

OPEN FOUNDATION COURSE

AUSTRALIAN HISTORY

LECTURER: MARGARET HENRY

TERM 3: RESEARCH ASSIGNMENT

TOPIC: JOHN LYSAGHT (AUSTRALIA) LIMITED

PRESENTED ON: 6TH SEPTEMBER, 1989

1000 WORDS

ANN WALKER

When the English firm of John Lysaght decided to make corrugated iron in Australia in 1919, they chose a 28 acre site on the corner of Bull and Crebert Streets in Mayfield for their new factory, as it was close to the Steel Works, the harbour and the coalfields. Much of the original equipment was made in Newcastle, but the large mill motor and flywheel, which was the largest in the Southern Hemisphere, was shipped from England.

The production of galvanised sheets in Australia required the conversion of mild steel from bar section to black sheets and conversion of black sheets to coated galvanised sheets. As this work could only be done by experienced men, none of whom could then have been found in Australia, it was necessary for men to be transferred from the English works. With their wives and families, the total reached about 220.¹ The Company settled these English families in houses built or procured in Mayfield, most of the 70 properties being in Bull, Vine, Avon, Usk and Kerr Streets. These pioneer families were well liked and made an important contribution to the development of Mayfield.

On April 4th, 1921, the first sheets were rolled from steel provided by the B.H.P. and by the end of the year four mills and three of the four galvanising pots were in production.² These mills changed little over the years, and more or less the same procedure was used throughout their manufacturing history.

In addition to corrugated galvanised iron and un-coated sheets, specialised sheets were developed and the Newcastle works was identified with partly finishing tools such as machetes, knives, cutters and blades, shovel blanks and washers.

During the war years Lysaghts played a vital role. Steel sheets were absolutely essential to a country at war, since there is scarcely a phase of war activity in which they do not play an important role. Forty-one thousand tons of steel sheets were exported to England in 1939 for air-raid shelters. Bullet-proof plate for armoured vehicles, portable aircraft hangers, pontoons made of light steel sections to form rafts, wharves, bridges even floating docks were all produced in Newcastle and exported overseas.³

Probably Lysaghts Newcastle would best be remembered for the development and manufacture of the Owen machinegun. Owen, the son of a Wollongong solicitor, had invented the gun in 1939 but had been unable to generate any interest in his invention. Disheartened by the lack of response he left the gun in a sugar bag on the verandah of the Port Kembla Works Manager, a Mr. Wardell.

1. John Lysaght (Aust.) Pty. Ltd., Lysaght's Silver Jubilee, Sydney, 1946, pp27-28.
2. Ibid.
3. Ibid pp78-95.

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Mr. Wardell could see the possibilities of a sub-machine gun that could be made more easily and cheaply than a standard rifle, and in collaboration with Owen, took steps to get the gun recognised. The Owen gun, when tested, could out-perform both the Sten gun and the Thompson gun. The Newcastle works commenced production of the gun parts and 800 guns per week were manufactured. In all 45,000 guns were supplied with over half a million magazines.⁴

The character of the company changed over the years from the basic role of a producer of raw materials to a manufacturer and processor of hundreds of end products. For nearly 50 years Lysaghts Newcastle turned out galvanised sheets, but the Port Kembla works in 1967 took over this procedure to allow the Newcastle division to diversify into the engineering, rural and building products manufacture.

The Newcastle works became the fabricated products division, manufacturing prefabricated steel buildings for use as offices, work-rooms etc., grain silos, water tanks, sheep feeders, grid-mesh, structural flooring for high-rise building and office partitions.

In 1968 there were 1600 employees at John Lysaght (Australia) Limited. This did not include those employed at Joseph Sankey & Sons (Aust.) Pty. Ltd., a division of Lysaghts, housed within the Newcastle works.⁵ Sankeys were Australia's largest manufacturer of electrical laminations for the transformer and electric motor manufacturing industries. The 28 acre site was increased to 40 acres and manufacture began in earnest on Exterior Marvplate, Kliplock, Spandek, V-crimp, Custom Orb and Custom Shield.

On 21st April, 1972 came the shock announcement that Lysaghts was closing its building and engineering sections. Production would cease by the end of December and 600 men would be dismissed. According to management, the rural markets on which there was heavy dependence, had declined and profitability had dropped. The Company had decentralised operations into each State the previous year and the central activities in Newcastle were absorbed gradually by the Port Kembla and Western Port works. About 600 of the 1080 employees were progressively given their notice. The Sankey Division, which was self-contained, was un-affected by the closure.⁶

4. Ibid.

5. Financial Review, 1968 to date 23rd February.

6. Newcastle Morning Herald and Miner's Advocate, 1972, to date 22nd April.

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However, the closure created great difficulty for the employees as most of them had been with the company for more than 30 years and were at an age that made it difficult to gain employment elsewhere. A great majority of men were in their 50's with families to support, mortgages to pay, and not much chance of employment in another industry.

Substantial redundancy pay was demanded by the Federated Ironworkers Union, however the case eventually went before the Full Bench of the Commonwealth Arbitration Commission before an agreed figure could be decided.⁷

In the years prior to the shut-down decision Lysaghts had been making cutbacks in all of its divisions and transferred the manufacturing of its products progressively to its Port Kembla works. The men were put off progressively, the plant silenced, the machinery sold at auction, a 33 per cent profit increase announced, the site was sold to B.H.P. and the last batch of 13 men passed through the gate at lunch time on May 25th, 1973.⁸

On Thursday May 26th Lysaghts were no longer a part of the industrial scene in Newcastle, and their account with this city was closed.

7. Ibid, 1973, to date 4th June.

8. Ibid.

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ORAL HISTORY ASSIGNMENT

TRANSCRIPT OF TAPED INTERVIEW
WITH CLARRIE WITHERS (EX-EMPLOYEE
OF JOHN LYSAGHT (AUSTRALIA)LIMITED.)

INTERVIEWER: ANN WALKER

PRESENTED: 6TH SEPTEMBER, 1989

SUMMARY OF TAPED INTERVIEW BETWEEN
CLARRIE WITHERS (EX-EMPLOYEE OF
JOHN LYSAGHT (AUSTRALIA) LIMITED

Clarrie Withers was an employee of John Lysaght (Australia) Limited for a period of 36 years from 1937 to 1973.

Clarrie started as an apprentice bricklayer at the age of 15 and describes his day-to-day employment at Lysaghts.

Mr. Withers was mainly involved in the maintenance of the huge coal-fired furnaces, the interior of which had to be regularly re-bricked. This was an extremely hazardous operation as the ovens were only completely cooled when a complete overhaul was necessary. General maintenance was carried out when the ovens were cool enough to allow three to four bricks to be laid at a time, before the bricklayer scrambled out of the hot furnace.

Mr. Withers related a couple of funny incidents that occurred at the plant. He then went on to describe the complete disbelief of the men when informed of the imminent closure of the Newcastle works.

As the majority of the employees were in their fifties, they knew they had little chance of securing positions elsewhere. These men had been involved in the production and rolling of steel all their lives and were not skilled in other occupations.

Lysaghts was the first industry in Newcastle to retrench men in such large numbers and the legal battles for redundancy pay were long and bitter.

Interview by Ann Walker of Clarrie Withers, a former employee of Lysaghts (Australia) Ltd. Newcastle division, for 36 years.

Ann Walker: My name is Ann Walker. I am recording an interview with my father, Clarrie Withers, at his home in Newcastle. Dad was an employee of Lysaghts (Australia) Ltd. for approximately 36 years.

AW: Dad, when you started at Lysaght's what was your first job?

Clarrie Withers : I started at the age of 15 as a bricklayer's apprentice. One of my first jobs was to make the tea billies for 100 men who were in the department, who gave me 6 pence a week. I threaded them onto a long stick and carried them over to a steam boiler in the mill and filled them with hot water and brought them back for their dinner.

AW: And after you did that Dad, when did you actually start working as an apprentice? And what did you do?

CW: Well, I was working as an apprentice, but I used to knock off half an hour before dinner to make the billies. We used to work on the furnaces, repairing them, and at the weekend we would come in and open the furnaces up to cool them down a little and we would get in and work in them and have them ready for Monday.

AW: I can remember you used to say they were very hot, these furnaces.

CW: Well, they were coal-fired furnaces, and all around the furnaces they would be dragging these hot bars, and the floor plates were steel, and they got very hot and the men couldn't wear ordinary boots, you had to wear boots with an inch of wood on them. Clogs they called them. That's why you didn't see any cats, or mice or rats running around the building.

AW: I can imagine. Dad I can remember a story you used to tell me about one of the furnace foremen there. What was that again?

CW: Oh, well, these furnaces were very hot, and you would slide a plank in through a little 18 inch square hole and put a couple of corn bags on that and get in and lay about three bricks and come flying out. And there was a big, fat, fellow, Poddy we called him, and he always used to have trouble getting in the doors, and the foreman chap would come around and say "C'mon Poddy, get in there, it's not hot". When the war first started they started building these big aircraft hangers, a big half-circle thing that they would put planes and that in. And this foreman was in there reading the guages and stacking the weights on top and it collapsed and came down and killed him. And at the funeral, we were all at the funeral, and they were cremating him, and this Poddy was a couple of seats behind me, and as the coffin started to move through the curtains you could hear this Poddy's voice "Get in there Frank, it's not hot!".

AW: The conditions working in the factory then certainly wouldn't have been very pleasant, Dad?

CW No. They were coal-fired furnaces, you can imagine the smoke that was around, and the heat, the heat of the floors and there were 16 mills rolling, and you had to shout to one another so you could be heard.

AW: I can remember Dad, you told us about a safe-blowing incident. Can you recall that?

CW: Yes. The old pay office was only an old tin shed with a big flash glass window where you spoke through and they poked your pay out of the bottom to you. And they built a new one and I was down there drilling the holes in the safe as they wanted to save the doors. So we drilled about half a dozen holes and when this Bill got the jelly out it had gone soft and he said "Oh, it won't be much good" and they said "You'll have to put a bit more in". He didn't know it makes it twice as strong when it goes soft. Anyhow he said he would put all these sandbags in front of this big window to save that, and he got everything ready and he said "We'll have to have a good look around the area to make sure there was none around". There was only an iron wall between the pay office and the tarp shed, and unknown to us one of the sweepers had got behind the door and was having a smoke and we couldn't see him, and we looked around and I said "Are you ready Bill" "Yeah, we'll let her go". Anyhow, it blew up and the first thing, all the sand bags and glass came flying through the window and the glass was in a thousand pieces and when all the smoke and the dust that had accumulated on the beam fell down and we could see this body streaking through all this smoke. It was the chap hiding behind the door. He took off.

Another time we were doing some blowing, and we were blowing some concrete in the pot shop, so we told this chap Wally to stand at the doorway and don't let anybody come up through there as we are going to do this blowing. We did the blowing during the dinner hour when there wouldn't be many people around. So we finished the blowing and when it came four o'clock we were in the showers and I said to Bill "There's not many of the afternoon shift in here"....then we woke up... "Did you tell Walter we had finished" and he said "No, I never told him", so we flew out and here he had all the afternoon shift lined up fours hours after. We said "Righto Walter, you can go and have your dinner now". This was four o'clock in the afternoon.

AW: How did you find out Lysaghts were closing down, how was the announcement made?

- CW: Well, all the foremen were called to a dinner in town, and they were told, and they were told to come back and call the men together and tell them what happened, and what was going to happen. So they called us all together and each foreman told his department they were closing down. And people just didn't really believe it was closing down. And they put them off in bunches of about 50 at a time and they had just started a pension scheme a few years before that and there wasn't much money paid out to the men, and they took them to court and got the first lot of redundancy, which wasn't a great lot, but I think they get more now when they finish.
- AW: The men that were going to be retrenched, they were fairly old weren't they, they weren't young men, how did they fair?
- CW: Well, most of the men were in their fifties, and the only work they knew was rolling steel, and that was finished. The Commonwealth Steel took a few, they used to roll stainless steel over there, but a lot of them mostly had to retire early. A few of them got other jobs.
- AW: You were very lucky Dad, you had something else to fall back on didn't you?
- CW: Yes, I still had my trade, and I went tiling it must have been for about eight years, and then I retired.
- AW: And what about the money they got when they finished up. I remember you said something about if they stayed a bit longer they got more money?
- CW: Yes, they still had other work to be done with cleaning the place up and pulling the furnaces down, and they were leaving too quick for them and they said if you stop till you're retrenched you'll get \$250.00.
- AW: Now we've all heard a lot about the golden handshake Dad, and we know it's worth quite a bit of money these years, in relation to the number of years you've worked at a place as to how much you get when you finish. Was there such a thing as a golden handshake in your time.
- CW: Well, two years before they closed down they started a pension scheme where you could pay money in, but it hadn't been going very long so I never got much out of that. I think I might have got about 8000 for all my services.

AW: And that was \$8000.00 for 36 years of working at Lysaghts.

CW: Yes.

AW: That's not very much when you think of what they're getting now Dad, is it?

CW: Oh no! We had to take them to court to get that.

AW: Yes.

CW: It was the first of the redundancy paid out.

AW: Yes, Lysaghts was the first industry to dismiss men in such large numbers.
Well, thank you Dad, that was very interesting.

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Signed C Withers

Date 2-9-89

Interviewer A. Dulle