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The Harco 'Stay-Put': Workers' Control In One Factory?

Factory occupations are rare in Australian labour history. While 'work-ins' and other forms of workers' control have occurred in coalmines, power stations, on building sites and on the waterfront, they are almost unknown in factories. Their importance has always been a crucial part of the Left's political programme and strategy to establish socialism. This paper will examine the Harco 'stay-put' as an example of workers' control in one factory. It is a study of democracy from below where rank-and-file workers attempted to run things at a small metal-shop on Sydney's urban fringe.

The Harco 'work-in' occurred amidst a time of growing confidence and militancy by the organised workers' movement. Internationally, the working class in the advanced capitalist countries were on the move. The struggle against the American war in Vietnam radicalised many students. The Cultural Revolution in China, and the occupations by French students and workers of universities and factories were inspiring episodes within the gathering storm of global struggle. In Australia, the massive mobilisation of workers to smash the Penal Powers in May 1969 was the catalyst of a generalised offensive by the working class, in which the Communist Party of Australia (CPA) played a leading role.¹ Days 'lost' to the bosses in strikes doubled from 705,000 in 1967 to 2,393,000 by 1970.² Nevertheless, even in this time of heightened struggle, the 'work-in' at Harco Steel had its own unique features.

The 'work-in' was the culmination of a protracted struggle between Harco management and its workforce over the right to work. Originally, Harco had been a small Australian steel manufacturing company situated in the industrial belt stretching from Lidcombe to Granville. It was taken over by the Gollin group, an English-Japanese consortium, and relocated to semi-rural Campbelltown in 1970, where land was cheap and State and local government rates were lower.³ The Gollin group was a power within the Metal Trades Industry Association (MTIA), and the new Harco general manager, J.P. Foster, was an executive member of the MTIA policy-making body.⁴ In the move to Campbelltown, the Harco workforce was reduced to 15 boilermakers and 20 ironworkers.

The company's existence and profitability was dependent upon securing and fulfilling state and federal government contracts. As these orders were completed, workers were sacked, only to be rehired when new contracts were signed. Although strikes at Harco were frequent and sometimes successful at maintaining higher than award wages, they could never prevent dismissals. With fewer workers, the rate of exploitation intensified. Work was often stockpiled before these sackings took place allowing the company to ride out the duration of the dispute without a loss of profits. At Harco, the small but militant workforce achieved a high degree of job organisation. Bans were placed on new work and overtime, but the sackings continued in order of seniority, as determined by the bosses.

The Harco Steel factory was isolated on Sydney's urban fringe in a Liberal electorate. On 16 November 1971, the company announced the dismissal of five boilermakers and one ironworker because of a downturn in orders. Amongst those to be sacked was the boilermaker and Communist job delegate, Lloyd Caldwell.⁵ Because of his ability to organise successful strikes in other major metal workshops, Caldwell had been blacklisted.⁶ An immediate stop-work meeting of workers refused to accept this 'management' decision, and walked off the job. An informal gathering of the Harco workers was held in a nearby pub, to which Jack Sponberg, the Boilermakers and Blacksmiths' Society organiser, was invited. A lengthy discussion about their situation ensued. Sponberg, 'a Balmain Trotskyist' a veteran of workers' industrial struggles, and 'Lloydie' Caldwell, a rebel worker, argued that a strike at Harco would only perpetuate the management routine of sackings and rehiring. New ways of struggle had to be considered. Sponberg and Caldwell looked to Glasgow and Paris for new methods of proletarian organisation. The Upper Clydeside Work-In during 1970, and the collective action of French car-workers during the May Days of 1968⁷ provided impetus for such a possibility at Harco.

A work-in was considered at Harco within the framework of 'capitalist legalities, the struggle for a 35-hour week, payment of wages for sacked workers, workers' compensation, the opening of the company's books, and the inevitability of police intervention.'⁸ Their demand was the right to work for all. Accepting the sack, the workers argued, did not challenge the bosses' prerogative to hire and fire at will. The workers concluded that halting production through strike action would be ineffective at the Harco site. Control of their workplace became imperative, as it aimed at the core of the wage

relationship under capital. They decided that if the boss took their jobs, they would take the factory.

The Harco workers returned the following morning to run the factory with discipline and creativity. At a lengthy job meeting they adopted the following resolution: 'We, the Harco workers, having taken control of co-operation among ourselves are able to produce more and have no desire to return to the outmoded system of non-constructive employer supervision.'⁹ The boss was made 'surplus to their requirements'. The arrival of the workers prompted the Harco management to contact the police in Campbelltown to remove the 'trespassers' from its property. To maintain the offensive at Harco, the workers needed to publicise their stand. By phone and by mail, the workers informed the press and other unions. Within days, the Harco work-in had provoked unprecedented discussion and debate in the pubs of Campbelltown and Liverpool. Letters of support, money and food parcels were delivered to the Harco site. With community support for the work-in growing, the local police took no action.¹⁰

Recourse to the Arbitration Act to remove the 'trespassers' was not a possibility for management, as the Harco workers could not be penalised for working. The legal rights of the employer were being successfully repudiated by the moral economy of the Harco workers. The Harco management, foreman and supervisors remained on the site, perplexed and bewildered by the workers' actions. The workers who had 'stayed-put' at Harco collectively designed their work schedules and throughout their four-week occupation, they achieved a 35-hour week of production. A 35 hour working week was an established demand of the Boilermakers' Union, but nowhere else had it been implemented. Maintaining wages above the award rate was problematic, as the Harco workers did not receive payment from the company during the work-in. Donations from various unions, work-sites, and workers paid their wages. As the work-in progressed, these payments could not be sustained.¹¹

The removal of tools, ladders, and the shutting down of the power supply were forms of industrial sabotage deployed by management to destroy the unity and work discipline of the factory's occupiers. The Harco bosses called upon the Federated Ironworkers' Association (FIA) to intervene and end the dispute. From the 1950s until this period, the leadership of the FIA was noted for its anti-Communist outlook and its compliance with the interests not of its members, but their employers.¹² At the behest of Harco's management, the FIA called for an all-out strike by its members at the plant, a ploy that would have effectively destroyed the work-in. The Harco ironworkers, puzzled and amused by their union's newfound 'militancy', ignored the call and 'stayed-put'.¹³

The prospects for continuing the work-in at Harco faded, as the remaining job contracts were completed. The initiative, discipline and creativity, which were unbounded in the early days of the work-in, became increasingly hard to maintain. After the failure of the FIA's 'militant intervention' at Harco, the employers resorted to legal tactics. Trespass notices were issued to the workers under the NSW Summary Offences Act. The occupiers' response was imaginative. Jack Sponberg approached the Labor barrister, Lionel Murphy, who agreed to act as their legal counsel pro bono. Murphy was able to delay the court proceedings against the workers who 'stayed-put' at Harco.¹⁴

Frustrated in the civil court system, Harco Steel, in conjunction with the MTIA, attempted to move against the workers through the provisions of the Commonwealth Industrial Act. Such a strategy would bring the occupiers into collision with the boilermakers' union, the employers, and the state. Under the Act, those unions that supported the work-in would be penalised. Consequently, the Sydney leadership of the boilermakers' union voted to withhold legal aid from the Harco workers if the work-in continued.¹⁵ Nevertheless, it was clear that implementation of this Act would be slow and cumbersome, while decisive action to end the work-in was essential. In response, the Harco workers attempted to broadcast their plight more widely. Although, 'at every single factory, job, or rank-and-file meeting addressed by the Harco workers voted support for them without exception', no union would officially support the work-in financially or industrially. The work-in was to be short-lived, as the workers became increasingly isolated from the labour movement.¹⁶

As the Christmas 'lay-off' period approached, Harco Steel, advised by the MTIA industrial officer, C. Buckland, and its team of solicitors, presented applications to the New South Wales Supreme Court for restraining orders on each of the Harco occupiers. These legal restraints meant that the workers were required to vacate the premises, and would be prevented from ever entering the site again. Failure to comply with the Supreme Court's decision would incur heavy penalties. Individual workers who remained on-site would be fined \$1,000 per day. These costs could not be defrayed by serving time in gaol. The Court could seize and sell the 'properties or goods and chattels' of the workers to meet the cost of the separate fines.¹⁷ It appeared that the example of the Harco struggle had to be destroyed. Buckland stated, 'If they were allowed to get away with it at Harco it would spread like wildfire.'¹⁸

Despite the possibility of bankruptcy or gaol, the Harco workers were prepared to continue the work-

in. As their financial support dwindled, the forces of their employer, the MTIA, their unions, and the State were arraigned against them. The beginning of the end of the work-in occurred when the federal executive of the boilermakers' union demanded 'that our members refrain from attending work at Harco. In the meantime, we call upon our members to continue all forms of struggle initiated in that shop.'¹⁹ This contradictory decision represented the union's abandonment of the Harco workers. The Sydney branch of the boilermakers' union initially had given its unanimous support to the work-in, and made a donation to its fighting-fund. At first confused and disbelieving, the workers were finally resigned to this union decision. When maximum union support for the Harco struggle was required, its opposite was the response. The work-in was destroyed, but not by the spirit of its participants.

To celebrate the end of the work-in, the occupiers organised a Christmas party in defiance of their employer, their unions, and the Supreme Court orders. They left the job-site defeated but not broken. In the course of their stay-put, they had gained a deep and contradictory knowledge of who their friends and enemies were. The limitations of orthodox trade unionism were revealed and seen to be as much a weapon against their action as the legal repression of the State. Throughout the work-in, the power of capital was manifest in the strategies of their employer, the trade unions, and the State.

The Harco work-in need not be mythologised. The action taken by a small band of proletarians in an isolated factory should be critically understood. Faced with sackings, they chose to work-in. This decision, for a time, gave them the freedom of the factory. Despite the combined power of the State, their employer and unions, the workers stayed-put and determined their working day. Such liberties came about through collective decision-making, even if they did not seize control of the company, or inspire other factory work-ins. Surpassing wage-slavery at least momentarily, they gave their working lives a meaning and purpose.

The Harco work-in could only have been a temporary measure. The contractual nature of the work, the size of the workforce, and its geographic location ensured the brevity of the occupation. Work during the stay-put was organised so as to only partially fulfil the existing job contracts. Deliberately incomplete work was worthless to the Harco management and black-banned by the workers. The Harco workers broke with long-standing hierarchical trade union practices where decisions were made with little democratic discussion. At Harco during the work-in, forms of self-management and participatory democracy flourished. Actions in the factory were taken only after the workers held full and open discussions.

The significance of Harco is not that the work-in failed, but that it was attempted within the prevailing political and economic conditions. While the smashing of the Penal Powers in 1969²⁰ gave impetus to more militant actions by the organised working class through a crescendo of strikes in all sectors, sackings and factory closures continued.²¹ The student struggles for self-management in Paris '68 had inspired workers throughout France to occupy their factories.²² Glaswegian workers staged brief but successful work-ins. The Harco work-in, isolated and determined, did not spark a mass occupation of factories. Workers' control under capitalism remains an elusive contradiction, if not an impossibility. In spite of the inevitability of failure under the existing material conditions, the Harco workers stayed-put. They reached out for workers' control by refusing the rule of capital, and faced the consequences with resolution, not resignation. The Harco proletarians dared to make their dreams a reality.

The Harco proletarians knew the limits of their actions. They could neither smash the State nor carry out some more general kind of subversion.²³ If Harco became part of the ultra-Left 'CP rhetoric of the time', the Harco workers never raised it to the level of a charismatic global strategy.²⁴ After the Harco work-in other similar actions were taken by the South Clifton coalminers, metal workers at Pillar Narco and Evan Deaken in Brisbane and by building workers at the site of the Sydney Opera House. Each of these struggles was more successful in achieving their objectives than the Harco action. At Harco, the workers lost but they demonstrated that workers' control is something that must be fought for not in the future, but now if capitalism is to be overthrown. Momentarily, the Harco workers 'showed their unequalled potential power to bring about change because of their role in producing our society's wealth.'²⁵ The work-in was both a defence and an extension of their immediate class interests. Their collective action was a brief glimpse of how socialism might be brought into existence.

Editors note. I have made a number of stylistic and grammatical changes, without, I hope, taking away from the style of the piece. I think that it is important for the authors to state the starting and finishing dates of the work-in so that the reader has an accurate understanding of the time-frame. At the moment the time aspect is quite vague.

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Notes

- 1 See J. Arrowsmith, *Abolish the Penal Powers: Freedom's Fight of '69*, Automatic Printing Company, Collingwood, August, 1969.
- 2 See Tom O'Lincoln, *Into the Mainstream: The decline of Australian Communism*, Stained Wattle Press, Sydney, 1985, pp. 139-140.
- 3 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 1.
- 4 Foster was described 'as a 'new breed' executive who understood the psychology of the worker.' See *Australian Financial Review*, 7 December 1971, p. 9.
- 5 See ASIO security file L.A. Caldwell CRS 286/1, 481/3/6.
- 6 Hall Greenland, *Red Hot: The Life and Times of Nick Origlass, 1908-1996*, Wellington Lane Press, Neutral Bay, 1998, pp. 137-164; 306. See also the ASIO security file J.T. Sponberg, CRS 286/1, 212/5/9.
- 7 For a description of the Upper Clydeside struggle, see Willie Thompson and Finlay Hart, *The UCS Work-In*, Lawrence and Wishart, London, 1972. The occupation of the Renault car-plant is noted in Kristin Ross, *May '68 and its Afterlives*, University of Chicago Press, Chicago, 2002, pp. 70-73.
- 8 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 2.
- 9 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 8.
- 10 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, pp. 3-4.
- 11 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 5.
- 12 Robert Murray and Kate White, *The Ironworkers*, Hale and Iremonger, Sydney, 1982, *passim*.
- 13 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 10.
- 14 Telephone conversation between author and Jack Sponberg, 1 March 2003.
- 15 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 12.
- 16 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 13.
- 17 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 14.
- 18 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 9.
- 19 Lloyd Caldwell and Mick Tubbs, *The Harco Work-in: An Experience of Workers' Control*, National Workers' Control Conference Publication, Sydney South, 1973, p. 15.
- 20 Ian Turner, *In Union is Strength: A History of Trade Unions in Australia*, Thomas Nelson, West Melbourne, 1976, p. 122.
- 21 Malcolm Waters, *Strikes in Australia: A sociological analysis of industrial conflict*, George Allen and Unwin, Sydney, 1982, pp. 171-172.

22 Michel Bosquet, *Capitalism in Crisis and Everyday Life*, The Harvester Press, Sussex, 1977, pp. 88-90.

23 Tom O'Lincoln correctly indicates these limitations of the work-in. See Tom O'Lincoln, *Into the Mainstream: The decline of Australian Communism*, Stained Wattle Press, Sydney, 1985, p. 147. None of the Harco workers were unaware of them. Nevertheless, they maintained their occupation of the factory.

24 Bob Gould, *The Communist Party in Australian Life*, mimeo, Newtown, c. 1996, unpaginated.

25 Diane Fieldes, 'From exploitation to resistance and revolt: the working class', in Rick Kuhn (ed), *Class and Struggle in Australia*, Pearson Education Australia, French's Forest, Sydney, 2005, p. 66.