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Labour and Industry in Australia by T. A. Coghlan

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REVIEWS OF STATISTICAL AND ECONOMIC BOOKS.

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1.—*Labour and Industry in Australia.* By T. A. Coghlan. (In four volumes.). viii + 2,449 pp., 8vo. Oxford: The University Press. 1918. Price 3l. 13s. 6d.

Among treatises which the description of a “*magnum opus*” fits few, if any, could have earned more fully the high compliment than this authoritative new book. The epithet, we may say, is “literally” appropriate to four big volumes of nearly 2,500 pages; and the “letter” finds abundant confirmation in the “spirit” of this careful history of the large continent concerned during the century between the first settlement in 1788 and the realisation of the Commonwealth in 1901. Seven Parts, with eight to twelve chapters in each, carry us through successive periods. From the original start in Botany Bay as a “penal receptacle” we are taken to the “crossing of the mountains” by explorers into the interior; and from abolition of the “assignment” system of convict labour we arrive at the discovery of gold. That was an event of determining importance. It brought a “revolutionary change in the “relations between employers and employed”; it caused the removal of the “last vestiges of convictism”: and, “industrially,” it was the “new creation of Australia.” It was indeed a climax. We then move on from the introduction of the principle of “free selection of land before survey” to the “establishment of protection in Victoria and the beginning of a vigorous policy of public works in all the colonies.” This led, mainly through easy borrowing at home for outlay, like land-speculation, in which investment was not “liquid,” to the financial crisis of 1893. That incident, in its turn, can be regarded as an anti-climax. And, lastly, in the concluding seventh part, we are brought from that shaking, sobering ordeal to the commencement of a new régime, in

which the separated communities finally found, with the opening year of the twentieth century, union through federation.

The scope, thus indicated, of Sir Timothy Coghlan's studies is wider than the statement on the title-page or the confession in his Preface might suggest. For his account of "labour and industry" is not confined to the exhaustive record of such questions as wages and working-hours, convict and free and coloured labour, agricultural and pastoral pursuits, immigration, factory and shop legislation, strikes and the settlement of industrial disputes, and the formation and development of a political "labour party"; but explicit reference is also made to topics, like currency, banking and exchange, land policy and legislation, prices, trade and finance, tariff changes and international fiscal relations. To some of these various affairs, as trade and prices, chapters are assigned in each period as regularly as they are given to labour and wages; but over and above such discussion, generally recurring, particular problems or singular incidents, which attracted notice at the time when they came before Australian statesmen or the public, receive, in their place, detailed consideration. Distinct chapters, for instance, which enhance the interest of the main narrative, and do not disturb its course, are devoted to the "genesis of the wool-industry," to "railway 'beginnings,'" to the "recrudescence of bushranging," to the "introduction of coloured labour into Queensland," to the "exclusion of the Chinese," to the "maritime strike of 1890," and to the "financial crises of 1841, 1842 and 1843, as well as the crash of 1893"; and the famous, if unlucky, Wakefield theory of colonisation fills a prominent position in a chapter in the early part of the tale.

Sir Timothy Coghlan's "great work" indeed is, as we think, more than an economic history. Because, as he shows plainly, the fortunes of labour and the course of industry are bound to the conditions of trade, and have been, for good or ill, affected by currency arrangements, banking systems and tariff policies; satisfactory handling of the former cannot be achieved without knowledge of the latter. But it is no less true, and equally pertinent, to point out that the political and economic histories of peoples are intertwined; and, as the general historian of all civilised countries is compelled, when he reaches modern times, to use an increasing quantity of economic matter in his accounts of men and records of affairs, so *en revanche* a colonial economist, examining Australia in the nineteenth century, must take notice of the acts and motives of the politicians, who could not, if they wished, avoid influencing, as they were influenced by, the behaviour and concerns of the bulk of their constituents in the sphere of trade and industry. In these four volumes we find much that we should expect to meet in a political history of the country; and Sir Timothy has, we think, travelled further in that direction than he contemplates or essayed. In our judgment his book is not a "history of Labour" alone, though it deals especially, outside that range, with the "things most 'nearly affecting the Labour Movement in Australia.'" That,

however, is in fact a big area, as the size of the four volumes proves. We offer sincere congratulation on the success of a vast enterprise. It has, we are sure, superseded previous surveys attempted by others of portions of the immense ground now covered ; and a work, which must have been, in no ordinary sense, a "labour of love," will, we think, be consulted with advantage constantly during future years by those who want to know how Australia came to be the great Over-seas Dominion she had become by the close of the last century. Her men and their manners, policies and institutions, hopes and achievements, failures and successes, are laid skilfully under contribution to complete a vivid picture.

The length and range of this history make the task of the reviewer by no means easy. In any notice he may undertake he must select and will perforce omit. If we have a personal complaint to offer it is that the help obtained from the full index at the end might have been increased by a running marginal analysis on the separate pages or by summaries of contents prefixed to each chapter. But, if such changes are found feasible, or thought desirable, in fresh editions of what we are tolerably confident must take the honourable place of an established book of reference, we would also suggest the inclusion in the text or the addition in appendices of tables of figures. With a laudable wish, it may have been, not to break the interest of lay readers in the smooth flow of the agreeable narrative, not merely are foot-notes avoided, stating the "official records," the "contemporary newspapers" and the "other publications," which have supplemented the "information obtained direct from many persons who played a prominent part in Australian affairs from 1880 onwards," but what can be regarded as too sparing a recourse has been had to formal statistics. Our author tells us that he is his "own authority" for those supplied, "as also for the account of the banking crisis of 1893" "and for some phases of the "Labour movement." This account, we may note, seems to us of peculiar interest and value. But we would urge that the capacity shown and experience gained in what has been, so to say, Sir Timothy's life-long profession might have been employed appropriately more often in this book. It might have been used to clinch the moral pointed or corroborate the facts advanced. Such numerical data are now, as we judge, more conspicuous by their strange absence than by welcome presence ; and we regret the severe restraint thus placed apparently upon the exhibition of a special aptitude by an acknowledged master. But we hasten to say that he has contrived with great skill and marked success to render clear and lively, as well as full and accurate, a tale which in less dexterous, heavier hands might have become a dry chronological record or seemed a bewildering compilation of an arid mass of disconnected facts ; and he may know better than we can pretend to do how fine is the severance of what is readable and will please from what would tire or repel the majority of those to whom he has addressed his book.

Of the fascination of his long full story, as he tells it, we can have no doubt; and our trouble here is to choose the most effective mode of conveying that impression. We have already tried by reference to the titles of the separate parts to show the broad lines along which the "history of Australia" has been traced; and we will now attempt to supply some of the prominent detail of that development. It had not, we may recall, a happy start. To "meet the necessity of finding a suitable place for the reception of British criminals" was no lofty aim for the mother-country or the colony thus victimised; and the interests of the two collided from the outset. Transportation neither in its crude early shape nor with the improvements designed later could produce likely or welcome colonists; and a mixture of independent settlers with forced prisoners had little or nothing to recommend it, and was not originally contemplated by the Home Government. Successive stages of "probation," through which criminals for more or less heinous offences should be passed on the road to liberty, as time elapsed and conduct was improved, were an "after-thought," devised with some little pains; but we cannot wonder that a stout protest was raised in Australia against the incursion of the system through "side-doors" when it had been stopped at the "front-entrance," or that difficulties appeared at first and lasted throughout in the treatment of "assigned" convict-labour, first by the military garrison and then by others, while "emancipists" who had got their freedom formed an unsatisfactory class whose wealth, if it was not small, was often dubiously acquired. The "ticket-of-leave" men, maintaining themselves by their own exertions, occupied an intermediate place. But it was only by degrees that emigration, more properly regarded, thrust aside the original plan in the outlook of English statesmen; and the "great gold discoveries," which "precipitated Australia into a nation," wrought the eventful change from a "dependent penal settlement" to a "free self-governing colony," although for some while before 1851 the struggle against autocratic government from home had been proceeding, and in 1840 transportation to New South Wales at least was abolished.

Sir Timothy gives a graphic account of the gold-finds and their large consequences. As he truly says, "profound economic and political changes" marked the ten years stretching from 1851 to 1861; and, if they were not "directly produced," they were "greatly hastened," by the rich discoveries of the yellow metal. The "method of Government," "completely altered," was "placed on a democratic basis," the "land question" was "reopened in the interests of genuine settlers," doomed otherwise to be "shut out" by a "virtual monopoly" secured before by the "squatters," the "last vestiges of convictism" were destroyed, and the "relations between employer and employed" underwent "revolutionary" improvement. So potent were the forces set in motion, or so decisive was the acceleration caused, by this single factor; and, with all the ill that might be traced to feverish excitement or the

speculative passion, or to the voluntary influx of some among the crowd of immigrants scarcely more desirable than convicts whose arrival had been forced before, the balance was preponderantly good. A "doubling" of population of the continent as a whole within five years, and a fivefold increase in Victoria alone, a "complete dislocation" of "all" other "industries," a "remarkable inflation of prices," and noticeable effects, differing in kind and degree in the different colonies, on public revenue and expenditure, were some of the results, welcome or the reverse, immediately or soon achieved. The following period was quieter, and the "rapid changes of fortune," the "inrush of population" and the "wide extension of the franchise" of the preceding "revolution" paved the way for the "gradual and somewhat timid appearance of democracy" between 1862 and 1873.

In the twenty years that followed fifteen of "prosperity" and "expansion of industry and commerce" were attended by five of "violent disturbance social and economic." An "orgy of speculation in land, mines and properties of all kinds" "did much to promote discontent and unrest among the industrial classes" and "led directly to the great financial crisis of 1893." Yet Sir Timothy proves that the "spirited policy" of public works was directly beneficial, and might justly be thought necessary to an effective entry on a permanent advance. He argues persuasively that the payment of members did not, as it was alleged, produce the original appearance of the labour party in Colonial politics, and that industrial disturbance afterwards was not responsible for the withdrawal in alarm of British credit from the financial institutions of Australia. It was the previous "unsound condition of business" that justified the panic of 1893, and the "labour disputes" and "social unrest" were symptoms rather than the cause of a "general" "disease" "afflicting" "industrial and financial life." There was certainly lavish expenditure by Governments as there was extravagant speculation of private individuals, and both were helped by loans too easily obtained on an excessive scale in Britain. The money thus got by the former was not indeed wasted, when spent largely upon railways; but, like that procured by the latter and invested in the purchase and development of land, it was "locked up" for the time and was "not liquid." This, however, though contrary to British practice, suited Australian banks with their larger reserves and their deposits withdrawable after longer notice. The "tightness," when the crisis came, was chiefly due to the circumstance that the British deposits, though they had been advanced for considerable periods, were repayable in London, and would not therefore be transferred to other banks in Australia itself, replacing promptly the funds on which the drain was felt. But the crisis had its good permanent results if the immediate stress was painful or disastrous. It led to wise caution in borrowers and lenders; and credit rested henceforth on a more secure and broad basis.

The treatment of the whole episode, which we owe, as we have noted, to Sir Timothy himself, is luminous; and no less instructive is the fresh account supplied of the origin and growth of the Labour Party. The support, which it derived from those who were not themselves working-men, and cross-divisions, cutting athwart political combinations through differences on fiscal policy, are important points; but of even greater interest is the emphasis placed on the constancy with which the Australian organised workmen followed the movements of Labour in England and on the probable influence they exerted in promoting Federation in Australia. At first the weapon of the strike was the favourite instrument used, and it caused notorious conflicts of much violence like the maritime strike of 1890, to which a whole chapter is devoted, and then "political action" was chosen in preference. And with the recognition throughout Australia of the common aims and interests of working-men the Labour politicians and their followers were drawn more closely together from the different colonies than the leaders or adherents of the other parties or the members of the remaining classes. Thus the Commonwealth, with the establishment of which in 1901 Sir Timothy ends his tale, was, he suggests, brought definitely within the sphere of "practical politics."

In the brief summary of the big narrative we have attempted to supply we have omitted much, and may have done injustice to its full attractiveness. We must in conclusion refer our readers to the four volumes themselves if they would properly appreciate the portraits of such politicians—to mention two alone of many—as Parkes or Reid, or of labour-leaders like Lane, or of Macarthur, the creator of the woollen-industry. They must give themselves this pleasure if they would admire, as they should, the lucidity with which the curious twists and turns taken in such matters as land-settlement and immigration are explained, or the failure in Wakefield's plan of colonisation as applied to practice in Australia demonstrated. Everywhere they will be impressed by the grip of facts and the mastery of guiding principles and moving forces, and by the scrupulous fairness shown in their description and interpretation. We end, as we began, with our belief that this book will be cordially recognised for the "great work" it is. It is a monument of industry and of ability, and Englishmen like Australians will obtain much recreation and instruction from its agreeable but careful pages.

L.L.P.

2.—*Parliament and the Taxpayer*. By E. H. Davenport. With an introduction by the Rt. Hon. Herbert Samuel. xvi + 256 pp., 8vo. London: Skeffington and Son, Ltd. 1919. Price 6s. net.

Recent works on our Financial System have been concerned chiefly with the adequacy of formal procedure and the constitutional technique of accurate accounting, with occasional suggestions for improvements in the presentation of estimates and financial statements. The present volume deals with Parliamentary control of