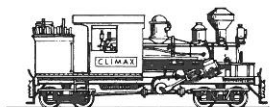


# **RICHES BENEATH THE FLAT**

**A history of the Lake George Mine at Captains Flat**

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Opposite page **Map 4.1:** The Lake George Mine plant and surface rail track layout in 1949.

Commissioner for Railways, as part of his reply, advised that the revenue derived at Captains Flat railway station year ended 31 October 1945 was:

	Number	Revenue
Tickets sold	4,163	
Coaching		£3,244
Goods		£71,355
Livestock		£55
Mixed		£110
Total		£74,764

During October, 215 passengers travelled on the railmotor from Bungendore to Captains Flat while a lesser number, 170 persons, travelled on the outbound journey. The average number of passengers per trip was 18 and 12 respectively. In refusing the Shire's request the Commissioner pointed out that:

there is no question of overcrowding; as a matter of fact, not half of the seating accommodation provided was occupied, and provision of the requested additional services would merely mean that the town of Captain's Flat would be served by a train in each direction on five instead of three days a week as at present, the passengers being spread over five days instead of three with no apparent prospects of increased revenue to offset the additional expense which would be incurred.<sup>94</sup>

The rail service would remain unaltered until the closure of the mine.

## Industrial disputation

*The Australian workman is no fool, but he has been duped, which is likely to happen to the wisest man. This industrial strife will enlighten people, who will find out that strikes have a far-reaching effect and present a rebounding attitude and do more harm to the strikers than anyone else.*<sup>95</sup>

The above quotation was written in response to the industrial unrest permeating the Australian workforce in the mid 1940s. The isolation of Captains Flat was no immunity against union militancy, agitation and discontent.

In July 1947 a serious dispute arose over the payment of a lead bonus to employees. The silver-lead-zinc mines of Broken Hill (NSW) had paid this bonus to their men since 1925 but LGM had tried to distance itself from this practice. The weekly bonus payment was computed according to the prevailing price of lead; during that month the Broken Hill lead bonus had averaged £8 a week.<sup>96</sup>

A 'go-slow' campaign began in late July, but after standing down the miners and mill employees, a bonus of 37s 6d a week was conceded by the company in late

August. But this was only a temporary respite. The following July another dispute arose over the contentious bonus: an astronomical increase from 49s 6d to 140s a week to match the bonus paid at the huge lead-zinc-copper mine at Mount Isa, Queensland. This payment would cost LGM £143,936 per annum, prompting the general manager to write:

In short, the company was asked to give £143,936 of its profit to the men before any provision is made for shareholders or any other requirements.<sup>97</sup>

As a compromise, for a full capacity production target of 16,000 tons per month, which would require an increased workforce totalling 540 men, the company offered a bonus of £2 4s 2d per week or in other words, £61,984 per annum. The general manager thought this amount generous, writing:

This as a handout above wages is handsome and all we ask to be guarded against is paying this out if the tonnage falls for any reason whatsoever.<sup>98</sup>

The union's demand was divorced from reality as illustrated by Table 4.3.

**Table 4.3: Comparison of mine costs at LGM and Mt Isa for years 1946-1947**<sup>99</sup>

	Lake George Mines	Mt. Isa Mines
Ore reserves (tons)	1,576,721	9,608,398
Lead grade	6.6%	8.75%
Tons milled	142,265	571,706
Working costs (mining)	<b>39.83s / ton</b>	19.10s / ton
Working costs (milling)	<b>19.82s / ton</b>	9.317s / ton
Grand total (all costs)	<b>53.68s / ton</b>	44.305s / ton
Employees	403	1121

The intrigues and machinations of the local branch of the Communist Party were evident in this unrest which many saw as part of a grand scheme by this subversive organisation to infiltrate the Australian workplace. In early October 1948, 30 men were dismissed, precipitating a strike on the 12th of that month. The Communist-led Miners' Federation, which had coverage of colliery employees, went head-to-head against the Australian Worker's Union over coverage of the Lake George mineworkers.

A Federation Executive member, Edgar Ross, an ideologue of far left politics, addressed a meeting of over 200 men at Captains Flat. He claimed that the AWU Committee, in collaboration with the Combined Mining



During the war years Frank Winchester, the local baker, delivered his bread by horse cart. By 1949 Frank had stepped up to this Chevrolet van for his bread deliveries. Chris Brown is at the window.

*Ken Winchester collection.*

Unions' Committee, sought affiliation with the Federation, but as many of these committee men shared his political persuasion, this was not unexpected.<sup>100</sup> Many disaffected employees' defected to the communists, who demonstrated superior organisational ability, with the promise of financial support and a favourable resolution to the struggle. A hard fought ideological battle broke out between the two unions, while both sides viewed the mine management with suspicion. Nevertheless, this acrimony did not prevent most of the idle miners' from turning out at the hotel on Christmas Eve for general manager Watt Tyler's 'Christmas Shout.' About 50 staff men remained at work to keep the mine free of water.

The dispute dragged on into the New Year, and one day an all-in brawl broke out at Molonglo Park between the two factions. The local police were happy enough to stand aside as spectators.<sup>101</sup>

The Strike Committee doled out weekly strike pay to the unemployed workers at the rate of £2 for single men and £2 15s for married men without children. Married men with one child received £3 5s plus 2s 6d for each child thereafter.

Many families were in arrears with their company house rental, but LGM promised not to evict them.<sup>102</sup> The hostel was devoid of most of its 130 single boarders, as they had left town temporarily to look for jobs elsewhere, forwarding £1 a week back to the strike committee.

On 4 April 1949 the NSW Industrial Commission ruled in favour of AWU coverage of all LGM miners: the communist insurgency had finally been defeated. Work resumed on 3 May. Edgar Ross, whose communist ideology pervaded the editorials of the Miners' Federation journal *Common Cause* at this time, wrote bitterly:

Despite the gallant fight of the Captain's Flat mineworkers, the strike front was undermined by the management with the aid of Right Wing

A.W.U. officials, who gave practically no moral or financial assistance in the strike ... Our union, along with others, supported the Captain's Flat strikers with considerable financial assistance.<sup>103</sup>

But the prolonged strike cost the men dearly in lost wages and serious social disruption within the community. Perhaps as a conciliatory gesture, Sir Godfrey Fell, chairman of the company, donated a £28 silver cup to the Captains Flat Rifle Club.

Not long after resumption of work at Captains Flat, a nationwide general coal strike erupted on 20 June 1949. Operations at the mine again ceased because electric power was suspended to all but public utilities, and train services were curtailed. The coal miners, misled and deceived by their communist dominated executive, returned to work on 15 August. As a direct result of these strikes, LGM was only in production for 67 days of the year.<sup>104</sup>

Lake George Mines posted a profit of £324,843 for 1949 which was an increase of £33,044 over the previous 12 months; even taking into account that 14 weeks of the eight months strike over the lead bonus was during this period.<sup>105</sup> A profitable outcome was only possible because large stocks of concentrates were sold at enhanced market prices. The impact of post-war industrial unrest on ore production, labour productivity and the percentage of labour costs to total mining costs at the Lake George Mine is evident in the Performance Report data for the period 1940 to 1950, which is presented in summary form in Appendix 4.