CHAPTER 1

INTRODUCTION

This thesis seeks to explain why the MBA/NSW was successfully established in 1873 after two previous attempts; and, what accounts for its subsequent survival and growth. The thesis will first construct a model within which to analyse the reasons why the association was formed and through which to follow its development from a purely trade association to a trade and industrial association. The themes proposed will challenge previous conclusions as to why the earlier attempts to form an association failed and to explain the reasons for its successful establishment in 1873. The significance of the emergence of general contracting and the specific economic and operational difficulties faced by those who came to be known as master builders will also be considered.

The Master Builders Association of New South Wales (MBA/NSW) has played a dominant, at times controversial, role in the operations of the building industry in the State of New South Wales (NSW) since it was established in 1873. During its long history, the MBA/NSW and its membership faced two world wars, two economic depressions, and hostile governments whose policies challenged the contracting system upon which the association and its members relied. In addition, they also faced legislative changes that dramatically altered the complexion of industrial relations and employment. Initially homogeneous in structure, the MBA/NSW comprised large-scale and influential builders who continued to dominate until the end of the Second World War. Later, the MBA/NSW accepted autonomous branches comprising builders principally involved in the construction of housing for the burgeoning suburban sprawl that commenced after the First World War. Following the depression of the 1930s and the Second World War, the MBA/NSW restructured its operations and its autonomous suburban branches became an integral part of its membership in the 1950s. These changes occurred at a time the building industry was entering a period of structural change due to an intense building boom that attracted the formation of public building companies to fund the construction of enormous undertakings such as high-rise buildings.

This thesis draws upon a wide range of historical sources in its attempt to provide an historic account of the MBA/NSW's formation and consolidation, and of its operations during its first one hundred years. It places the MBA/NSW within its political, economic and social context. This thesis focuses on four issues. First, it examines the internal and external factors within the NSW building industry that influenced builders to form the association; second, it identifies various charismatic figures and examines the roles they played in the MBA/NSW; third, it identifies various events and structural changes within the MBA/NSW that led to changes to its structure and management. Finally, it considers policy making within the MBA/NSW and what challenges these policies faced from its membership and from external sources such as the state.

MBA/NSW policies were confined to two principal areas: the first and foremost of its policies related to contracts and tendering; and, the second to industrial relations. Even with the growing significance of industrial relations and the issues of conciliation and arbitration, it maintained its focus on the conditions of contracts and tendering. Therefore, the role of architects, and of their representative body, and the relationship developed with them by the MBA/NSW is a continuing thread throughout the thesis.

In carrying out the research I was granted unfettered access by the MBA/NSW to its minute books, journals, files and reference books and the minutes and journals of the Master Builders Federation of Australia. This access proved invaluable in gaining comprehensive insights into the MBA/NSW. Many of the early members of the MBA/NSW were prolific writers and their articles and booklets have proved a rich source of information. The press attended many of the meetings and functions of the MBA/NSW and the reports in various trade journals proved of great benefit. Further, there has been a wealth of research conducted by academics and others into various aspects of building industry history in NSW and these provided useful sources from which to create the context in which the subject of this thesis occurred. The biographies and obituaries of some early leaders of the MBA/NSW also provided valuable information of the people and of the times.

The thesis has a structure that is primarily chronological. In Chapter 2 there is a discussion of the literature on employer associations to gain insights that may be helpful in examining the history of the MBA/NSW. Each succeeding chapter provides an economic,

political and industrial background of the era in which the MBA/NSW is examined and describes the role played by some members.

Chapter 3 analyses the formation of the MBA/NSW against the political, economic and social development of the colony of NSW. It describes the consequences of the gold rush in the 1850s, and identifies structural changes that had occurred within the building industry in that colony. It also examines the operations of the MBA/NSW during its first 17 years, a period of buoyant but cyclic economic activity. The chapter examines the early relationship of the MBA/NSW with the building unions and their joint efforts concerning private conciliation and arbitration.

Chapter 4 covers the period from 1890 to 1913, when the MBA/NSW faced a number of external challenges. The colonial MBAs federated in 1890. There was the depression and strikes of the 1890s and the legislative introduction of conciliation and arbitration systems at both federal and state levels. The MBA/NSW sought to retain the state-focus on industrial relations. It also moved towards establishing a more permanent structure to deal with these changes. The MBA/NSW appointed a series of part-time paid secretaries and ultimately the first full-time MBA/NSW secretary.

Chapter 5 covers the period from the commencement of the Great War to the start of the depression in 1929. The growing urbanization of Sydney saw establishment of suburban based builders associations that were accepted as autonomous branches of the MBA/NSW. This period saw changes within the structure and character of building unions and a growing militancy with a number of industrial campaigns for increased wages and reduced working hours.

Chapter 6 examines the economic and political upheavals associated with the Great Depression and World War II. It discusses the political and economic instability of the early 1930s with changing governments. There was rising unemployment and the major changes to the NSW industrial tribunal and to the apprenticeship system. During that time the MBA/NSW sought to broaden the base of its membership by seeking to directly cover those builders who were members of its autonomous suburban branches. In the Second World War the MBA/NSW attempted to adapt to the war-time restrictions imposed by the Curtin Government and with other employer associations established a Building Industry Congress in the building industry to provide a united voice on their behalf. Also during that period, the

bricklayers union amalgamated with the carpenters and joiners union under a communist leadership. The era covered by that chapter ends with a *coup d'état* at the elections during the MBA/NSW 1945 Annual Meeting which signalled the end of the major builders' domination of MBA/NSW leadership.

Chapter 7 covers the years immediately following the Second World War. The MBA/NSW sought to overcome material shortages and a burgeoning black market. In the mid-1950s it restructured its membership by absorbing its autonomous branches and creating an Executive Committee and a Council of Management to oversee its now complex and diverse membership. Those events occurred at a time the NSW building industry was on the verge of a massive building boom due to the removal of various legislative restrictions on building. This period saw the start of a rise in union militancy and challenges to MBA/NSW industrial relations policies.

The societal changes and the start of street demonstrations provide a background to Chapter 8 which covers the years from 1960 to 1975. It is during this period the emergence of high-rise construction fuelled the building boom. The MBA/NSW faced internal stresses as large public corporations joined. This led to the introduction of an authoritative Industrial Policy Committee comprised of large builders and the Executive Committee. That Committee established policy and strategies in the face of a re-structured and militant NSW branch of the Australian Builders Labourers' Federation (ABLF) led by its charismatic communist leader Jack Mundey. Through his Green Ban activities, Mundey became a house-hold name. Escalating violence on building sites and Green Bans led the MBA/NSW to commence deregistration proceedings against the ABLF. The MBA/NSW was also challenged by another employer association which also covered large building companies.

A concluding chapter brings together the major themes of the MBA/NSW history. It links those themes with the issues raised in the literature review in Chapter 2.