

# **The Blackball Strike and the formation of the New Zealand Labour Party**

*2008 Celebration of the Blackball Strike, Blackball, 23 March 2008*

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When the Labour Party won office in 1935, the majority of the new Cabinet had been leaders of the socialist upsurge in New Zealand before the First World War. Five were born in Australia and had been miners – Michael Joseph Savage, Bob Semple, Bill Parry, Paddy Webb and Mark Fagan. The last four were leaders of the ‘Red’ Federation of Labour. Semple, Webb and Fagan were coal miners and union leaders on the West Coast and Webb was one of those sacked from the Blackball mine in 1908. Given these connections, it is not surprising that the West Coast is said to be the birthplace of the Labour Party.

The orthodox view of historians is that the formation of the Labour Party was the result of the defeat of the militant unions in the Great Strike of 1913. As Michael King puts it:

‘From this point on the key figures in the Labour movement – Semple, Fraser, Holland, Michael Joseph Savage and others – began to put their energies into political rather than industrial action. And this new focus of activity led ... to the formation in July 1916 of the New Zealand Labour Party ...’<sup>1</sup>

Leaders of the pre-war revolt against the arbitration system dominated the leadership of the Labour Party. Eleven of the thirteen members of its first executive were

members of the left-wing Social Democratic Party. The first leader of the Parliamentary Labour Party was Arthur Hindmarsh, an Australian-born lawyer and union leader, who had been elected to Parliament on 'moderate' labour tickets.<sup>2</sup> Hindmarsh died in the 1918 influenza epidemic and was succeeded the following year by Harry Holland, another Australian but a militant socialist who had been one of the 'Red' Federation of Labor's most gifted propagandists.<sup>3</sup>

Most historians have argued that, despite the dominance of the 'militants', the formation of the Labour Party represented the victory of the 'moderates' in the labour movement.<sup>4</sup> While the new party adopted the SDP's objective – 'the socialisation of the means of production, distribution and exchange' – Labour's platform included planks that 'moderate' labour opinion had long advocated, for example a state bank, free, secular and compulsory education and extension of the pension system. Unlike the SDP, it supported the arbitration system.<sup>5</sup>

Patrick O'Farrell has challenged this interpretation, arguing that the formation of the NZLP was 'sought and planned by militant socialists for social revolutionary and class war purposes.'<sup>6</sup> He said the evidence showed that the party's formation was carefully planned by the SDP's leaders.

Most historical writing on the formation of the Labour Party has the common theme that the 'militants' were the dominant players. They led the revolt against the arbitration system which began here in Blackball in 1908 and ended with the defeat of

the Great Strike five years later. They then turned to politics and the NZ Labour Party was their baby.

A weakness in the history of the NZ labour movement is that it has largely ignored the moderate majority. Like it or not, the dominant tradition among organised workers in New Zealand has been labourist and moderate, not revolutionary or militant. My argument is that the 'moderates' played just as important a part as the 'militants' in establishing our oldest political party.

The formation of the Labour Party in 1916 was the outcome of political and social processes. It followed a long political struggle for influence on the organised working class between Liberals, moderate unionists who wanted an independent Labour party and the militants. It was also a product of the growing unionisation and class consciousness among workers in the first decades of the twentieth century.

After the defeat of the Maritime Strike, unions played an important part in mobilising working class support for the Liberal Party in the 1890 elections. The Liberals, who held office from 1890 to 1912, were one of NZ's great reforming governments. They introduced a raft of labour laws, the centrepiece of which was the arbitration system. Between 1894 and 1906 there were no work stoppages in New Zealand which became famous as 'a country without strikes'.<sup>7</sup>

By the turn of the century the Liberals had lost their appetite for reforms and there was growing dissatisfaction with the Arbitration Court. The first call for Labour

representation separate from the Liberals came at the 1898 conference of the Trades and Labour councils, which comprised mainly craft unions and 'moderates'. At the councils' 1904 conference, the Dunedin union leader Tom Paul successfully moved the formation of an Independent Political Labour League.

The league drew an important line in the sand between Liberal MPs who claimed to represent workers and those who supported an independent party. It required candidates to sign a pledge committing them to support official Labour candidates, to carry out the Labour platform and vote in line with majority decisions by the Labour caucus in Parliament.

Nine Labour and Socialist candidates contested the 1905 elections. None was elected and they polled less than one per cent of the nationwide vote. Three years later 15 candidates stood and gained just over three per cent of votes. David McLaren, a leader of the watersiders' union, won Wellington East on the second ballot and became the first independent Labour MP.

These results show that supporters of an independent Labour party had an uphill struggle winning working class support away from the Liberals. Tom Paul, who had been appointed to the Legislative Council in 1907, was deeply disappointed with the result of the 1908 elections. Jack McCullough, the Christchurch labour leader and workers' representative on the Arbitration Court, wrote to Paul to buck him up:

‘Your opinion that a majority of trades unionists are against [an independent Labour party] may & probably is true: but surely! this is not a reason for you & I who believe in Independent Labour Representation standing idly by or even sitting on a rail. I contend it is our duty to take off our coats & never cease agitating until we have convinced not only a majority but all of the trades unionists that this way leads to victory ... I know it is possible to point to the feats Liberals have accomplished in 18 years ... [But] Have we accomplished anything like we could have done had our Reps been pledged to the workers instead of to the Liberals? There is only one answer I can give to this question & that is – certainly not.’<sup>8</sup>

McCullough’s call to ‘never cease agitating’ captures the spirit of the supporters of an independent Labour party. They campaigned within the unions and at local body and parliamentary elections to win support for their cause. Jim McAloon’s history of the emergence of the Labour Party in Christchurch shows the importance of this agitation. There was a long and bitter contest for domination between supporters of the Liberals and advocates of an independent Labour party on the Canterbury Trades and Labour Council.

Although the Independent Political Labour League was thumped in 1905, it nearly won a city council seat in 1907. The following year the league and the Socialist Party co-operated in the general election and increased the Labour vote. In 1910 the Trades and Labour councils formed a new organisation, the first New Zealand Labour Party. Two months after its formation, the party had 1000 members in Christchurch. In 1911

Labour made significant gains in the local body elections. It won four seats on the city council and Tommy Taylor, the left-wing Liberal MP who was endorsed by Labour, was elected Mayor. At the general election later that year, Labour candidates came close to winning some Christchurch seats. McAloon comments, 'The left Liberals held on in Christchurch, but labour had knocked some very large holes in Liberal majorities.'<sup>9</sup>

Labour candidates were elected in Grey Lynn, Wanganui, Otaki and Wellington South. In the seats they contested, Labour candidates won 25 per cent of the vote. McLaren lost his seat but in 1912 won the Wellington mayoralty and became the first Labour candidate to become Mayor of a main city.

The political struggle to win working class support away from the Liberals was waged mainly by the 'moderates' in the Labour movement. In 1911 Labour and Socialist candidates clashed in three seats in Wellington and Christchurch. The Labour candidates won nearly 30 per cent of the vote compared to five per cent for the Socialists. Barry Gustafson says: 'This suggests that the overwhelming majority of urban, manual-worker voters who were inclined to switch from Liberal to Labour were not prepared to vote Socialist. They were not concerned with radically changing society but with achieving practical reforms.'<sup>10</sup>

The first decade of the twentieth century saw the growth of industries in NZ's main cities and the growth of union membership, particularly among unskilled and semi-skilled workers. In 1895 there were only 8,000 union members. By 1900 there were

18,000. By 1913 around 86,500 workers were union members. Erik Olssen has argued that the formation of the Labour Party was more a result of the growth of unionisation in the early years of the twentieth century and the consolidation of the working class than the result of political processes.<sup>11</sup> I think it is more correct to say that it was the result of both unionisation and the political struggle for working class support.

The 'Red' Federation of Labour reached its peak in 1912 with some 15,000 members or more than a fifth of organised workers. The United Labour Party was established, replacing the first NZLP. The Liberals finally lost office and the new conservative government, led by William Massey, took a tough line against the 'Red Feds'. In November 1912 a six month strike at the Waihi gold mine in the North Island ended in defeat after police brutality against the strikers and the killing of Frederick George Evans.

The militants realised too late the need for political and industrial unity. A successful Unity Conference in January 1913 proposed a United Federation of Labour (UFL) and a Social Democratic Party (SDP). In July 1913 the new organisations were endorsed by the Unity Congress. Attended by 391 delegates representing 247 organisations and 61,000 workers, it was the largest conference of trade unionists in Australasia.<sup>12</sup>

The right-wing of the United Labour Party, mainly based on the Dunedin union movement, refused to join the new organisations. However in Christchurch most ULP branches changed to the SDP which quickly became a mass party in the city. In contrast to the union-based parties of the past, it established grass-roots organisations

based on working class communities. It organised social, sporting, educational and recreational activities that drew in whole families.<sup>13</sup>

In 1913 the SDP's prestige was boosted by its victories in two by-elections. However it did not follow that there had been a major swing to the left. In July Paddy Webb was elected MP for Grey following the death of the long-serving Liberal incumbent. While he enjoyed strong support in mining centres, he won the seat on the second ballot thanks to Liberal and Catholic support. The Reform Party's use of sectarianism so incensed the Liberal candidate that he strongly urged his supporters to vote for Webb.

In December James McCombs won the Lyttelton by-election, defeating the Reform candidate on the second ballot. McCombs had been a radical Liberal. He told his son he joined the political Labour movement because he believed there was more scope for him to influence events as a conservative within Labour than as a radical within the Liberals.<sup>14</sup> His political strength was based on his support within SDP branches and the community rather than the unions. McAloon comments that McCombs' victory foreshadowed 'The Liberal party's demise, and the eventual unity between skilled unionists, the unskilled and erstwhile radical Liberals, which took place during World War One ...'<sup>15</sup>

Less than a year after the defeat of the Great Strike, New Zealand became involved in the First World War and patriotic fervour gripped the country, including most of the working class. In August 1915 the Reform and Liberal parties formed a War Cabinet

and the six Labour and SDP MPs elected in 1914 became the official opposition. Anticipating the coalition, they formed a Parliamentary Labour Party in July 1915, chaired by Hindmarsh.

In 1916 conscription was introduced in New Zealand without debate and opposition to it was repressed to an extent unparalleled in the other Dominions. A number of labour leaders, including Fraser and Semple, were jailed for sedition. Webb was thrown out of Parliament and jailed for refusing to serve in the armed forces. On the West Coast, miners fought a successful campaign against conscription.<sup>16</sup>

This was the political climate in which the Labour Party was established. In contrast to the turbulent events of 1913, the conference which founded the party in Wellington on 7 July 1916 was a quiet, almost backroom meeting. Representatives of the United Federation of Labour, the SDP and the Labour Representation Committees (LRCs) resolved that ‘the time has arrived for the formation of a New Zealand Labour Party for the purpose of consolidating the political forces of Labour.’<sup>17</sup>

I want to come back to O’Farrell’s argument that that the formation of the Labour Party was ‘sought and planned by militant socialists for social revolutionary and class war purposes.’ There is no doubt, as O’Farrell argues, that the SDP initiated the formation of the Labour Party. However Libby Plumridge points out that this initiative came from the ‘moderate’ SDP leaders in Christchurch, particularly James McCombs.<sup>18</sup> All labour leaders – ‘militants’ and ‘moderates’, inside and outside the SDP – were anxious about divisions over conscription. In Australia there was a fierce

public debate and two referendums which defeated conscription. The Australian Labor Party was torn apart by the divisions over conscription. To NZ labour leaders, it was a compelling example of the dangers of disunity.<sup>19</sup> After conscription was introduced, John Payne, the MP for Grey Lynn, broke with the other Labour MPs and tried to get dissident Liberal support for a new, loyalist party called Labour. Dan Sullivan, the Christchurch SDP leader, and Tom Paul warned that it would be dangerous to leave the name 'Labour Party' lying round.<sup>20</sup>

O'Farrell's argument has been challenged by Jack Vowles who drew on the Dunedin socialist Arthur McCarthy's extensive correspondence with other labour leaders. He noted there was 'a sense of growing realisation on the part of the SDP leadership of an insurmountable barrier in the way of further progress. Effective political action depended upon either defeating or joining forces with the Trades Councils. The experience of the 1914 election in which LRC candidates did better than those of the SDP was reinforced by a continued lack of SDP success.'<sup>21</sup>

Letters between Bob Breen, the secretary of the Otago Trades and Labour Council, and Tom Paul give the perspective of the 'moderates' on the formation of the Labour Party. Breen wrote to say that he would ask the council to appoint Paul as its delegate to the UFL conference in July 1916. He noted that the SDP had invited Labour Representation Committees to a conference to form a Labour Party and added, 'It is a healthy sign when the S.D. Party takes the initiative in this matter.'<sup>22</sup> Reporting to Breen on the Labour Party conference, Paul said: 'The new constitution is simple and I believe will bring about the end we all desire – the triumph of Labour.'<sup>23</sup> The new

party quickly established itself as the dominant political voice of the working class. By 1918 it had 18,000 members<sup>24</sup> and at the 1919 election it won 25% of the nationwide vote compared to 9.6% for its predecessors in 1914.<sup>25</sup>

To conclude, there is no question that the 'Red' Federation's organisation of mainly unskilled workers contributed to the big increase in union membership between 1900 and 1913 and that the growth in unionisation provided the social basis for the Labour Party. There is also no question of the importance along the way of the Blackball Strike, the political victories by Webb and Holland in the Grey electorate and the miners' fight against conscription in the First World War.

My argument is that the 'moderates' played just as important a part as the 'militants' in establishing the Labour Party. They led the political campaigns that gradually won trade union and working class support away from the Liberals. They devised political platforms that could win popular support and their organising created a mass base for Labour in working class electorates. It was a long march from 1916 to Labour's eventual victory in 1935. But unlike the unsuccessful campaign by the 'Red Feds' against the arbitration system, the political campaigns between 1905 and 1914 created a firm foundation for the future.

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<sup>1</sup> Michael King, *The Penguin History of New Zealand*, Penguin Books, Auckland, 2003, p. 312.

<sup>2</sup> Kerry Taylor, 'Hindmarsh, Alfred Humphrey', in Claudia Orange (ed.) *The Dictionary of New Zealand Biography*, Volume Three, 1901-1920, Auckland University Press/Department of Internal Affairs, Auckland, 1996, pp. 222-223.

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- <sup>3</sup> P.J. O'Farrell, *Harry Holland militant socialist*, Australian National University, Canberra, 1964.
- <sup>4</sup> Bruce Brown, *The Rise of New Zealand Labour, A History of the New Zealand Labour Party from 1916 to 1940*, Price Milburn, Wellington, 1962.
- <sup>5</sup> 'Official Report of Joint Conference, July 7 and 8, 1916', Appendix A in J. T. Paul, *Humanism In Politics, New Zealand Labour Party Retrospect*, NZ Worker Printing and Publishing Co. Ltd, Wellington, 1946, pp. 156-159.
- <sup>6</sup> P.J. O'Farrell, 'The Formation of the New Zealand Labour Party', *Historical Studies Australia and New Zealand*, X (38), May 1962, p. 190.
- <sup>7</sup> The title of Henry Demarest Lloyd's *A Country Without Strikes: A Visit to the compulsory Arbitration Court of New Zealand*, New York, 1900.
- <sup>8</sup> J.A. McCullough to J.T. Paul, December 2<sup>nd</sup> 1908, MS-098/529, J.T. Paul Papers, Hocken Library.
- <sup>9</sup> Jim McAloon, 'A Political Struggle, Christchurch Labour Politics 1905-1913', *New Zealand Journal of History*, 28(1), April 1994, p. 33.
- <sup>10</sup> Barry Gustafson, *Labour's Path to Political Independence, The Origins and Establishment of the New Zealand Labour Party 1900-19*, Auckland University Press, Auckland, 1980, p. 39.
- <sup>11</sup> Erik Olssen, 'The Origins of the Labour Party: a reconsideration', *New Zealand Journal of History*, 21(1), April 1987, pp. 79-96.
- <sup>12</sup> Erik Olssen, *The Red Feds, Revolutionary Industrial Unionism and the New Zealand Federation of Labor 1908-14*, Oxford University Press, Auckland, 1988, pp. 163-179.
- <sup>13</sup> Libby Plumridge, 'The Necessary but not Sufficient Condition: Christchurch Labour and Working Class Culture', *New Zealand Journal of History*, 19(2), October 1985, p. 137-140.
- <sup>14</sup> *Ibid.*, p. 141.
- <sup>15</sup> Jim McAloon, 'A Political Struggle', p. 39.
- <sup>16</sup> Len Richardson, 'Politics and Coal, Coal Miners and Conscription', in Philip May (ed.) *Miners and Militants, Politics in Westland 1865-1918*, Whitcoulls for University of Canterbury, Christchurch, 1975, pp. 128-155.
- <sup>17</sup> J. T. Paul, *Humanism In Politics*, pp. 156-159.
- <sup>18</sup> Libby Plumridge, 'The Necessary but not Sufficient Condition', pp. 144-145.
- <sup>19</sup> O.J. Gager, *The New Zealand Labour Movement and War, 1914-1918*, MA Thesis, University of Auckland, 1962, p. 40.
- <sup>20</sup> Libby Plumridge, 'The Necessary but not Sufficient Condition', p. 144. Jack Vowles, 'Ideology and the Formation of the New Zealand Labour Party: some new evidence', *New Zealand Journal of History*, 16 (1), April 1982, p. 45.
- <sup>21</sup> Jack Vowles, 'Ideology and the Formation of the New Zealand Labour Party', p. 45.

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<sup>22</sup> R. Breen to J.T. Paul, June 26<sup>th</sup> 1916, MS-098/528, J.T. Paul Papers, Hocken Library.

<sup>23</sup> J.T. Paul to R. Breen, July 18<sup>th</sup> 1916, MS-098/528, J.T. Paul Papers, Hocken Library.

<sup>24</sup> Louise Overacker, 'The New Zealand Labour Party', *American Political Science Review*, XLIX (3), September 1955, pp. 708-732.

<sup>25</sup> Miles Fairburn, 'Why Did the New Zealand Labour Party Fail to Win Office until 1935', *Political Science*, 37(2), December 1985, p. 105.