping Reps, 14 Jan 1914, pp.2–3,6,7, 15 Jan 1914, pp.1,2, 29 Jan 1914, pp.2,3,5 copy from AEWL, Sydney.

\textsuperscript{363} \textit{CARE}, Vol 8, 1914, pp.80–93
WWI forced employers into cooperation. Joint committees in Melbourne and Sydney were set up, although they were not without discord.364

In the course of the war the two employer associations faced the 1917 general strike through the involvement of maritime unions. Cooperation between the two bodies again increased. In fact, the strike galvanised a growing frustration amongst employers through the war into a wider cooperation between the sections, despite some continuing dissension over competition in the coastal trades,365 and some industrial matters.366 It also continued to unify shipping companies, with James Patterson and Company joining the ASOF in September 1917.367 The 1917 general strike was used by the employers to gain control greater authority in the workplace through regulation of the engagement. ASOF Chairman, David Syme and Capt. Webb of the OSRA jointly decided to "act in unison with the Government".368 Again, Labour Bureaus were established in Sydney and Melbourne to centrally pick-up labour. Moreover the main companies formed stevedoring companies to reorganise the function – the Yarra Stevedoring Co. and the Port Jackson Co. in Melbourne and Sydney respectively.369 Finally an application was lodged in the federal Arbitration Court, on 18 August, for the cancellation of preference of WWF.370 In short, the employers captured control of the Stages 3 and 4 of the employment relation (see Figure 3 above).

On the basis of wartime joint committees (with both OSRA and ASOF representatives), and in the face of WWF industrial claims, OSRA suggested the formation of a joint federal committee for industrial matters in early 1920. Such a committee would have "jurisdiction over other ports ... in order to endeavour to arrange for uniformity in connection with special cargoes and other, matters arising out of the award."371 Initial reaction by the ASOF in January was favourable, on the condition the body be based in Melbourne. Three weeks later the Federation's position cooled, and it decided not take action at that time.372 The Sydney Joint Committee circulated a draft constitution early the following month. A revised draft from Sydney was approved in April.373 However, apart from the appointment of the ASOF secretary as the ASOF representative to the proposed council in June, no organization

364 Eg Meeting of ASOF and OSRA, 18 Feb 1915, ASOF, Minute Book No 5, p.11, ANU/ABL E217/5. Capt Ball was appointed Chairman of the Melbourne board in early 1916, ASOF, Minute Book No 5, 6 Jan 1916 p.41, ANU/ABL E217/5. The Sydney branch resolved to discontinue meetings of the Joint Committee Sept 1916. The resolution was rescinded at the end of the month due to pressure from Melbourne. Melbourne OSRA were keen to continue joint committee meetings at that port, ASOF Minute Book No 5, 7 Sept, 29 Sept and 5 Oct 1916, pp.76,80,82, ANU/ABL E217/5

365 Eg conference of coastal, interstate and overseas companies, see Precise of Proceedings at Conference, 19 Sept 1917, ASOF Minute Book No 5, pp.199–202, ANU/ABL E217/5

366 Eg. the ASOF was somewhat irritated when the Sydney Joint Committee (of overseas and interstate companies) informing the Federation that the OSRA had proposed that no action be taken on the rates for special cargoes issue without consultation of all sections of employers. The ASOF noted that OSRA had increased rates for permanent waterside workers, rates for refrigerated cargoes and explosives without consultation with the interstate companies, ASOF Minutes, 27 Nov 1919, p. 45, ANU/ABL E217/6

367 ASOF, Minutes, 19 Sept 1917, p.190, ANU/ABL E217/5

368 ASOF, Minutes, 15 Aug 1917, p.158, ANU/ABL E217/5

369 See Dethridge Report (1920), pp.687–689


371 ASOF, Minutes, 20 Jan 1920, p.56, ANU/ABL E217/6

372 ASOF, Minutes, 5 Feb 1920, p.59, ANU/ABL E217/6

373 ASOF, Minutes, 14 April 1920, p.73, ANU/ABL E217/6
resulted.\textsuperscript{374} The employers drifted back to striking local agreements with the WWF under the general umbrella of the federal system. In Queensland the process was more pronounced. The ASOF did not oppose an application of the Queensland branches of the WWF for a state award. A state award was handed down in 1921. Although the drift to decentralisation did not prevent coordinated action by the two associations over the succeeding years on industrial and political issues. But, no formal organization resulted from the 1920 initiative by OSRA.

Again, in late 1927, industrial action by the WWF sparked greater cooperation between the two sections of employers. After several years of 'job control' action by the WWF, the ASOF and OSRA formed a standing committee "to deal with the disputes which frequently arise in connection with the various awards, thus securing unity of action."\textsuperscript{375} Job control in Queensland was spurred by the spread of political radicalism and the state award. Under clause 14 of the 1921 Queensland State Waterside Workers Award employers were obliged to take reasonable steps to ensure the equalisation of work.\textsuperscript{376} The award thus gave the WWF significant formal recognition of worker authority over Stage 3 of the employment relations (see Figure 3). Based on this clause, formal equalisation, or 'rotary', schemes of employment spread to several Queensland ports in the mid-1920s. Under these workers increasingly gained control of the pickup, which were translated into a greater elaboration of formal rules. In turn this flowed onto growing workplace based militancy and work rules.\textsuperscript{377}

The continued reliance on gang-based manual work in the stevedoring labour process by shipping companies maintained the conditions for informal normative structuring of employment. Particularly since local agents and foremen remained dependent on informalism in production itself. The integrative processes of the shipping company structure did not filter down to workplace practice in many of the small and medium ports. So the dependence on informalism served to sustain pre-existing conditions for work control claims by the rank and file of the WWF. With high supervisory ratios (more than 50 workers to each foreman) and foreman membership of the WWF (although this was usually not the case in Queensland after WWI) normative structuring was the only practical system of labour organization in production for operational management. Moreover, the customary moral basis of work control claims were augmented by the spread of a populist-based syndicalism, and later communism on the Queensland waterfront. Work control was pursued through local action, invariably outside formal union authority, often involving use of the 'slow–strike' – that is, the restriction of output through a low effort tactics. Employers complained of gang hourly work rates, across a number of cargoes, of 12–16 tons per gang per hour or less – half the pre-1920 rate.\textsuperscript{378}

\textsuperscript{374} ASOF, Minutes, 4 Mar and 3 June 1920 pp.65,82, ANU/ABL E217/6

\textsuperscript{375} On the suggestion of the Union SSCo., ASOF, Minutes, 27 Sept 1927, p.14, [emphasis added], ANU/ABL E217/11

\textsuperscript{376} Waterside Workers – State Award, 21 May 1921, Queensland Government Gazette, Vol CXVI, No 628, 9 June 1921, p.1803; Queensland, Industrial Gazette, Vol 6 No 7, 11 July 1921, pp.514–520

\textsuperscript{377} See Government of Queensland, Report of the Committee appointed to Inquire into the Causes and Extent of Unemployment in the Calling of Waterside Workers in the various Ports of Queensland, and into other matters incidental thereto, Chairman Thomas A Perry, Queensland Parliamentary Papers, 1926, Vol 2, pp.1075–1108 [henceforth, Ferry Report (1926)]

\textsuperscript{378} Rotary System and Go–Slow, Queensland, 9 Sept 1928, McKellar Collection ML MSS 4548/Box 119, Envelope 236, item 6; W. Moxon, minority report, Ferry Report (1926) pp.3086,1103,1105
These developments were viewed with disquiet by the shipowners in all trades. A long-running local dispute in Cairns between rotary and non-rotary men and a national overtime ban in support of a one-pickup claim galvanised shipowner policy making through the formation of a federal joint employer committee. Based in Melbourne and with state committees, this organizational strategy enabled shipowners, in their own words, to act "for the first time in complete accord" which "apparently came as a shock to the strikers." However, to the employers chagrin, Federal Arbitration Court intervention prevented the anticipated "successful" conclusion of the dispute. This joint action was formalised in mid-1928, as the shipowners' Central Committee. Based in Melbourne, this committee quickly framed the joint employer committees in each state to coordinate industrial relations policy between ASOF and OSRA, nationally. The first official meeting of the Central Committee took place in early July 1928, only a matter of weeks before the outbreak of the 1928 waterfront strike.

In sum, between 1878 and 1928 the mainspring behind the formation of employer associations was concern over industrial matters. Unity of action was a major priority for employers in the face of industrial demands and action by maritime workers. The formation of the ASOF in 1899 reflected the processes of centralisation in shipping in which independent colonial associations were converted to state branches of the Federation. It also signalled the shift in the centre of Australian shipping from Sydney to Melbourne. Overseas companies representatives formed OSRA more a decade later. But only in 1927–28 were the main sections of shipping – interstate and overseas – drawn into one body, again focused labour policy.

Indeed the periods of employer unity were underpinned by pressing industrial conflict. Each episode progressively secured additional components in the structure of co-ordination over industrial matters and in organizational form. From the initial organization of 1878 (to address the Chinese crews dispute), 1884 and 1886 continuity develop in the form of the SOAA and VSOA, 1890 associations in most colonies and negotiations over national organisation (completed in 1899), 1914 coordinated policy on Federal arbitration, 1917 coordination over the NSW general strike and moves to joint national organization which culminated in formal Central Committee of the Representatives of Shipping Companies from November 1927 to July 1928 in the face of increased industrial agitation by waterside workers.

6. Companies, Co-ordination and Labour: the Dual Regulation Model

The development of the Australian stevedoring industry was linked to both the organizational structure of the shipping industry and the nature of management strategy through the nineteenth century and to

---

379 ASOF, Report for Year 1927, pp.4,18 [emphasis added], ANU/ABL E217/95
380 ASOF, Report for Year 1927, p.4, ANU/ABL E217/95
381 Minutes of the Central Committee, 2 July 1928, p.1 [copy from AEWL, now deposited at ANU/ABL] Although, of course, the structure had been in place from Nov 1927. The name of the organization was the Central Committee of Representatives of Oversea and Interstate Shipowners, see ASOF, Report for Year 1928, p.18, ANU/ABL E217/96
the 1930s. The industrialisation of shipping was accompanied by a transformation of the ownership and organisational structure. The traditional discontinuous organizational structure was driven by merchant capital. Vessel ownership was centred on the partnership model. Which meant that downstream management and operational components of the water transport production process as a whole were dispersed amongst a number of agents, contractors and specialists. Each had exclusive control over their own immediate labour process. As a consequence stevedoring employment was dispersed amongst several employers, imprecisely differentiated from some occupational tasks of seamen and open to normative structuring in the labour market and in the workplace.

A key change in the second half of the nineteenth century was the development, and progressive elaboration, of the company ownership structure. The institutional context in which the stevedoring labour process operated was thereby transformed. However the content of the labour process itself was little affected over the period covered here. In the early years of company form several dispersed labour processes were gradually pulled together to form a coordinated organizational structure. Some were absorbed into the firm structure itself. But this period merely served to coordinate labour processes more closely, without fundamentally altering them. The critical exception was the adoption of steamships through the 1870s and 1880s. Steamships were larger, faster, more predictable and technologically dynamic than sail. They exhaustively transformed sea-going maritime production through a process of industrialisation. Yet most dependent labour processes, including stevedoring, remained essentially untouched. What changes that did occur – use of steam winches, hand-trucks, larger gangs – served to quicken the stevedoring labour process. The continued dependence on manual labour in turn continued the dependence on informal labour organization. The coordinated structure set up the conditions for more comprehensive economic calculation of production, one that was not realised at this stage. In fact, the inadequacies of organizational techniques at firm level meant that economic calculation was overlaid by a myopic concern over the 'labour question' in the industry as the 1890s approached.

The deepening effects of economic structuring were reflected in the continuing integration of organizational structures from the 1890s. But integration was hesitant and sluggish, due in large part to the federation institutional mode of inter-firm relations. Product market regulation and industry level labour policy coordination were mutually enforcing. Although labour policy was an underlying constant (its beginnings in 'mutual protection'), the apparatus of employer coordination it generated was in large measure turned to controlling all facets of the business environment – freight market pricing and stabilisation, favourable government legislation and infrastructure costs and even managing public and political opinion. These critical structural choices were made in the transitional period of 1898–1911 – the height of the management inspired federation institutional mode. It represented the organizational and industrial effects of the type of personal management seen in the UK.

In regard to the shape of company structure, internal organizational development – in terms of Chandler’s investment in technology, markets and management – was blocked. The technological base
of the stevedoring labour process was progressively locked onto a high manual labour/low productivity path by WWI. This pattern of choice narrowed future options for both shipping and stevedoring in the interwar period and beyond. This was particularly so as the state assumed primary responsibility for port infrastructure by the end of WWI. Low labour productivity, due to the lack of equipment and poor port facilities, locked shipowners into a high cost structure. They therefore resisted any attempt by the state to raise revenue for port modernization. The onset of the depression in 1929–30 reinforced the dynamic.

In regard to the pattern of labour relations, management depended heavily on existing labour organization after 1890, as they had done before. In light of the organizational choices just mentioned, they had few other options. Thus as the institutions of formalised industrial relations developed in the period 1900–1920, labour policy in stevedoring served to reproduce and even reinforce, informalism in the workplace. In addition, the nature of stevedoring labour and casualism were in themselves powerful generators of strong normative attachments. Thus early state compulsory arbitration (in NSW and Western Australia from 1900 to WWI) and the federal system (1904–1914), had little effect on these structures before WWI. Arbitration did, however, progressively spotlight the contradictions between the general spread of formalised industrial relations (through the employment relation) and the continuing dependence on informalism in the workplace. Ironically casualism generated resistance to 'constant' employment, largely due its control implications in the hands of employers. Labour demands for a 'standard' employment contract came later (through decasualisation in 1948 and permanency in 1967) and required substantial state intervention.

If the transformations in production and industrial relations and social life at the turn of the century are to be understood, the analytical focus must be more sensitive to change in the pattern of organizational and social relations in which they are embedded. Three key points are underscored by the analysis here; first, the importance of the interaction between organization patterns and management policy, second, the role of constraint in, and on, management policy and finally, the limitations of general models centred primary on the point of production.

In shipping and stevedoring, the structural and cognitive hold of the dual regulation model was maintained after 1911 – although it adapted somewhat. Both components were shaped by management policies. The 1914 decision by management to enter the federal Arbitration Court was seen as an additional mechanism of labour control. It was thus only one component in a general labour strategy of externalisation. The employers' actions in respect to arbitration over the following decades were directed at improving arbitration for this purpose. Pressure for Arbitration Court action through the war and after, support for penalties and amendments to the Act, support for additional legislation such as the 'Transport Workers' Act (1928) were all examples of the rationality. Similarly, market structure was shaped by employer policies from the 1890s. The federation institutional mode underpinning 'Collins' was replicated in 1920 with the transfer of the government pooling arrangements to shipping companies. The continued support for the cabottage clauses in the Navigation Act (1921) was similar.
Finally, the predominant change in the labour process was the influence of economic structuring occasioned by the organizational context in which it was embedded. In this case labour intensification was an effect of the lack of either technological reconstruction of production or fundamental variation in work design under capital.