CHAPTER 5

Australian Labor Party, New South Wales Branch
Special Unity Conference, 23-24 July 1927

Report in The Sydney Morning Herald

By mid-1927 the NSW Labor Party was hopelessly split at all levels. There were virtually two Executives, each regarding the other as bogus. The Easter Conference had been convened by party president, W Seale, but without the support of the majority of the Executive, controlled by F Conroy, who wanted a June Conference. Despite doubts about its validity, the Easter Conference was held, ratifying a change of rules that would make it very difficult for the AWU to dominate Conference or Executive in future years. As well as these so-called ‘Red Rules’, the Easter Conference had ratified Lang’s installation as leader of the parliamentary party for the rest of the term of the Parliament. This deprived Caucus of its right to elect or depose the leader and resulted immediately in a revolt. Led by rural Labor MPs suspicious of the Communist influence in the Easter Conference, Caucus called upon Lang to repudiate its decisions. That was quickly followed by a coup by the Premier who in May resigned his commission to the Governor in order to choose a completely new team of Ministers who would support him. Caucus met and elected Tom Mutch (Botany) as their new leader. Lang ignored Caucus and continued as leader and Premier to take the party to an election in October. Separate branches, supporting one or the other Executives, sprang up in electorates, where preselections were bitterly contested. Almost every unit in the party was bogus in the eyes of its opponents.

With the party in complete chaos, the June Conference was never held. Instead, AWU supporters and the party officers of the State Executive put their faith in intervention by the Federal Executive, where the AWU was traditionally strong. After considerable negotiation between the Federal Executive and the two NSW factions a special “unity” Conference was convened in July, organised and chaired by the Federal ALP. The Federal Party was unwilling to repudiate a Labor Premier who
was about to face an election, especially in the light of Labor Daily reports of Lang’s popularity in the wider party and electorate. Consequently, the AWU was to be disappointed when this Conference ratified the decisions of the 1927 Easter Conference, (including the ‘Red Rules’ that marginalized them) and confirmed Lang as leader of the Parliamentary Party indefinitely. Delegates at the unity Conference were overwhelmingly supportive of Lang and hostile to the AWU.

The Unity Conference achieved some measure of peace in the party – a ceasefire – that allowed Lang to lead a badly bruised party to defeat in the State election of October 1927. He would return to win the 1930 election. The AWU temporarily abandoned its attempts to dominate the party. However, it left Jack Lang and his allies in control of party machinery. That would mean more party splits in the future.

Special Unity Conference of NSW ALP, 1927

(The Sydney Morning Herald, 25 July 1927

Day 1, Saturday, 23 July 1927


The Unity Conference of the Australian Labour Party held at the Trades Hall during the week-end by a large majority endorsed all the decisions of the Easter Labour Conference, thus approving the “Red” rules, the dictatorship of the Premier (Mr Lang), the expulsions of Messrs Loughlin, Goodin, and Gillies, and, the suspension from office for three years of the Conroy Executive.

The Conference resulted in an overwhelming victory for the supporters of the Premier, the followers of the Conroy Executive being completely routed.

A feature of the proceedings was the hostility displayed towards Mr Mutch, who on the first day was refused a hearing, but was allowed 15 minutes in which to state his views shortly before the Conference concluded.

Significance is attached to an announcement by Mr Mutch that, although he disagreed with the new rules, he would abide loyally by the
decisions of the Conference. The majority of his followers, it is believed, will agree with the stand taken by Mr Mutch.

By endorsing the decisions of the Easter Conference, the Unity Conference has also recognised the constitutionality of Mr W Seale’s provisional Executive, which, with Mr S Bird as secretary, will now function as the official Executive.

The Conference
Remarkable interest was taken in the Conference which opened about noon on Saturday in the assembly room - the largest room in the Trades Hall. Throughout all the sessions the hall was crowded to the doors. A number of the delegates were unable to secure seats and were obliged to stand in the passageways. The public portion of the hall was also filled to overflowing each session.

Seated behind the chairman, Mr J Holloway, of Melbourne, on the opening day were the leader of the Federal Parliamentary Labour Party (Mr M Charlton), Mr M Gosling (Chief Secretary), Mr Stuart-Robertson (Minister for Health), Mr AC Willis, MLC, (Vice-President of the Executive Council), Mr M Davidson (Government Whip), Mr W Ratcliffe (Minister for Works), Mr Horsington (Minister for Lands), and Dr H Evatt, Messrs Cann, M Flannery, C Lazzarini, D Murray, H Connell, M Burke, W Scully, W Ely, G Cahill, P Burke, W Dunn, MsLA, and J West and Coleman, MsP.

Mr ER Voigt was appointed minute secretary unopposed, and Mr AE Bennett was elected timekeeper.

Objection was raised to the appointment by the Federal officers of ex-Senator JF Hannan as vice-chairman of the Conference. Mr W Padgen, who described Mr Hannan as “a distinct and bitter partisan”, moved that a vote for the election of a vice-chairman be taken at the Conference.

It was pointed out by the Federal secretary (Mr McNamara) that it was not until a few days ago that Mr JJ Daly, who was originally appointed vice-chairman, intimated that he would be unable to attend, and he (Mr McNamara) after consultation with the Federal Treasurer (Mr McDonald) decided to ask Mr Hannan to accept the position.

After considerable discussion, in which there were many warm interchanges between Mr Hannan and delegates, the chairman ruled that the only people who could change the vice-chairman were the members of the Federal Executive. The matter was then allowed to lapse.

Credentials’ Committee’s Report
The report of the credentials’ committee, submitted by Mr D McNamara, was then considered. Mr McNamara said that there were about 400 credentialled delegates to the Conference.
The Real Issues

The suspension of standing orders was obtained in order to consider the following resolution by Mr M Ryan: “That the next business of the Conference shall be the final determination of the issues between the contracting parties to the present Conference, and that no personal or extraneous matters from members of Parliament or any other persons be allowed to take up the time of Conference until the dispute is finalized”.

Mr G Buckland opposed the motion on the ground that in order to achieve unity there should be a full and free discussion of all the matters in dispute. They had to realise that the troubles were real, and that by covering them up at the present time and trying to forget them they would never eradicate them. Now was the time to bring them to light.

Mr A Macpherson: We have come here to carry out the agenda paper, and we will have to do it. Everybody is convinced that there is something radically wrong with the Labour movement in New South Wales, and that the form of government is absolutely rotten. The movement is being brought to the gutter. We should get right down to business and discuss the vital matters at issue. Mr Buckland and his friends will have an opportunity of talking later. We don’t want to be led astray by him. (Applause.) We have before us the report of the rules committee; appointed unanimously by the 1926 Conference, and we ask you to give it that serious discussion which will enable us to propound a system of government that will for all time serve to eradicate the corruption which has brought the Labour movement to its present level. (Applause.)

When Mr Mutch rose to his feet to speak he was greeted with a roar of catcalls and hoots. Some time elapsed before the chairman was able to quell the din. Mr McNamara then appealed to the delegates not to give way to their feelings. He then put a motion that Mr Mutch should be heard. On the declaration of the chairman the motion was defeated on the voices. A show of hands was called for.

About this time the Premier (Mr Lang) arrived, and was given a rousing reception. Many delegates stood on their seats and cheered wildly. Three rousing cheers were given for Mr Lang.

When order was restored tellers proceeded with the counting of the voting on the motion whether Mr Mutch should be heard. Amidst a renewed outburst of applause, it was announced that the motion had been defeated by 247 votes to 111 votes.

The Red Rules

Mr JA Beasley at this stage announced that the agenda committee had met and decided by a majority that the most important matter for consideration by the Conference was item 15, submitted by the Cessnock
Council, as follows: “That this Conference re-affirms the whole of the Easter Conference decisions, and that Conference adjourns till Easter 1928”.

Ex-Senator Gardiner, on a point of order, declared that the resolution was contrary to the resolutions carried at the Canberra conference, but the chairman ruled that the Canberra conference had no relation to what they might do that day. The Conference agreed to delete the words of the latter part of the item submitted by the Cessnock Council, providing for an adjournment of the Conference and Mr Brown (Cessnock), explained that the resolutions passed at the Easter Conference were perfectly in order and in accord with everything that was done. If the resolution was carried, he said, it did not mean that the resolutions agreed to by the Easter Conference would be passed over, but they would come before the Conference one by one to be debated.

The following amendment was submitted by Mr Tannock (Ironworkers’ Union): “That Conference adopt the whole of the decisions of the Easter Conference, with the exception of such portions of the rules adopted thereat, which interfere with the right of affiliated unions to be represented at Conferences by any duly-elected member”.

The chairman in reply to Mr Mills (Waterside Workers) said he thought the motion did not include the confirmation of the appointment of the officers elected at the Easter Conference.

Mr Mills then gave notice of a further amendment to add to the resolution the words: “That the officers appointed by the Easter Conference and the provisional Executive and the rules adopted by the Easter Conference be endorsed by this Conference”.

Ex-Senator Gardiner said that if they were to suspend the members of the Executive declared to be constitutional by the Federal Conference they would flout the Federal officials. Amidst uproar Mr Gardiner said that if they conferred dictatorial powers on Mr Lang they would create discord. To endorse the decisions of the Easter Conference would open the door to the Communists.

The first amendment was defeated by 252 votes to 80.

The further amendment was then carried and made a part of the motion, which was adopted amidst applause.

Mr Lang’s Speech

Mr Lang, who was accorded a rousing reception, said that in recent months the movement had been threatened by one of those tempestuous storms which had been inseparable from their existence as the people’s political party, but never before had a difference of opinion between the officials of the party so nearly wrecked the movement.

“In your deliberations let there be no vindictiveness. Every man and woman in Conference should come fully determined to allow only one
thing to dominate their minds, and their guiding motive should be – ‘What should I do that will be best for the Labour Party? The people who form the great army of the Labour movement have no doubts as to where they stand. They want to preserve the widows’ pensions, the 44-hour week, the family endowment, the workers’ compensation, the reform in the coal mining industry, the only Arbitration Act that has ever brought peace to industry. Our members want the scheme of relief to soldier and civilian settlers completed; they want the big estates that are land-locking our inland towns broken up, and the many other things that we have accomplished and those we intend to do. They want all these things, and they know that the only way to get them is by keeping the Labour Government in power. We will win the next elections handsomely, but we will only do it because the rank and file of our movement is determined to work as they have not done before for the election of our party.” (Cheers.)

“When the Conroy section said the rules were ‘Red’, said Mr Lang, “I invited Mr McTiernan and Mr Lazzarini to go through the rules word by word and show me where they were ‘Red’. They were unable to do so. The gentlemen, however, who said they were ‘Red’ tonight voted to make them ‘Red’.” (Uproar.)

The Conference at 10.10 pm adjourned until 10 am on Sunday.

Day 2, Sunday, 24 July 1927

Yesterday’s Sessions. Officers Endorsed.

When the Conference resumed yesterday morning the question of the handing over of the books and accounts of the old Executive to the provisional Executive, now endorsed, was considered, and it was almost unanimously agreed to instruct the officers of the old Executive to make these available within a week at the Trades Hall, where it was decided the headquarters of the new Executive should be established.

A recommendation submitted by Mr Pippin on behalf of the Murrumbidgee Council providing for the conduct of all selection ballots to be left to electorate councils was the subject of warm discussion. The object of the recommendation, he explained, was to allow the rank and file of the movement to have the right to select whom they considered could best represent them.

Mr Macpherson secured a modification of this. He said that all nominations already received by the Federal secretary should be submitted to the Executive for the purpose of referring them to the decisions of the rank and file at selection ballots duly constituted in accordance with the rules, such ballots to be conducted on August 6. Adding a proviso emanating from Mr AC Willis (Vice-President of the
Executive Council) that “Where it is found impracticable to carry them out on these lines selection ballots be conducted by the Executive at the request of the local leagues”, he put his suggestion in the form of a motion, and it was carried.

The chairman ruled that any member of a provisional Executive who desired to resign or who had resigned was eligible to stand for selection. This caused considerable disapproval, but was sustained after Mr J Beasley had been voted to the chair for the purpose of testing it.

**Rival Unions**

Mr WJ Mills (Waterside Workers’ Federation) at this stage was granted permission to bring before Conference a matter which, he said, affected the interests of all true unionists. He referred to the presence of “scab” unions, mentioning particularly the Casual and Permanent Wharf-Labourers’ Union, registered by the Deputy Registrar of the Arbitration Court last week. He moved: “That the Conference requests the New South Wales State Government to inquire immediately into the bona fides of ‘scab’ unions, particularly the Casual and Permanent Wharf-Labourers’ Union, with a view to having them deregistered; and, further, requests the Federal Parliamentary Labour Party to raise the question about the Deputy Registrar of the Federal Arbitration Court (Mr Wood) granting Federal registration to these bogus unions.”

Mr Barker (ARU), in seconding the motion, said the time had come for a cleanup of the “scab” unions.

Mr DJ Davies (Miners’ Federation) declared that a similar organisation, called the “Colliery and Mechanics Union” existed at Newcastle, and was trying to precipitate a general strike in the coal-mining industry,

The motion was carried.

**Readmissions to Party**

At the instance of the general secretary (Mr S Bird); a motion was carried, granting continuity of membership to Messrs A Rae, F Roels, and J Cullinan.

A heated discussion took place on the question whether Mr A Griffith, who was expelled for his attitude towards the conscription issue, should be readmitted. The motion for his readmission was rejected on a show of hands by 197 votes to 124. A motion was then carried for the readmission of Mr J Greville, who was expelled because he was a 1919 “breakaway”.
**Legal Expenses**

Mr J Hickey, who was given permission to address the Conference, pointed out that there were two legal suits pending as a result of the faction fight. The Conference decided that all legal proceedings between the parties to the dispute should be discontinued, and that the Conference should recognise no further expenses except those approved by the Executive.

It was decided that the provisional Executive should be empowered to deal with the question of giving effect to the decisions of the Conference in electorates where there were rival leagues.

On the motion of Mr J Webster, it was decided to repudiate recent statements by Mr Alam, MLC, regarding the control of the Labour Party by the “Reds”, and to direct the Executive to inquire into the circumstances of Mr Alam’s appointment to the Upper House.

**Mr Charlton’s Address**

Mr M Charlton, leader of the Federal Parliamentary Labour Party, moved a vote of thanks to the chairman and the Federal officials. The large attendance of delegates, he said, indicated that the rank and file were anxious for unity.

A voice: What about Warringah?

“Let me say, as Federal Leader”, Mr Charlton replied, “that when Mr Conway was declared to be the official candidate, I had to support him. Look up your rules and tell me whether I was right. No man or woman can say that I spoke one word detrimental to either Labour candidate in Warringah.”

A delegate: What about the referendum?

Mr Charlton: “I cannot discuss that in ten minutes. Let me say that I believe in years to come you will realize that uniform working conditions in the Commonwealth are desirable. It ill becomes anyone of you to stigmatise me when I have given all the years of my life to advance Labour interests.”

**Mr Mutch’s Speech**

The feature of the concluding session was an address by Mr Mutch, MLA, who in the face of much interruption, made a bitter attack on his opponents.

“I feel like a litigant who comes into the Court and is asked to give evidence after the verdict has been given”, said Mr Mutch. “When I endeavoured to speak before, it was not with the intention of discussing the agenda, but to ask you to hear some representatives of the 24
members of the Parliamentary Labour Party. You have denied them the right to be heard.”

A Voice: Your actions are enough.
Mr Mutch: The decision was reached before the Conference assembled. That must be perfectly patent.
A Delegate: That is wrong.
Mr Mutch: It is not the first time I had to speak with a minority,
A Voice: It will be the last. (Cheers and hoots.)
Mr Mutch then recapitulated his record as a member of the party, but when he suggested that Mr Lang had unfairly deprived him of his position, and accused him of being a “scab”, there was a rowdy scene, which lasted some minutes. Some delegates cheered while others hooted, and Mr Mutch was unable to make himself heard.

It was not till Mr AC Willis had appealed to the Conference to give Mr Mutch a hearing that he was able to continue his speech.

After referring to the recent dispute between the Premier and himself over the alleged maladministration of the Child Welfare Department, Mr Mutch heatedly shouted “I have been in the Labour movement 25 years, and I am too old to ‘rat’. The movement will find me fighting for the rest of my days. No one will hold me down. I will have my say some way or other. This Conference has given its decision. I will accept the decision of the Conference. (Cheers.) There is much work to be done. You do not want to drive anybody out. You have adopted the rules. There are hardly twenty men in the movement who have seen these rules. (Laughter.) We will work under them, but time will tell that they are not big enough for the Labour Party, and they will have to be altered. I will continue to give the best of my energy and ability. One thing I will not do – I will not try to rob another man of his place and position.” (Uproar.)

Mr Willis, in seconding the vote of thanks, said he was pleased to hear Mr Mutch say that he intended to adhere loyally to the decisions of the Easter Conference. “Some of Mr Mutch’s remarks were quite uncalled for”, said Mr Willis. “Naturally Mr Mutch feels sore. I sympathise with him”. Mr Willis concluded by flourishing his hands and heatedly shouting amidst applause: “We were in the minority in 1919. It has been an eight or nine years’ fight, but we have won.”

The vote of thanks was carried by acclamation, and it was then decided to adjourn the Conference until 10 am on Good Friday, 1928. The Conference concluded with cheers for the chairman (Mr Holloway) and the Premier (Mr Lang).

**AWU Attitude**

Supporters of the AWU stated last night that a report by the Conroy Executive at the unity Conference had been handed to the chairman (Mr Holloway) and to the Federal Secretary, but had been withheld from the
Conference. The report set out objections by the Conroy Executive to the adoption of the resolution endorsing the decisions of the Easter Conference on the ground that it was contrary to the basis of the Conference as agreed upon by the two opposing sections at the request of the Federal Executive. The report stated that in the circumstances the Conroy Executive would reserve to itself the right to consider what action it should take.

It was stated last night that a meeting of the Conroy Executive would be held today, when it would probably be decided whether it should disband, in view of the decisions of the Conference.

A move may be made to repudiate the decisions of the unity Conference and appeal to the Federal Executive for recognition as the constitutional Executive.