

4. Charles Walter McDonald (1930-2015), former Secretary, ACT Trades & Labour Council (TLC). (Interviewed by Frank Mines, Australian Society for the Study of Labour History - 19 October 1997).

Mr Mines - When did you join the union and how old were you?

Mr McDonald - I joined the union when I went down to Melbourne in 1946 as a trainee technician in the Postmaster-General's Department (PMG) as it was in those days - Paddy McGinty's Goat. For the first 12 months of 1946 we were fully in the training school and then we moved out into exchanges and subscriber installations depots, and I was approached, as were most of the trainees - the technicians in training - by the union delegates at those various locations, and I joined then. The old Postal Telecommunications Technicians Association (PTTA) was my first union back in about 1947. I was in that until I left the PMG in 1954 when I went to the Snowy Mountains Authority (SMA) as a telephone mechanic. I joined the Electrical Trades Union (ETU) which covered us there. I became a works foreman on the staff of the SMA in about 1956. I joined the works foremen's association which was then known as the Commonwealth Foremen's Association. A year later, I was made a work supervisor and I joined the Commonwealth Work Supervisors Federation. I wasn't active in any of those but I paid the union dues when the accounts came every quarter or every half year.

Then in 1960 I went over to the Weapons Research Establishment in Salisbury in South Australia and was involved as a witness in the technical grades case because I moved from a work supervisor position in the Snowy to a technical officer with Weapons Research. I was asked by the federal secretary of the then AAESDA - the Association of Architects, Engineers, Surveyors and Draftsmen of Australia - would I participate in the technical officers' case which followed the first professional engineers' case in 1960-61. I said that I would, so in 1962 I ended up as a witness. That is when I began to realise that the work that went on behind the scenes in the union arena was far more than what came out in the regular monthly or quarterly journal or was even explained on the job. So that stimulated my first interest in union involvement.

I became active in the union in Weapons Research, ended up on the local branch committee and then was a delegate to the South Australian division, as they were then called, of the AAESDA or the 'Alphabet's Association.' I moved from there to Tasmania to work with Tasmanian Hydro in early 1964, just as the decision of the arbitration exercise on the technical officers came out which gave them reasonable pay increases and recognition was given via the vocational training certifications or associate diplomas through the university area. So they put qualifications on for recognition or so many years of service and then passing an efficiency test. So working for Tasmanian Hydro as an engineering assistant was equivalent, effectively, to the technical grades in the Commonwealth Public Service.

So I joined the Tasmanian Public Service Association, which had coverage for all employees in the Tasmanian Hydro. I was still a member of the AAESDA Victorian division because the Tasmanian membership was too small for them to form a branch. I spent 14 months in Tasmania, and was very active in getting the recognition that had just been given to the technical officers in the Commonwealth Public Service to flow into the technical area of the Hydro. So a lot of the technical people in the Hydro joined AAESDA. Just as I was leaving in 1965 to go back to the Snowy, because I wasn't very happy employed in Tasmanian Hydro, we formed the Tasmanian branch of the AAESDA. The bulk of that branch was from technical employees in the Hydro Electric Commission. Eventually, the recognition given to the Commonwealth Public Service technical officers did flow into the technical areas of a lot of the electricity authorities, but it was a fairly long battle.

I went back to the Snowy, still active in the union. I was a delegate from the Snowy on the ACT branch of AAESDA because the ACT branch covered the Snowy Mountains area. They had their own local group in the Snowy and I was on the executive of that group. After two years further work in the Snowy - it was gradually being closed down - I moved to Canberra as a patent examiner and blow me down if AAESDA still covered the non-professional or para-professional people in the Patents Office. So I was able to continue my membership of the AAESDA to an ACT branch, which at that time had only just appointed a manager, the first full-time officer that they'd ever had.

Their membership was a bit under 1,000 at that time. That was in 1967. I was on the executive of the branch and also federal council delegate. I was also directly involved with the space tracking industry as executive member of the branch. Two or three of us from the executive became involved in trying to resolve a dispute between the membership in the space tracking industry and the divisional manager. This eventually ended up in the resignation of the divisional manager because of the concerns that council had about him not properly representing the concerns of the membership in the space tracking industry and being swamped solidly by the employer point of view rather than the point of view of the membership. At that point in time, early 1969, because the branch council initially endorsed the actions of the divisional manager, all bar one member of the executive that had made the recommendation that was critical of the divisional manager, resigned from the executive. Before the next council meeting was held to accept those resignations, the divisional manager himself resigned. So at that stage the air was cleared by the resignations being withdrawn and they advertised for a new full-time secretary rather than a branch manager.

We had applicants from within the organisation, from the Queensland branch and the Victorian branch. I was not on the selection committee but the recommendation was made for the Queensland industrial officer to be appointed. He evidently turned the job down within 24 hours, wasn't interested, and the Victorian industrial officer who had applied did the same. So out of the interviews there was nothing achieved. Then the selection committee met and asked whether I was interested. They said they would give me three days until the next executive meeting to respond. I thought it over for two out of those three days, discussed it with the family, and decided that it was certainly a challenge, far more invigorating than the Patents Office, so I took the offer of what was then known as the divisional secretary because all of the states and territories were divisions rather than branches. They did change their rules later. So it was in June 1969 that I started as full-time secretary of the ACT branch of the AAESDA.

In 1972 the annual general meeting agreed on the recommendation that I had made through the executive that we affiliate with the Trades and Labour Council because at that time there were a number of white collar unions in the Labour Council. Even though the fairly militant unions controlled the Labour Council, it was a fairly widely representative body and Canberra was still growing at a fairly solid pace. In 1972 we went in as an affiliate. In 1974, the advent of the Whitlam government almost doubled the membership of AAESDA, and I think it did much the same to a lot of other unions in the ACT. The AAESDA was then able to put on a full-time industrial officer, as well as permanent office staff and my position still as branch secretary.

Later in 1974, I had been on the executive of the Trades and Labour Council, and because the labour council had no full-time officers - there were honoraria paid to the secretary only - they relied upon active people in the affiliated unions to carry out work for the council. So I ended up on the executive. Leading up to the 1974 (TLC) annual general meeting, we held a caucus and

it was put onto me to nominate for the honorary secretary position. So I checked it through with my executive of AAESDA and they said they had no objections. It was an honorary position; they realised that I would still have to carry out my own functions, but they were quite happy to support the rest of the union movement in allowing me any necessary time to work for the council. I think Paul Whalan was the only one that nominated against me for secretary. As he hadn't worked the affiliate numbers up, he didn't succeed in the ballot. So I became the honorary secretary. Doug Carpenter at the same time became the honorary president.

It was a fairly active labour council, particularly considering it was composed of only honorary officials. We had many a battle to try to protect the interests of Ray O'Shannassy, the issues of occupational health and safety. Ray was also fighting the battle on the issue of housing and the fact that no-one would give him employment.

Mr Mines - He was on the labour council, was he?

Mr McDonald - He was a delegate, he had been honorary secretary two years previously and was quite active, as I think anyone can recall Ray O'Shannassy, in the union arena and in the social causes. One of my first things - I was thrown in at the deep end - Ray had got a job at Costains building Macarthur House, under a *nom de plume*. The then organiser of the Builders Labourers Federation (BLF) as it was then known, Don McHugh, came on the site and wanted to know how Ray had got a union ticket because there was no ticket - no start on those. And, apparently, using the *nom de plume*, Ray had been issued with a union ticket. But the next thing was that Costains sacked him. Well, on principle, the Labour Council couldn't stand back and allow that. But the company would not give a reason for the sacking, they refused, so Ray occupied the site and then got arrested. So Doug Carpenter and I had a meeting with the MBA and Costains and came to an agreement that police would not be used on any construction site over industrial issues. That went right through for the next decade but at least we had pretty well a decade free of the police moving in on construction sites. But Ray still didn't get any job. The next thing he was offered a job in construction just prior to Christmas 1974. Then the cyclone hit Darwin and all the Department of Works people that were brought out of Darwin were put into whatever employment they could find for them in the ACT and Ray missed out on getting any position because he was offered work post-Christmas. And this about was my third month on the labour council!

He was arrested again for occupying the head office of the Department of Works in the ACT region so I was back in the battle. Eventually, we did get him employment and he stayed in that employment for the next four years. It was nearly the end of the 1970s before Ray ran into further trouble with the law. He was pursuing issues that he should have left alone. He was not seeing the wood for the trees, but anyway, that's another story. But it was a very hectic introduction to a labour council that was very active in the industrial arena in the ACT.

By 1975, prior to the Fraser coup and the Kerr sacking of the Whitlam government, the TLC was granted a block of land in the central business district to build a trades hall. People were talking about a trades hall but when you have a look at trades halls around the other capital cities, none of them make any money. In fact, they cost the union movement money. So we reached agreement with a building society to develop the site and the council would get space and revenue as a result of that agreement. Just prior to the building being completed in 1978, the building society negotiated with us for a change of plan; they wanted to buy us out. By 1979, we had agreed to have our interest in that building bought out.

Then in 1980, the labour council bought, initially, one building in Woolley Street, Dickson and then by 1984 we bought the adjacent building in Woolley Street. At that stage, it had certainly set council on a fairly substantial footing for an organisation that had, I think it was \$4,000, which was profit mainly from the picnics it had held, \$4,000 in the bank, no office, but it did have a Gestetner, an old manual typewriter and a four-drawer cabinet. And that was the resources of the TLC in 1974 when I took over.

Mr Mines - What was the building in the city, the one that was built with the building society? Is it still there?

Mr McDonald - Yes, it is on the corner of Akuna Street and that walkway that comes up between Canberra Centre and I'm not sure what they call the whole building but it has the post office on one corner and I think a shoe shop on the other corner and the Tasmanian Tourist Bureau was in there. I think GIO now own most of the building. So that building is still there. We were on the third floor of that building. We used about 200 square metres of space. That was enough for small meetings. At that stage the average attendance at council was probably about 30 delegates. That was the start of the council and that was thanks mainly to Gordon Bryant, who was the Minister for Territories at that time the negotiations were being made. But it was obvious that there was no use in building a trades hall. There were so many large meeting rooms around that you would never get the income back to cover the cost. So it was that commercial exercise that I think put council on a pretty solid basis.

I remember when I started off as full-time secretary in 1978, once we knew that we were assured of an income outside of affiliation fees - at no time did affiliation fees provide more than about 25-30% of the total income of council. In 1978, council agreed to set up a full-time secretary position. I started off in the office in that building with a 10-hour a week clerical assistant until early 1980 when we bought the building up in Woolley Street in Dickson. We moved into the top floor of that building with a number of unions. On the ground floor there was commercial lettable space. With the income from our revenue that had been invested, we were able to take on full-time clerical support. At one stage, we were getting funding for our occupational health and safety training unit from the ACT government and from the ACTU. We had a staff of 12 directly employed within the TLC, so it did grow in stature and grow in prominence in the community. The council was able to provide resources for the benefit of the affiliates, particularly the OHS training unit. When self-government came in the ACT, it was one of the council's endeavours to get OHS legislation through the ACT assembly. Actually, I think one of the first pieces of legislation that came in was the Occupational Health and Safety Act. That put council in the position of being able to earn revenue through training for OHS in both the public and the private sector.

I had 20 years with the TLC. I retired in 1994 at the age of 64. I thought it was about time that I moved out and let someone younger take over. But I thought that I had left the council in a fairly substantial position for the benefit of affiliates. In 1979, the ACTU and ACSPA amalgamated at the national level. We already had the ACSPA affiliates based in the ACT as affiliates of the TLC. But then in 1981, the Council of Australian Government Employee Organisations (CAGEO) affiliated with the ACTU and that brought in the ACOA and eventually the POA. A couple of years later the POA affiliated and then the engineers, the old APEA as they were known, or APESMA as it is now, they all affiliated. The only union that we didn't have affiliated towards the late 1980s was the Federated Clerks Union (FCU). This was prior to all of the major amalgamations in the ACTU.

The FCU was the only union that had any membership in the ACT that was not an affiliate of the TLC as such. And that was mainly because it was run by the NSW branch. I think at one stage the Australian Workers Union disaffiliated but then came back in some years later. Occasionally, there would be a squabble in council and a union may disaffiliate, but that usually didn't last very long because I think the council was of quite considerable benefit to the union movement overall in the ACT. Recognising that a lot of the unions have part-time officials and are not big enough to be able to support a full-time officer or support staff for that person, the council was able to become involved in a lot of issues to do with local legislative areas and local issues on behalf of its affiliates.

With the transfer to ACT government, I didn't have a lot to do with the setting up of the new ACT Public Service; that was Maureen Sheehan's responsibility. Most of my activity in my last term - we had four-year terms from 1990 onwards - was in the vocational education and training area. I spent a lot of time with the training reform agenda and representing council on the Vocational Training Authority and the Accreditation Agency. Our council was, I think, a forerunner in work experience, and not only for disabled people. In 1972 the council was involved in negotiating for award provision to ensure that disabled people getting work experience were not disadvantaged or exploited. That then flowed on to student work experience from ACT government schools and then eventually to non-government schools, such that more than 5,000 students a year were being put into one week's work experience during their school terms. So education and training became a major area of council involvement outside of the industrial arena.

With the union amalgamations, I was a delegate to the annual Congress of the ACTU. In 1985, we made our first move to get the equivalent of state recognition on the ACTU executive. That was when Cliff Dolan was ACTU president, after Hawke had left. We had a conflict on the floor of the congress at the Sydney Town Hall. Joan Corbett, who had seconded the motion - I had moved the motion and she had seconded it, or it might have been vice versa - challenged the ruling of Cliff Dolan. If the vote had have gone ahead on the Monday morning, just after the opening of Congress, because it was a rule change, there would have been no basic objections to it. The only concern that came up was that the Northern Territory wanted to do the same because they were a territory labour council the same as we were. In them pursuing their recognition, the matter got deferred for consideration at the executive meeting on the Wednesday night. The executive always met during the Congress.

The executive recommendation was for a report to be presented to the Congress. At that stage, they were not prepared to give recognition to the ACT, nor to the Northern Territory. When that hit the floor, naturally, Joan Corbett challenged the procedure on the basis that there was a deferred resolution on the floor that sought a rule change to delete state branches and include branches, including the ACT, and that could then be amended to include the Northern Territory. Cliff Dolan ruled that that was not the process.

We were renowned for that because some 12 months later, I happened to be in Alice Springs, and walking down the main street is Cliff Dolan and his spouse on a bus tour of the Northern Territory. The first thing Cliff said to me was, 'I will never forgive you for what the ACT did to me at that Congress.' I said, 'You won out eventually, Cliff.' That would probably have been one of the first times, particularly in the newer days of the ACTU, that a challenge had ever been made to a Chairman's ruling. So we didn't get recognition until the 1993 Congress when the ACTU finally agreed that the ACT should get recognition on the council.

On a council of about 70, the ACT received one, but there was an inner executive of around 25 that still maintained the power from the previous ACTU executive. As from 1989, I attended almost all ACTU executive meetings as an observer. And with Martin Ferguson as the chair, I was never refused an opportunity to speak. I was even invited on occasions to speak on issues that were relevant to the ACT. Martin always gave me the opportunity to put the point of view of the ACT Labour Council.

Mr Mines - What happened to the Northern Territory? Did they get on as well?

Mr McDonald - No, they didn't. But from 1989 on, as recognition for the Northern Territory, the ACTU made a contribution towards a full-time official for the Northern Territory. I think that was a very good move. The ACTU, in doing that, recognised that the Northern Territory, being such a large area with a small population, had to get some support if it was ever going to be able to represent, broadly, the interests of the workers in the Territory. There had already been self-government up there for 10 years and greater demands were being made on representation from the council onto various government boards and so forth. Even though it was a Country Liberal Party government, they still did recognise the voice of the union movement, not like the current coalition government in the national arena.

I joined the labour council in the Whitlam era. I went in with the joy and vivacity or what one might say was the euphoria of Gough Whitlam as the Prime Minister. But that changed on 11 November 1975. We had quite a large rally outside the old Parliament House in mid-October when supply was stopped. And we were out on the streets on 11 November when Kerr sacked the Whitlam government. Then Hawke called for peace and I think that was the only reason that the union movement never took up arms. They were very tense times. Then there were the seven years of Fraser, followed by 13 years of Hawke, of which I saw the first 12.

Up until ACT self-government, we had a lot of contact with individual federal ministers, which was very annoying to some of them I suppose, because we were like a pimple on a pumpkin as far as size was concerned. But the pressure that could be put on the federal government in the territory itself certainly created some problems for them. I remember at one stage having three ministers at a meeting in an endeavour to solve an industrial dispute that we had with the local AMA over extensions being put on to John James hospital. It was 1986, just after Medicare had been brought in. The private doctors, specialists, visiting medical officers, had withdrawn a lot of their services from the public hospital area and had put them out into their own surgeries and private medical centres. We put a ban on construction of additional capacity at John James hospital to try and force them back into the public hospital system. We had Neil Blewett, Ralph Willis and a third federal minister involved in that. Willis chaired the meeting and we had three AMA delegates and three TLC delegates. Eventually we came to an agreement with the AMA, which was not carried out anyway. But that was the type of embarrassment that we often caused the federal government at that time.

That went on until 1989 when we got self-government. We then had to put our negotiating skills into the ACT legislative assembly which brought it much closer to home. The council was given recognition by the Labor government at the time for representation on many of the community boards and so forth, the Vocational Training Authority, the Health Authority when it was functioning. So there was plenty of involvement by the labour council in the running of the ACT.

The other area of involvement was in human rights. Right from when I first went into the Labour Council in 1972 as a delegate, I think at that stage there were extensions going on at the South African embassy and council had put bans on any work being done on that embassy because of the apartheid policy that was followed in South Africa.

That eventually flowed on to Council involvement in a very long-term protest outside of the South African embassy. In 1984, I think it was, we had a picket outside that embassy for about six months, pursuing an anti-apartheid policy. That was an embarrassment to the foreign minister who at that time was Bill Hayden. We had a number of meetings with Hayden about pickets that we had on at the South African embassy, the Chilean embassy, the Indonesian embassy. You name it, we were prepared to confront it.

Then our support for the Aboriginal embassy manifested itself through the provision of a site shed, which had been suitably decorated and fitted out with telephone and power so that they could operate effectively from outside the old Parliament House. We endeavoured to do likewise outside the Indonesian embassy but the federal government at the time made sure that we could not put any permanent facility outside the entrance to the Indonesian embassy. So there was nearly always a site shed being shifted from protest to protest as a base from which to function when we were carrying out the protests. With the site sheds outside the South African embassy, we reached agreement with Bill Hayden that we could put them on blocks and get permanent power and water connected to them because we believed that it required a strong protest from Australia to the South African authorities to prevent any further apartheid policies.

I believe it was pressure exerted from the Labour Council in the early to mid-1980s that forced Australia into preventing Qantas from landing in South Africa. Hayden disagreed with applying any import and export bans. He claimed that it would result in large job losses for Australian workers if we were to apply import bans because South Africa would respond with the same thing and that could cost quite a few thousand jobs in Australia. The security outside the embassy gates, which was initially the Australian Federal Police, interfered with the setting up of the foundations for those site sheds that were there for so many years. They still remained on temporary concrete blocks right up to the time that the Australian National Museum removed them. So that was another aspect of the council - its involvement in respecting human and civil rights in other countries.

Bougainville was another area that attracted the council's attention. We gave support to representatives from the Bougainville Freedom Movement. East Timor was another area of concern and activity, as were the Philippines prior to the Marcos regime being thrown out. So it has been an ongoing involvement right through. Aboriginal rights was another one, right back from Noonkanbah through to the 1982-1983 demonstrations outside the old Parliament House when council assisted there. We also supported the coal miners the day they came down from Wollongong when the Hawke government hadn't long taken over and they broke in the front door of the old Parliament House. I always recall, having the dais set up and the public address system operating, and I'm standing there welcoming them while they came marching over from near the Foreign Affairs building, and all of a sudden the march just keeps going on and on, right up the steps of Parliament House and through the front door! There was always activity going on, either at the local or national level or, in many areas, the international level.

The only issues I have not commented on are the amalgamations and enterprise bargaining. I did not get onto participation in the IRC or the Federal Court. I didn't get involved in the Federal Court. Peter Crusty - crusty old Pete as I used to call him - had at one stage collected donations towards endeavoring to put some form of memorial or plaque on the wall at the TLC building in memory of Ray O'Shannassy. Unfortunately Ray lost the battle once he ended up being convicted and put in Goulburn gaol or somewhere. He started to fight the system rather than pursue the cause.

There is no doubt about it that the screws in any of the New South Wales correction system were not going to stand by and let Ray rule the roost in the prison.

He finished work in the ACT with the Department of Housing and Construction by the time he finished in 1979 or 1980. He had a heart attack and that's what put him off work. As I understand it, it must have been about 1992 or 1993 that he died in Long Bay gaol. Ray was active but he certainly wasn't appreciated by either the politicians or most of the officials because he would take his cause - and in most cases it was a pretty just cause - straight up to them. I remember a protest over in the admin building being threatened by the chief of the federal police that if we didn't get out of the building we would all be arrested. Ray would take them right to the edge, right to the precipice. He would go and occupy Ken Fry's office and Ken would lock the filing cabinet and say, 'I am going home for the night, Ray. I hope you have a good sleep' and leave him in the office in charge. Unfortunately, after being convicted, probably for non-payment of fines, and put into Goulburn, he lost the focus and started to fight the penal system. And you are just not going to win trying to fight the penal system from within, from being in it. So poor old Ray eventually died there.

Mr Mines - It was a bit symbolic in a way because he had spent quite a bit of his life in gaol in pursuit of various causes. He seemed to be in and out of gaol many times.

Mr McDonald - That is right. He was prepared to take those penalties though, but eventually the system got the better of him. He was honorary secretary of the council back in 1970 or 1971, only a couple of years before I took over as honorary secretary. He was a member of the Communist Party at one stage. I don't know whether he stayed a member all of the way through.

Mr Mines - I think he was. He was actually a person with a very fine mind. I ran into him in the street, this must have been not too long before he died, and we had quite an interesting conversation. I remember when he died I regretted that I had not had more conversations with him because he was very perceptive. We had a short conversation but there were some very perceptive remarks made in the course of it and I really regretted not having talked to him a bit more. I think he was a member of the Communist Party and it hadn't been dissolved at the time he died. It was still going.

Mr McDonald - In many ways he was a loner, a similar problem to that of David Eastman; in too vulnerable a position with not a lot of close network around him. David Eastman came and helped on some of our picket lines back in the early 1980s, I think it would be. Fraser was in then. He turned Havelock House over to the federal police and they were going to gut it and make it all offices. Council took up the issue of low cost accommodation and forced them out of it eventually. They had a 12-month occupancy but we ran a picket outside of Havelock House for nearly 3 months to force the police out or to get a commitment from the federal government that the police would move out into their own building and that Havelock would remain low cost accommodation, which it currently is. It is a group housing or group accommodation concept.

Mr Mines - There was a low cost accommodation committee in Canberra which I was a member of. We were in the Canberra Anti-Poverty League. Ken Brewer and Malcolm Mackerras were involved in that.

Mr McDonald - Brian I'Anson was in the Barton co-operative, wasn't he? They set up a housing co-operative.

Mr Mines - Yes, he was in something, if I remember. The Canberra Anti-Poverty committee did quite a bit of research in that area. I was quite active in that, as was Ray O'Shannassy.

Mr McDonald - He was virtually forced into taking a stance on social issues because Ray was so much a social activist. At work, he was always on the issue of the individual and the freedom of the individual and so forth. That is why managers couldn't handle him. They did not want him working for them because he stuck up for the rights of the individual and got the workers around him to do likewise. Ray was a very staunch supporter of the workers. It was a pity what eventually happened to him.

Mr Mines - I think when Rosemary Follett was Chief Minister she had a building named after him somewhere in Canberra. I remember there was something in the paper about the opening of some centre. So there is something named after him.

Mr McDonald - There could be. It is quite just that he be recognised in that way. Whether it be Ainslie Village or otherwise. I guess the issues that the labour council got involved in were very numerous. A lot of that low cost housing was at the instigation of Ray. There was also the issue of the breaking up of the Aboriginal embassy in 1972 outside old Parliament House. At that time the ACT police, or the Australian Federal Police, were affiliates of council. Because of the way in which the police force acted on that issue, Ray was the one that moved the motion in council demanding the disaffiliation of the AFP. I think it was about February 1972 that the police moved in and cleared the Aboriginals off from the front of the then Parliament House.

Other important areas in which council became involved included the building of new Parliament House. We reached agreement with Fraser, as the Prime Minister, that there would be reciprocal rights for building workers working on Parliament House who were coming from New South Wales and Victoria, particularly that they would be able to bring long service leave provisions from their employment in those states into the ACT and vice versa, that building workers going out of the ACT were able to take their credits for long service leave. That led to the setting up of the Long Service Leave Board in the ACT and investment of that long service leave money into building activity in the ACT. As well as that, some money went into training in the building industry.

I endeavoured to get the same for some other industries, particularly contract industries such as cleaning and security, but they are not as concentrated because they are very diverse. It is very difficult, particularly in security, to get people to take direct industrial action because they feel as though they are in direct confrontation with their employer and that is not what a security employee or firm is about. I thought the logical progression of what had been achieved in the building industry should go into other contract industries, particularly where once an employee had been employed by a contractor in, say, three periods of three-year contracts. It immediately then became far more costly for that employer to go for the next contract period because the employee became eligible for long service leave provisions and that immediately ups the cost. So you needed portability.

This happened at the Telecom Tower back in 1979. I think it was TNT that had the contract with Telecom for security at the tower. At the end of two years or three years, MSS - or one of the other major firms - won the contract. Now that firm did not intend to take on any of the 14 employees. They had their own work force.

So council said, in association with the Miscellaneous Workers Union, which at that time covered security workers, that they should continue their employment. Effectively, all that had happened was that Telecom had changed the employer; it was a transmission of business. Legally it wasn't a transmission of business but we claimed that it was effectively the same and that therefore all 14 employees should have been transferred with the contract.

This went on for about 10 weeks. We ran a picket line there and there were hearings in the arbitration commission that reached nowhere. At one stage, there was a hearing in the Supreme Court of the ACT in which the Miscellaneous Workers Union had been served with a claim for \$70,000 damages by the revolving restaurant up on top of the tower. We ended up in the Supreme Court of the ACT where I was a witness. Because I refused to hand over any records of council executive or council meetings, and refused to answer any questions from Mr Gallon, the barrister representing the restaurant, I was warned that I could be up for contempt of court. They stood me down as a witness and said, 'Let's adjourn for 5 minutes while we sort this out.' So I went outside and I said to the sheriff outside, 'I could do with a week's holiday in Goulburn.' He said, 'The last person who went in for contempt of court got 18 months!'

Mr Mines - I know, some of them got lengthy stretches of time. Is there is someone still in gaol down in Victoria over a contempt of court thing? It has been two years or something like that.

Mr McDonald - I wouldn't be surprised.

Mr Mines - It is until they purge their contempt, which could be quite some time!

Mr McDonald - Yes, in some cases it could be. I could have fallen through the floor when he told me that it was so severe. Anyway, 15 minutes later we were called in and advised that the Miscellaneous Workers Union and the employers were prepared to get together to sort out the security contract. Finally we got the MSS I believe it was, to take on 13 out of the 14 employees. One did have a past record and we accepted that MSS didn't have to take him on. It was an oversight by the previous employer that he even got employment in the security industry. So 13 out of the 14 got employment, as I understand it. The Supreme Court case was dropped and the Miscellaneous Workers Union didn't have to pay up any damages for the restaurant, nor did the TLC have to provide its records.

I got fined as a result of the Royal Commission into the BLF because I refused to table council records of some of the decisions that council had taken in respect of some of the activities of the BLF. That meant a fine of \$500 or 21 days in gaol or something like that and 14 days to pay. On the final day someone paid up because they didn't want to have a major conflict in the union movement in the ACT. Apparently if I had gone in, there was a threat of what had happened with Clarrie O'Shea back in 1969. Clarrie was at that time secretary of the Tramways Union in Victoria and he was put into Pentridge. The whole of the city virtually stopped because it was one of the first imprisonments of any full-time union official. So they were the main scraps that I'd had. I had many a confrontation with police at demonstrations when we were protesting. But it was a fairly inspiring time on the TLC.

Mr Mines - Did you want to say anything about either amalgamations or enterprise bargaining?

Mr McDonald - Yes, with the amalgamations, I was in the ACTU executive for nearly all of the discussion on amalgamations. Although initially, we were concerned about the way in which the amalgamations were being pushed, I remember at the 1989 Congress in Sydney we had a special

meeting with Laurie Carmichael about forcing all the education unions into the one union. We said, 'It's just not possible; you've got 14 different unions at the Australian National University.' The non-academic staff, particularly the more militant unions at that time, were not prepared to accept the academic type unions as representing them. Although I must say that the National Tertiary Education Union (NTEU) has become quite militant over the past few years with the advent of the coalition government. But Carmichael said, 'It is the only way you will get a common voice and common action in the education arena.' And he wasn't prepared to move.

So eventually the national levels of the unions, which initially had given lip-service to a lot of what the ACTU was pushing, suddenly realised that they were going to be forced into doing something in the education arena. The NTEU ended up taking over practically every non-academic staff member. In the ACT, there was a very solid defection from the old Health and Research Employees Association (HREA) which had amalgamated with the Hospital Employees Federation (HEF). They became HEF No 2 branch here in the ACT which I think was the education branch. That created a bit of instability in the HEF but no doubt the NTEU reaped the benefit of having a common representation of both academic and non-academic staff. We took that up with Carmichael. I didn't participate in the debates in the ACTU because I felt that the council itself had to leave it to the affiliates. They had to sort out which way they wanted to go. It wasn't up to the Labour Council to say, 'You should be amalgamating or you should not be amalgamating.' But if the decision was taken at the national level, the Labour Council should recognise that decision and be saying to its local affiliates that if the national level has made the decision they should proceed with it.

In many ways, amalgamations were essential. The resources necessary could not be provided from small numbered unions without considerable increase in union dues. Where I believe the problems started was that there was so much political involvement at national level in placating the officials, particularly the full-time officers of the organisations that were amalgamating. Because of that, the goal and the major issue of looking after the members was ignored for too long. The resources, the efforts, the endeavours were all put on to achieving the amalgamation and we lost the goal of what we were doing for the membership. That probably did not show up so readily while we had a supposedly reasonable Labor government. But even then I think, while Hawke and Keating were in power, the worker was actually coming off second best.

We criticised the Accord in the Labour Council back in 1983, and we continued that criticism almost every 'Mark' that the Accord went through, right up to about Accord Mark 7. It was supposed to be prices and income, but it always ended up on income and not on prices. The system that they put up for prices surveillance was gutless, with the result that it was the workers again who missed out. They paid for the additional social benefits that they may have got in health and education, and even those could be taken away very easily, and are being taken away now by the conservative government.

Mr Mines - It was basically a low wage policy, which I think is always a mistake for an economy.

Mr McDonald – You're right. It might have got inflation down but who got the benefit of it? The current government has got the benefit of all of the economic restructure that Keating did. Howard and Costello are now reaping the benefit of that and not the Labor administration. I was very disenchanted with Hawke when he first came in as Prime Minister.

I had been active in the ALP for about a decade. I ended up as President of the branch here at one stage. But I didn't renew my membership in 1984 because of concerns with the way in which Hawke was handling the issue. I suppose it was the wrong move to make in that, if anything, I should have been in the party protesting and pushing to get policy changes rather than sit on the outside and criticise. But I had not renewed my party membership from 1984. We ended up, even in the 1980s, trying to push changes in government policy and some of that was through industrial action within Canberra or protests at Parliament House. But the economic rationalists were running the day and basically they continue to run it and will continue to run it.

Mr Mines - Do you think they will stay on top? There is a lot of questioning there.

Mr McDonald - I don't think they can for much longer because the average person is hurting so much. And it is not because of the way we have got to hurt before we can compete with the Asian countries or others. There is no need for that. There should be far greater opportunity and benefit in Australia rather than the massive profits that are being ripped off by major multinationals at the moment. I remember back in the late 1970s and 1980s in Fraser's day, of protesting about the expansion of the multinationals. Well, what is global economics but the same thing? A lot of those big multinationals are totally immune to the Australian economy and the economies or the governments of many other countries.

Mr Mines - That is a real issue because they can minimise taxation.

Mr McDonald - That's right. And they can manipulate the government, take out profits, whatever they like. Even within the country, the taxation system does not function evenly. When you get Packer and his ilk paying about five cents in the dollar tax on their personal income, it shows the injustice in the system. No, there has got to be a change of attitude and we won't get it under the current Howard government. They are not one bit interested in the unemployed. All they're interested in doing is trying to stay in office and satisfy their electorate. And their electorate is not the battler.

Mr Mines - There should be some lessons for Australia in what's happening in the South-East Asian countries at the moment - the financial disasters and even the massive forest fires which are simply an outcome of unbridled exploitation.

Mr McDonald - Yes, the greed in Indonesia and Malaysia. But they are going to have a considerable impact on our economy over the next couple of years.

Mr Mines - Because of our exports, yes.

Mr McDonald - Yes, let alone our own problems of trying to improve the employment situation. But even there, the workers are paying for the employment structure that we've got now by the amount of casual and part-time work that has come in.

I remember in the 1970s, you could look at the national figures of employment in industry and you would see in retail, tourism and hospitality for instance that 75 per cent of the employment would be permanent positions. Within 10 to 15 years, that has virtually turned around the other way, so that 75 per cent of employment in those industries, and predominantly it is employment for women, has ended up in casual and part-time employment situations. In some areas the unions themselves are to blame for the way in which they allowed that transition to take place. They would not look at a commitment to part-time and permanent part-time employment in some industries.

No, they wanted the casual operation because it meant a casual loading in lieu of all the holidays, sick leave and long service leave. Now that, I believe, is wrong. The security of employment is the fundamental one, whereas casual employment is seasonal and quite often people can be put on and off at short notice. You get big companies like Woolworths and Coles who rely a lot on casual employment for young people, often students or kids who are not long out of school. The 18-year-old lottery still applies in a lot of those organisations. But they will employ those casual workers at different times, and not at regular times, purely to stop them from getting casual employment anywhere else. So they do not know what employment pattern they will have. And that was going in 1994 when I left the council and it was even of concern to the employers' organisation in the ACT.

Mr Mines - Who was doing that?

Mr McDonald - Woolworths and Coles were rostering their casual employees higgledy-piggledy. They would work them maybe 2 or 3 days this week and then 2 or 3 different days the next week, just to make sure that they couldn't go and get part-time or casual employment elsewhere. A lot of them did want that casual employment to continue, so they just had to be at the beck and call of the employer. The security of employment is just not there any more. As you are aware, even in the public service with the change of government, the security of employment is pretty meaningless. I think there will certainly be a change and I only hope that the Labor government can put in policies that are not as economic rationalist as Keating's. I think Keating's stature as a leader was strong and good but he had the wrong policies. No doubt a lot of that came from the influence of Treasury.

I always go back to Murphy's visit to ASIO. I reckon when you come into government, you have got to know what's been going on in the public service, and that was one way of Murphy knowing what dossiers they had, not only on him, but probably on a heap of others, and what they were doing. I don't think ASIO got the message that there had been a change of government. I think what Murphy did was necessary to get that message through, be it against tradition or protocol or whatever. So yes, it's been an interesting 20 years in the ACT. Self-government was another issue that council endorsed and supported. We had a couple of affiliates that weren't happy with it. The original HEF was one of those that didn't agree with our endorsement of self-government.

Mr Mines - I think some people saw self-government as threatening jobs in the local public services and they were probably right in a way. I suppose that is still working itself through.

Mr McDonald – Yes, it is still working itself through.

Mr Mines - Other people were worried that if there is self-government, you get local taxes and other costs.

Mr McDonald - Yes, financial costs and the revenue required. And that is right because the ACT has to raise considerable revenue, not as much as what was being paid by the Commonwealth and I suppose that was okay if the Commonwealth would continue to pay. But there was no way that the Commonwealth was going to continue to - I wouldn't say feather-bed, but Canberra as the national capital should, I believe, be an excellent image for the national capital – but the Commonwealth was not going to continue to feed that. When one looks at the appropriations from the Commonwealth, the ACT started off in 1989 with a bit over 60 per cent of its total revenue coming from Commonwealth funding. It is now somewhere near 40 per cent.

But I think the Northern Territory is the one that gets a considerable amount of Commonwealth support still. It gets close to 80 per cent of its total revenue from Commonwealth appropriation. Health, education and every avenue of public service in the ACT has been attacked by either the current ACT government or the federal government in withdrawing funds. There is not much of a tax base that the ACT government can get revenue from. It can only come from registration, conveyancing (stamp duty) and so forth. I think the ACT is having a review of their current operations but I think it will continue as it is. Eventually, they will get some stable government in the ACT rather than being manipulated by a small number of cross-bench members.

Mr Mines - So this next election will be quite significant?

Mr McDonald - Actually, I think it will. It will give an indication to the federal arena that they're anathema in Canberra, if Howard doesn't already know that - not only the insult of not wanting to live here but the way he has attacked the public service. Even though a private company pulled out of Newcastle, his government was prepared to put in considerable millions of dollars for other projects. But he hasn't done anything like that for the ACT where his own government has been the cause of the economic problems created.

Mr Mines - That has always amazed me. My understanding, and I work in DEETYA, is that the ACT would be entitled to structural adjustment assistance - that is, when you have a region which has been affected by the downsizing of an industry. I think that is happening in other parts of Australia but there has been nothing like that in the ACT.

Mr McDonald - That would be a compromise from the government to have to recognise that it has caused the cutback to the public sector in the ACT to the extent that it has. Some thousands of jobs have been lost.

Mr Mines - And more to come. With the abolition of DAS for instance, there will be more jobs going there. I think at least 250 are going as a result of the merger with Finance.

Mr McDonald - That is just an angry reaction from Howard over the ministerial rorts problem. No, I think his leadership is well and truly under question. And the way in which the government operates is also under question. He has suffered some severe blows. But Labor has got to pick itself up and get the policies operating. People will vote a government out, that is obvious. But they are not going to vote Labor in with a majority unless it has got respectable policies that do protect the battler, not like the promises that Howard made of supporting the battler and then deserting them. Yes, as the old Chinese proverb says, 'There are interesting times ahead.'

Mr Mines - I think we will finish here as we have covered most of the points.

Mr McDonald - The issue on the declining rate of union membership is more for union officials to talk about than me. I personally supported the need for rationalisation of the unions. We had at one stage something of the order of 300 registered unions and the ACTU have effectively brought it back to 20 super unions. There are a few of the smaller ones still continuing. The unions themselves have got to put more effort into satisfying the demands of the membership. The membership is just not an eight-hour day. It is a 24-hour day, effectively. They have got to provide other support besides industrial support.

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I think some of the bigger ones have already done that. There are credit unions, legal support and the purchasing service. That is another area that the council opened up on in about 1991, I think, we set up a union purchasing service. That was touch and go, it didn't really pay for itself but it was a service that the affiliates really needed and, ultimately, the ACTU has come up with the same idea. I guess we just pre-empted it a bit. Queensland was the first one to set up a union purchasing service. For those who used it, it was certainly worth it, especially with the discounts that you could get through it. I do not know what the current ones are like.

I am a life member of what is now the AMWU - that is, the Australian Manufacturing Workers Union. I always remember the AMWU as the Amalgamated Metal Workers Union from many years ago. The old AAESDA became ADSTE, became MEWU or a division of MEWU, and is now amalgamated into the AMWU. The ASU - the Australian Services Union - is another union I joined when I was a project officer. After leaving the council I was offered a position with Property Services Industry Training Advisory Body for 12 months selling competencies for contract cleaners to other industries. So I joined the ASU and I still am a member even though I haven't been employed for the last 12 months. So I am a member of two unions at the moment. But I have not seen any information on how the ACTU was setting up their union purchasing service.

OK, thank you very much.

