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FRAGMENTATION OF THE WORKING CLASS

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Neither changes in productive processes throughout this century of capitalism and monopoly capitalism, nor the changes in the occupational and industrial structure of the working population have been subjected to any comprehensive Marxist analysis since Marx's death. . . . There is simply no continuing body of work in the Marxist tradition dealing with the capitalist mode of production in the manner in which Marx treated it in the first volume of Capital.

Harry Braverman,
Labor and Monopoly Capital:
The Degradation of Work in the Twentieth Century
(New York and London:

1. Introduction

Study and analysis of the 'labour process'—the relationship to the means of production—is central to the development of a class analysis of contemporary, and past, Australian capitalism. Such a study looks at the exchange of labour-power for wages in the labour market; and at the actual employment of labour in the production process. This requires attention to be given to the historical developments of the enterprise on the one hand, the nature and composition of the working class on the other, and their combination, seen in the social relations of production within the enterprise itself. In other words, a class analysis of Australian capitalism starts from an investigation of the forces of production (the level of technology and the organisation of the labour process) and the relations of production (the social relations that govern the production and reproduction of the capitalist mode of production [C.M. P.J]). As Dos Santos notes, 'social classes are the fundamental expression of the antagonistic relations of the mode of production'.

There has been a tendency within Australian capitalism, consistent with Marx's prediction, that, as capitalism develops, it becomes more and more divided into two great classes, bourgeoisie and proletariat. And yet this progressive simplification of the class structure of Australian capitalism is accompanied by a simultaneous and contradictory movement towards complexity and differentiation within the ranks of the two major classes. This is seen, among the bourgeoisie, in differentiation into national and international sectors, small and large capital; financial, industrial and commercial capital, etc. Within the working class, there is a horizontal differentiation into different economic sectors and a vertical differentiation between various levels of the occupational hierarchy. These two differentiation processes combine and intersect with sex, race, ethnic and other characteristics of the working class to produce 'fractions' or 'segments' within the proletariat.

This essay is a first attempt to come to grips with some aspects of the class structure of Australian capitalism. The framework sees the objective requirements of the C.M.P as the production and reproduction of labour-power (and hence capital accumulation) and of the social relations of production (class relations). It concentrates primarily on the vertical differentiation within the working class, and focuses on the aspects of the labour process that give rise to the emergence of 'segments' or 'fractions' within the Australian working class. This necessitates a study of the Australian labour market within the above methodological framework. As argued above, this task has been grossly overlooked by Marxists in Australia.

This is not to say that the study of various characteristics of the Australian labour market has not received any attention. Indeed, Marxist and bourgeois scholars alike have looked at wage determination, general characteristics of the labour-force such as industrial and occupational distribution, unemployment, workforce participation and the like. The emergence of the women's movement in the late 'sixties in Australia and elsewhere, coincident with the significant increase of females in the Australian labour market, has given birth to a number of studies that focus on the nature and characteristics of the female workforce. As well, there has been belated recognition and study of the impact of Australia's three million post-war migrants and their children on the labour market.

However, by and large, these have been disparate and sporadic empirical studies. No one has attempted to pull all these together in an overall study of the Australian labour market. Where there have been attempts to interpret some of this labour market information, it has been within a bourgeois theoretical framework that, implicitly or explicitly, treats the Australian labour market as more or less approximating to a homogeneous whole.

This essay argues that the dynamics of the Australian C.M.P lead to the generation of distinct segments within the labour market and within the proletariat. Each of these segments in the labour market corresponds
to significantly different conditions concerning the exchange of labour-power and the employment of labour in the production process. The differences between segments in the labour market are manifested by differences in terms of: the industrial and occupational distribution of labour, representing the sections of capital to which this labour is distributed; the returns to the sale of labour-power (wages); the position within the internal job hierarchy within the enterprise itself; the nature of the job itself (i.e. skilled/unskilled, clean/dirty, interesting/boring, etc.); and the state of working conditions and the intensity of exploitation of labour.

These differences at the economic level are mirrored at the political and ideological level. This is of crucial importance at both the level of Marxist political and economic theory, and at the level of political practice which these theories inform. All too often the working-class has been seen as a homogenous whole, leading to grave oversights in theory and practice. It is precisely the nature and extent of the differences within the Australian working class, rooted in the segments of the labour market—and the underlying segmentation processes—that generate these differences—that is crucial to an understanding of the dynamics of the Australian class structure. Moreover, only by centering on these 'fractions' or 'segments' within the working class can we fully understand the nature of capital accumulation, class struggle, and the social relations of production within the Australian C.M.P. itself. Notions of a homogenous labour market ignore these segmentation processes and therefore obscure any realistic understanding of the dynamics of the Australian labour market.

The aim of this essay is to develop a Marxist theoretical framework in which to locate the study of the Australian labour market. Such a theory is to be found in the theory of labour market segmentation. Section 2 outlines alternative theoretical approaches to the study of the labour market. Specifically, the central aspects of orthodox labour market theory and dual labour market theory will be outlined and criticised from a Marxist perspective. In Section 3 this theory of labour market segmentation is developed and elaborated as the only adequate explanation of the generation and impact of labour market segmentation within the capitalist mode of production.

Section 4 assesses the post-WWII experience in the light of this theory of labour market segmentation. On the basis of the fairly scant and fragmentary evidence available to date, it attempts to empirically establish the broad labour-market segments that exist within the Australian labour market. This section elaborates as fully as possible the characteristics of each of these labour market segments, and attempts to identify and explain the processes that generate segmentation in the Australian C.M.P. Finally, an attempt is made to assess the significance and impact of this on capital accumulation and class-struggle in the post-war period.

2. Theories of The Labour Market: Orthodox, Dual-Labour Market and Marxist Perspectives

There are three contending theories that purport to provide a theory of the labour market relevant for our consideration of labour-market segmentation. They are most commonly known as orthodox labour market theory, dual-labour market theory and radical labour market theory. As they now stand, these theories have developed in the U.S.A. in the 1960s. In particular, these attempts to provide an explanation for the persistent labour market discontinuities that were highlighted by the phenomenon of U.S. urban poverty and underemployment, particularly in the black ghettos.

(a) Orthodox Labour Market Theory

Before then, orthodox theory held supreme; it was based on the premise that individual differences amongst workers would decline over time, leading to an approximate homogenous labour market, where the only differences were in the marginal productivity of workers. Income and employment differences were explained in terms of different marginal productivities of workers. However, empirical research noted that there was a tendency for labour market differences, in terms of employment characteristics and incomes, between certain 'groups' to persist over time. Particularly noticeable was the seemingly different labour market conditions for blacks and women. Separate but related developments within orthodox economic theory attempted to reconcile it with the strong empirical affirmation of labour market 'discontinuities'. These developments were, on the one hand, 'human capital theory', and on the other the 'orthodox theory of racial discrimination'.

Human capital theory, pioneered by Becker [1964], [1967], provided a hitherto absent unified theory of the distribution of income. Although human capital theory arose from a concern with different problems, it provided the basis for explaining the differences in incomes noted for the various 'groups' in the labour market. According to this reformulation of orthodox theory, a worker's wage can be viewed as a return on the amount of money invested in his or her training. As the theory puts it, wages are a return to investment 'in human capital'. This analysis emphasizes that education investments are analytically comparable to a firm's investment in on-the-job training, each representing a capital investment designed to increase a worker's productivity. The return to individuals, then, corresponds to the stock of human capital embodied in the individual. The differences in individual capacities are seen as the result of unequal distribution of native ability, formal education, vocational education, and on-the-job training and experience. These general and specific skills affect worker productivity and hence the return to labour. If some workers have low productivities, the human capital theory assumes that either they or society thinks that returns to investments in their productivities would be too low to warrant expenditure.
As a consequence of the small amount of human capital embodied in these workers, they receive low incomes. Human capital theory, then, is an attempt to explain the distribution of income in terms of the distribution of skills. In many ways it is an improvement on the former crude 'marginal productivity' theory of income distribution, for it rejects the simplistic assumption of a homogeneous labour market and centres attention on the differentiation within the labour force. Moreover, it introduces social institutions (e.g., the educational system) into orthodox economic analysis rather than holding institutions to be exogenous and fixed.

Human capital theory attempts to provide a compatibility between empirical observations of discontinuities in the labour market (and resulting discontinuities in the distribution of income) and the whole corpus of bourgeois neoclassical theory, based as it is on the rational profit maximisation decisions of individual economic units in the economy. Hence the empirical documentation of differences in the wages of white and black workers, for example, is to be explained in terms of the low productivities of black workers arising out of their low stock of human capital. As Thorow succinctly puts it:

Human capital (the skills and knowledge of the individual) is one of the key determinants of the distribution of income. Individuals with little education, training and skills have low marginal productivities and earn low incomes. With very little human capital, they earn poverty incomes. Blacks who have less capital than whites earn less. (Thorow [1971:83])

While human capital theory is an attempt to explain differential income distribution in terms of different skill levels of individuals, 'discrimination theory' attempts to explain why two people with the same skills or 'human capital' get different wages. The orthodox theory of discrimination was also pioneered by Becker [1957] and has been developed into its most sophisticated form by Arrow [1972], [1974]. The theory has been developed most fully for the case of racial discrimination, but can be extended as an explanation for discrimination on the basis of sex, within education, within trade unions, between workers, and so on. Discrimination theory centres around the introduction of a coefficient of discrimination into the orthodox theory of the determination of wage rates. Hence, if an employer is prejudiced and discriminates against a particular group of potential employees (e.g. blacks), Becker's theory argues that the costs to that employer of hiring black workers would be \( w + di \), where \( w \) is the wage rate for black employees and \( di \) is the employer's discrimination coefficient against blacks. In general, if \( di > 0 \), the employer is prejudiced against this type of worker, and if \( di < 0 \), the employer shows favouritism towards this type of worker, \( f \) the employer discriminates more against B workers than W workers, then \( d_B < d_W \). As a result, B workers are not employed to the point where the value of their marginal products equals their wage rates. Hence Becker concludes that discriminatory behaviour by the employer will alter both the relative and absolute levels of resource utilisation and the amounts of final products which are produced. It is an easy step for Becker to explain, consistent with neoclassical economic theory and individual maximising behaviour, the economic discrimination against blacks in the U.S. as a result of the 'prejudice' of employers, exogenously given. As he argues, '...fusses for discrimination would produce, via the workings of a competitive economic system—effective discrimination against Negroes'. (Becker [1957: 19-20]).

As Cohen and Cyert argue, the orthodox theory of discrimination suggests that:

There is no need to assume that pociatical discrimination, monopolies or other forms of market imperfections or social class warfare are the causes of discrimination in this country. Although there may be secondary determinants of market discrimination, Becker concludes that the primary determinant is a result of individual tastes for discrimination within a competitive economy. (Cohen and Cyert [1963: 279])

Overall, then, orthodox theory has responded to the empirical studies of labour market discontinuities noticeable amongst ghetto blacks, women and ethnic groups in a twofold manner—human capital theory and discrimination theory—which is consistent with individual maximising behaviour in a competitive economy.

(b) Dual Labour Market Theory

Responding to the same empirical observations of poverty and underemployment in the U.S. in the 1960s, a body of economists began to argue that a dual labour market theory, which postulated a dichotomy of the American labour market over time, was the best means of explaining this phenomenon. The dual labour market theory grew largely out of more detailed empirical inquiry into the nature of labour market conditions of blacks and women vis-à-vis other labour market groups. Based on these studies, the dual labour market theory was developed by Piore [1969] [1970], [1971], [1973], who first worked with an explicit dual labour market model, Bluestone [1970], and Gordon [1972]. They were increasingly dissatisfied with the orthodox theory which placed prime emphasis on the individual characteristics of the workers themselves in explaining labour market discontinuities. Rather, the dual labour market theorists argued that the characteristics of workers which were associated with productivity (schooling, vocational training etc.) and which were central to human capital theory, had almost no influence on employment prospects. Instead they focused attention on the characteristics of the jobs themselves. In the words of Piore:

The basic hypothesis of the dual labour market was that the labour market is divided into two essentially different segments, the primary and the secondary sectors. The former offers jobs with relatively high wages,
good working conditions, chances of advancement, equity and the process in administrative of work rules, and, above all, employment stability. Jobs in the secondary sector, by contrast, tend to be low paying, with poorer working conditions, little chance of advancement; a highly personalised relationship between workers and supervisors which leaves wide latitude for favouritism and is conducive to harsh and capricious work discipline; and with considerable instability in jobs and a high turnover among the labour force. (Prose as cited in Gordon [1972: 40])

The theory argues that minority groups and women are much more likely to begin their careers in, and stay in, the secondary sector than are white males. This will in turn determine differential incomes of these groups. Incomes in the primary market are largely determined by the speed of movement through (and differential access to) job structures. In the secondary market, incomes are likely to depend mainly on variation in hours worked, since the secondary labour market is relatively homogeneous, and wages will tend therefore to reflect aggregate market supply and demand rather than individual characteristics. In many ways, the dual labour market theory is an advance on orthodox labour market theory in explaining contemporary labour market dynamics, for it emphasises interaction and change, particularly the dynamic nature of institutions and the interactions between institutions and individual change. This is in contrast to the focus on stability and fixity of institutional environments that permeates the orthodox theory. The dual labour market theory argues that the definition of job structures and job designs, constitutes an important economic parameter, and that employer interests, employees, and technologies, interact simultaneously in the long run to determine the characteristics of both jobs and people, defining the nature of the jobs and the behaviour of the people.14

(c) A Marxist Critique of Orthodox and Dual Labour Market Theories

Gordon [1972: 86-90] has provided a useful categorisation in which to conduct a Marxist critique of orthodox and dual labour market theories. These two theories differ fundamentally from the Marxist theory of labour market segmentation in four ways: first, they have fundamentally different methodologies; second, the three theories differ in the ways they consider the complicated relationships among technology, jobs and people; third, the theories disagree sharply on the ways in which they analyse and interpret discontinuities in the labour market; and fourth, they differ in terms of the policy solutions that they generate. In addition to these we must consider an important issue neglected by Gordon. This concerns the processes that lie behind the generation of the labour force per se, and the characteristics of that labour force.

(i) First, orthodox theory is based on a partial, static analysis, within a fixed institutional environment, centered on individual maximising behaviour; it revolves around central notions of harmony and equilibrium. The general Marxist critique of orthodox theory from this point of view is well known and will not be reiterated here;15 rather, a specific critique of human capital and discrimination theories will be made. The overiding critique of these theories must start with the absence of any concept of class. As Bowles and Gintis argue trenchantly, human capital theory is the most recent and perhaps ultimate step in the elimination of class as a central economic concept. Furthermore, they argue that the failure to encompass social relations, and to offer a theory of reproduction, are serious shortcomings of human capital theory:

By restricting its analysis to the interaction of exogenously given individual preferences, raw materials (individual abilities) and alternative production technologies, human capital theory formally excludes the relevance of class and class conflict to the explanation of labor market phenomena. However, in our view such basic phenomena as the wage structure, the individual attributes valued on the labor market, and the social relations of the educational process itself can only be accounted for through explicit class analysis. (Bowles and Gintis [1973: 75])

In the absence of any concept of class, orthodox theory is unable to establish the nature of the crucial social relationships between employers and employees. This leads to absurd propositions that are central to the orthodox theory of discrimination. For example, the theory rests on the premise that the employer pays more in wages as a result of his or her preference for discrimination. As Reich [1971: 109] points out, the result of discrimination in the Becker model is that white discriminating employers lose in monetary terms, while white workers gain from discrimination. Similarly, the Arrow model is built on the premise that employers neither gain nor lose by their discriminatory behaviour. The entire effect is that of a transfer from black to white workers' (Arrow [1974: 8])

Orthodox economists generally argue that class interests cannot be maintained in the face of conflicting individual interests, and that, if individual and class interests are complementary, one gains no additional insights by positing the independence of class interests. As Arrow argues:

Economic explanations for discrimination or other phenomena tend to run in individualistic terms. Economists ask what motivates an employer or an individual worker. They tend not to accept as an explanation a statement that employers as a class would gain by discrimination, for they ask what would prevent an individual employer from refusing to discriminate if he preferred to do so and thereby profit. (Arrow [1974: 8])

The dual labour market theory, on the other hand, offers a specific analysis of the labour market that can be interpreted in class terms. Indeed, the Marxist theory of labour market segmentation has incorporated the concepts of primary and secondary labour markets into its analysis, as has orthodox theory. However, the dual labour market theory itself does not rely on the concept of class, and therefore neither links the distinctions between primary and secondary markets to class divisions,
nor consistently bases its hypotheses on evaluations of the group interests of employees or employers in either market. The dual-labour market theory is, in fact, a hypothesis that lacks a theoretical or historical explanation for its institutionalist observations. As David Gordon puts it: 'The dual market theory, however much it emphasises the dynamics of change, does not provide an explicit analysis of conflict in society' (Gordon [1972: 87]).

For Marxists, of course, the C.M.P. is characterised by the emergence of a ruling class and a proletariat or working class. In a society like Australia, there is a dominant mode of production, the C.M.P. In all modes of production, Marx argued, feudal, capitalist, etc., there are certain invariant elements. I.e., (i) the labourer, the direct producer, or, more specifically, his or her labour-power; (ii) the means of production, i.e., the objects and means of labour, including the raw materials and the instruments of labour by which these are converted by the labourer into products, and (iii) the non-labourer. In the C.M.P., these elements combine according to a specific relation, the property relation, whereby the non-labourer intervenes in the production process as the owner of both the means of production and the labour power of the direct producer. Capitalism is thereby characterised by the emergence of a class that owns the means of production (ruling class) and a class that, dispossessed of the means of production, has no means of subsistence save the sale of its labour power (the working class). This class relationship is fundamentally antagonistic. Marxists utilise historical and dialectical materialism to analyse any mode of production. For them, '...the prime energy for systemic change is internal to the developing system, not exogenously imposed' (Zweig [1971: 49]). Marxist analysis is thereby dynamic, centering around class conflict, since the overriding logic of the capitalist mode of production is the capital accumulation, the extraction of surplus value out of the unpaid labour of the working class which is appropriated by the ruling class. The C.M.P. must reproduce both the means of production (i.e., the reproduction of labour power) and the social relations of production (class relations). For Marxists, then, the production process is a class process, with the maximisation of capital accumulation (subject to these constraints) the overriding logic of capitalist production.

It is from this perspective that the analysis of the labour market is approached. By failing to analyse these 'hidden' social relations of production, orthodox economic theory, in its analysis of the labour market, fails to transcend the level of appearances, and is constrained to 'commodity fetishism', whereby the basic relation between men (or social relations) '...assumes in their eyes the fantastic form of a relation between things' (Marc, Capital I:83). As Bowles and Gintis conclude:

The theory of human capital, like the rest of neoclassical economics, ultimately locates the sources of human happiness and misery in the interaction of human nature (preferences and abilities) with nature itself (technologies and resources). This framework provides an elegant apology

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for almost any pattern of oppression or inequality (under capitalism, state socialism or whatever), for it ultimately attributes social or personal ills either to the shortcomings of individuals or the unavoidable technical requisites of production. (Bowles & Gintis [1973: 92])

(iii) The second major Marxist criticism of orthodox and dual market theories, stemming from the methodological differences noted above, concerns the relationship between technology, jobs, and people. Orthodox theory, given a capital-labour ratio, seems to suggest a unique set of most efficient job definitions and job structures within which labour is to be hired, trained etc. In the short run, this often leads to the assumption of fixed job structure, and job definition, with the theory concentrating on workers' decisions within these given structures. Hence the orthodox theory has been criticised for postulating a 'technological determinists' view of job structure and job design. On the other hand, both the Marxist and dual market theory see the evolution of job structures and job design as an endogenous parameter that is central to the operation of labour markets. In the Marxist theory this stems from a theory of the firm which sees production as a social process as well as a technical process. The implication of this view, at odds with orthodox economic theory, is fundamental: production is seen not only as a process of transformation of raw materials into products, but also a transformation of workers with given skills and levels of consciousness into altered skills and consciousness. Hence, labour is not a commodity but an active agent whose efforts must be channelled, thwarted or redirect ed so as not to impinge on capital accumulation:

The social organisation of production is in large measure a reflection of the capitalist's need for incentive and control mechanisms which will attract labour from workers at the lowest possible wage and prevent the formation of worker conditions which could oppose their power. (Bowles & Gintis [1975: 76])

(iii) The third major difference between the two competing market theories concerns their analysis of discontinuities. Gordon [1972: 90] points out that orthodox theory makes two arguments about discontinuities: first that they are departures from the competitive norm and hence are expected to erode away over time; and second that, where discontinuities persist, human capital theory and discrimination theory suggest that such imperfections consist of artificially erected barriers between groups. In this case, the theory argues, the behaviour of workers in any given sector can be explained by the same set of behavioural hypotheses as that of workers in any other group. That is, the theory postulates that characteristics of attitudes and personalities of workers remain constant between sectors, since they are determined exogenously. Apparent differences therefore stem from a common underlying behavioural response to dissimilar conditions.

With respect to the first argument, Marxist theory argues that discontinuities within the labour market tend to be intensified with the
income between segments, in the dynamics of class division and class conflict. It argues that these segments which largely correspond to the ascriptive (sex, race, ethnicity, age) characteristics of the workers, serve critical economic political and ideological functions for both individual employers and the capitalist class as a whole. Moreover, the theory argues that the capitalist class has strong and ultimately determining influence on institutions such as education, the relations of production, and the state. This being the case, segmentation and resulting discrimination and inequality—seen as the logical outcome of the operation of the C.M.P. in pursuit of capital accumulation and the reproduction of the relations of production. Any attempt to alter the segmentation processes, and to reduce the poverty and inequality that results from them, must therefore be through the political domain of class-struggle lending ultimately to the overthrow of capitalism, replacing it with a socialist society.

(ii) Orthodox theory suggests that given the workforce, individual workers make optimising decisions in the competitive market. On the other hand, Marxist theory asks the question: By what mechanism is the demand for labour that is required by the C.M.P. for capital accumulation, actually obtained? And further, what mechanism ensures that this labour is available under such conditions, as to ensure that the product of labour is distributed between wages and profits, so as to permit an ever increasing accumulation of capital and, at the same time, maintain the social relations of production of the C.M.P.? Marx’s answer to this question was that the ‘relative surplus population’, or the ‘industrial reserve army’ was the pivot upon which the law of demand and supply of labour works. It confines the field of action of this law within the limits absolutely convenient to the activity of exploitation and domination of capital.

Marx argued that the industrial reserve army had two functions. The first was to supply additional labour reserves—a function so crucial to capital accumulation that Marx described it as ‘the lever of capitalist accumulation’, may, a condition for the existence of the capitalist mode of production’ (Marx, Capital, vol. 1: 392). The second function related to the qualitative difference between the indigenous workforce and the industrial reserve army, a central aspect to the accumulation process. Similarly, when analysing operations of the labour market in ‘late capitalism’, Marxists take into account the role of the industrial reserve army in both supplying the quality of workers necessary for capital accumulation, but qualitatively different—in terms of sex, race and ethnicity—primarily—from the ‘indigenous’ workforce. These particular characteristics of the industrial reserve army are central to the development of labour market segmentation, enabling employers to utilise sexist and racist ideologies to justify segmentation. Unfortunately, while the concept of the industrial reserve army has been central to Marxist analysis of the impact of immigration providing foreign workers for
western Europe and the U.K. 32 it has been ignored by American economists who have developed the radical labour market theory.33

3. The Marxist theory of labour market segmentation

The most useful contribution to the development of a Marxist theory of labour market segmentation is that of Reich et al. [1973]. They suggest that labour market segmentation in the U.S. can be most usefully understood as the outcome of four separate, but related, segmentation processes: first, segmentation into primary and secondary markets; second, segmentation within the primary sector; third, segmentation by race; and fourth, segmentation by sex.

The first utilises the distinction made by the dual labour market theory between primary and secondary segments, differentiated mainly by the degree of stability of work in each. Primary jobs are those which require and develop stable working habits, and often require skilled workers. High wages and developed job ladders are characteristics of this segment. Jobs in this segment tend to be filled by indigenous (white) male workers. In contrast, secondary jobs do not require stable working habits, and are characterised by low wages, high turnover and often unskilled, menial work where job ladders are few. Secondary jobs are mainly filled by minority workers (i.e. various ethnic groups), women and youth. Segmentation within the primary sector leads to the development of 'subordinate' and 'independent' primary jobs. Subordinate primary jobs are routinised and encourage personality characteristics of dependency, discipline, and responsiveness to rules and authority. This segment includes both factory and office jobs. Independent primary jobs, on the other hand, are seen to require 'creative, problem-solving characteristics'. Voluntary turnover is high, individual motivation and achievement are highly rewarded, and these jobs often require 'professional' standards.

Segmentation by race refers to the distinct segments of 'race-typed' jobs within the above segments, although as evidence from Szymanski [1975] for example, suggests, they are mainly concentrated in secondary jobs. Prejudice and geographical separation are seen to be of importance in maintaining race segmentation.

Finally, the emergence of 'male jobs' and 'female jobs' leads to segmentation by sex. Female jobs usually receive lower wages and often require a 'surviving mentality'—characteristics that are supported and encouraged by capitalist institutions such as schooling and the family. These four segmentation processes, as outlined by Reich et al., provide a useful basis from which to approach analysis of segmentation in the Australian labour market. However, it is important to establish just how these segments evolved in order to understand the functions of labour market segmentation.

(a) Historical origins of labour market segmentation

An understanding of the historical origins of labour market segmentation must be seen in two separate, but interrelated parts. On the one hand,
Hence, during the period of competitive capitalism, the labour market developed towards the progressive homogenisation of the labour force; and as Reich et al. [1973: 368-1] point out, the increasing homogeneous and proletarian character of the workforce generated an upsurge of class conflict in railroads, steel, coal mining and textiles in the U.S. in this period. It was in response to this development of the potential for revolutionary class struggle that capitalists began to develop the internal job structures to ‘divide and rule’ the workers, laying the basis for labour market segmentation, rather than homogenisation. Murgin argues, utilising theories such as the ‘scientific management’ of Fredrick Winslow Taylor, employers set out to break down the workers’ collective identity and to gain control over the production process. Stone [1974] documents this in detail for the particular case of the U.S. steel industry; Tradersmen initially had control over the production process—they could hire their own workers, set production targets etc. To break this down, and transfer hegemony over the production process to the employer, employers created foremen and what was to be the basis of white collar workers—management and clerical staff. The response to this by employers was fourfold, Stone [1974: 127-142] argues. First, new methods of wage payment were introduced, giving the employers complete control of the production process and, at the same time, breaking down the collective interest of workers by dividing them into different earning groups to increase the social distance between workers. Second, new promotion policies and the development of job ladders enabled previously homogenous workers to be strictly demarcated by status and pay. This gave the workers the incentive of vertical mobility and gave the employers more leverage with which to maintain discipline. Third, the corporation introduced welfare programmes to increase the ties between workers and their employers and thereby attempted to weaken the ties between workers and their class. Fourth, the employers developed new systems for managing their workforce, and, utilising ‘Taylorism’, redefined further the nature of jobs and the division of labour.

In many ways, the theory of the development of internal social relations of production—and the labour market segmentation to which it gave rise—is limited for our purpose. In particular, the false polarisation between ‘conscious’ political hegemony and the capital accumulation process (particularly the role of technical efficiency) needs closer research by Marxists. Moreover, the argument presented is for the case of the U.S. Any theory of labour market segmentation in Australia requires a similar study of the historical development of the social relations of production in Australian enterprises; this has been almost totally neglected by Marxists. Nevertheless, the crucial role that the development of ‘internal’ job structures has had on the emergence of labour market segmentation—and, indeed, the class structure of modern capitalism—is apparent. Attention must be given to this area if we are to begin to fully understand the political economy of Australian capitalism.

(ii) The Industrial Reserve Army of Late Capitalism

In advanced capitalism, the traditional sources that generated the industrial reserve army in Marx’s day are no longer sufficient to provide adequate labour reserves for capital accumulation. The two most important sources of late capitalism’s industrial reserve army have been female and migrant labour, reflecting an internationalisation of the division of labour. To quote Braverman:

In periods of rapid capital accumulation, such as that which has taken place throughout the capitalist world since World War II, the relative surplus population which is the ‘natural’ product of the capital accumulation process is supplemented with other sources of labour. In northern Europe and the United States, the capitalist economies have increasingly made use of the masses of former agricultural labour in the colonies and neo-colonies. These masses are thrown off by the process of imperialist penetration itself, which has disrupted the traditional forms of labour and subsistence. At the same time, in a process which cuts across racial and national lines, the female portion of the population has become the prime supplementary reservoir of labour. In all the most rapidly growing sectors of the working class, women make up the majority, and in some instances the overwhelming majority, of the workers. (Braverman [1975: 384-5])

Invariably, this new ‘industrial reserve army’ (IRA) for late capitalism provides a cheap labour reserve that is channelled into menial, monotonous, low paid jobs. Utilising the entrenched racist and sexist ideologies, capitalists have thus been able to discriminate against these sectors of the working class, facilitating the development of labour market segmentation on race and sex lines. As a result, not only does late capitalism generate a new, internationalised, relative surplus population, it also is able to utilise capitalist ideology to ensure that minimal economic and political dislocation results from the incorporation of very substantial numbers of workers into the labour market. As Ward argues for the case of migrants in Western Europe:

In addition to being plentiful to the point of inexhaustibility, mobile, expendable, and docile, the migratory labour force offers the capitalist another great advantage. It is cheap. (Ward [1973a: 26])

Female workers also provide a large, though not inexhaustible pool of workers, who are ‘cheap’ and often politically ‘docile’.

(b) The functions of labour market segmentation

The impact and significance of labour market segmentation to the capitalist mode of production can be most clearly seen by outlining the interrelated economic, political and ideological functions that it plays. Each will be considered separately in turn; however, it must be remembered that all, while having a relative degree of autonomy, are integrally interrelated.

(i) Economic Functions

Economically, the existence of segmented labour markets, which cor-
respond to racist, ethnic and sexist divisions in the workforce, particularly in respect to late capitalism's reserve army of workers, enhances the extraction of surplus value and facilitates capital accumulation. Further, it is a central means whereby the social relations of the C.M.P. are reproduced. As Marx argued, there are three major ways in which the capitalist could increase surplus value: the first was by increasing the length of the working day, thereby prolonging the period in which surplus labour is performed. This Marx called absolute surplus value. Assuming that the length of the working day was given, Marx argued that the capitalist could increase surplus value by reducing the time devoted to necessary labour. This could be done by increasing the intensity of labour, or by cheapening the elements of necessary labour by increasing the productiveness of labour. This Marx called relative surplus value. At the same time, payment of wages below the value of labour-power would also increase surplus value. By segmenting the labour market, capitalists can enhance the extraction of surplus value by subjecting 'lower' segments to greater intensity of exploitation, lower wages and longer working days. By utilising job hierarchies and job organisation, capitalists can create 'low wage' jobs, with what would otherwise be unacceptable conditions of work and intensity of work.

This is particularly the case, as foreign and women workers are predominantly employed in the production sector of almost every major capitalist nation. Young workers form an important reservoir of cheap labour crucial to some sections of capital, particularly retailing. Moreover at a national level these segments often have a higher activity rate, have less dependants, and have often been educated and trained in their 'home' country. Hence the social cost of reproduction of migrant and women workers in the secondary segment, is much lower than for a corresponding amount of indigenous white male labour, thereby indirectly enhancing capital accumulation. As a direct outcome of labour market segmentation, poverty and inequality occur disproportionately amongst the racist and sexist segments of the secondary labour market.

It is here, within a theory of labour market segmentation, that the explanation of poverty amongst blacks, women and ethnic minorities should be located.

(ii) Political Functions

The major political implication and significance of labour market segmentation lies in its impact on class struggle within the capitalist mode of production; indeed, the absence of such struggle has been a feature which Marxists must explain. One of the major reasons for a diffusion of class struggle has been the impact of labour market segmentation, preventing the creation of a homogeneous working class, united against capital, developing as a result of progressive proletarianisation. The overall impact of labour market segmentation has been to create a state of conflict among, and division between, classes. As Luria argues:

\[
\text{The servicing of divisions based on certain ascriptive traits—} \text{notably race, sex and styles of personal self-presentation—has meant that the capitalist class, assisted by sexist and racist mass ideology, has been able to integrate many divisions based on ascriptive traits into the American political economy. Instead of labour market hierarchisation as the partner of increasing proletarianisation, then, the result is instead the coexistence of that proletarianisation with the segmented labour markets which serve to encapsulate the germ of working class unity it engenders. (Luria [1975: 134–5]).}
\]

In this way it has prevented the emergence of a united working class, and a working class consciousness—both of which would appear to be prerequisites to successful class struggle. As Whicher comments for the case of the U.S.:

\[
\text{The impact of the stratification process on consciousness is to divert workers consciousnes from a class orientation and replace it with an identification with one's sector in society, producing status consciousness. This, coupled with the inculcation of hierarchical forms of work organisation in a two-speed world which has had profound effects on the American working class. (Whicher [1974: 120]).}
\]

Gordon argues that employers have encouraged and permitted the evolution of the more advantaged strata (i.e. normally the white male strata) to develop class consciousness. At the same time, they have attempted to prevent the emergence of class consciousness within the lower classes and strata of workers. The effect of this, he notes, is to induce the higher strata to identify as their 'enemies' those within the less advantaged class of workers, while preventing class consciousness among the lower strata who are the most exploited. This has the impact of foreclosing revolutionary impulses among this class. Class-stratification in this sense is an essential precondition which enables the employing class to continue discrimination against the 'lower' segments of the workforce who fill the most secondary, unstable, undesirable and low paying jobs.

Particularly important in terms of class struggle is the role of the trade unions. Rather than challenging the professional, craft and job status distinctions in the workplace, the trade unions have themselves in a position of maintaining and administrating the job arrangements consistent with those divisions. As Margin and Stone argue for the U.S., the trade unions have never questioned or challenged the work process, being concerned rather with "bread and butter" issues of maximising workers' returns given the craft, industrial, racial and sexist wage and job structures that have developed as a result of labour market segmentation. And yet any substantial improvement to the "bread and butter" position of the working class necessitates a challenge and overthrow of the hierarchical labour process. As Howes argues:

\[
\text{The link between social relations of production and the integrity determination process is so intimate that any substantial change in the latter is}\]


contingent upon the transformation of the hierarchical division of labour as the archetype of productive activity. (Bowles [1973: 555])

(ii) Ideological Functions

Integral to the development of labour market segmentation has been the perversion of bourgeois ideology, particularly racism and sexism, that has provided the means by which the division and conflict within the working class, and between segments, can be justified and maintained. Racism and sexism particularly, have allowed migrant, black and women workers—who have formed large segments to most workforces of capitalist modes of production in the post war period—to be separated and diverted off into segments of the labour market with distinctly inferior working conditions, wages, chances for promotion and the like. Indeed, racism and sexism have been the ideological underpinnings of labour market segmentation, which itself has created the material conditions for the perpetuation of racist and sexist ideology. In a very useful recent study of blacks in the U.S. working class, Szymborski [1975] argues that racism is a necessary aspect of capitalism which has an important twofold economic function: to secure a stratum of compliant, menial labourers; and to prevent the development of a working-class consciousness, and moderate class struggle. He argues:

Racism of all kinds has been perpetrated to justify the continuing brutal and dehumanizing exploitation of America’s ‘shut workers’ of whatever colour. Such exploitation must be justified (1) in the eyes of the exploiters who must rationalize the way they treat fellow human beings, normally through use of racial myths about innate inferiority; (2) in the eyes of the rest of the working class who otherwise might well unite with the specially exploited workers in common struggle against the master class; and (3) in the eye of the specially exploited menial labourers themselves who are thus discouraged from struggling against their lot. Racism also serves capitalism by creating mutual distrust and hostility within the working class. Each racial group struggles against the others for its own benefit with the result that most of their strength is wasted, diverted from the struggle against capital. (Szymborski [1975: 41])

Similarly, sexism justifies the establishment of ‘female jobs’ that are low paid and unstable. It is also a powerful means of ensuring that class-struggle is male-dominated, with once again the most exploited sections of the working class separated off and isolated from class-struggle.

(iv) Labour Market Segmentation a Continuous Process

Szymborski [1975] shows how the U.S. has had a continuous flow of racial or ethnic groups that have provided a source for menial labourers. The latter half of the nineteenth century saw Irish, Polish and Italian immigrants as the source of menial workers; after capitalists supported the ending of massive immigration of European workers in the 1930s, southern blacks became the new source of menial labourers and the Irish, Poles and Italians improved their lot. Similarly, with a significant

improvement in the economic position of blacks, Latin Americans and West Indians have, since the mid-1960s, moved in to the vacated menial jobs. A similar sequence of groups have supplied the demand for menial labourers in Western Europe. Before World War II, Eastern Europeans migrated to Western Germany and France as menial labourers, as did the Irish to England. After World War II, with rapid capital accumulation demanding large reserves of labour, the Southern Europeans (Italians, Portuguese, Greeks and Spaniards) served as Western Europe’s pool of ‘guest workers’. As these workers became more demanding, the search for new menial labourers extended to encompass Yugoslavs, Turks, Algerians, Arabs and Black Africans. Similarly, as will be outlined in the next section, Australia has had a change in the source of ‘menial labourers’. Predominantly British and Irish migrants (with substantial inflows of Chinese and Karukka labour in the late nineteenth century) provided most imported labour prior to World War I. In the immediate post-World War II period a substantial inflow of menial labourers came from Eastern Europe (the Baltic States) and Southern Europe (Italy, Greece and Malta). As these groups became more established and moved out of menial jobs, Yugoslavs, Lebanese, Turks and Latin Americans have been the major source of menial labour. As Szymborski concludes:

In all cases the same phenomena with anti-black discrimination, along with low pay, bad jobs, economic insecurity and personal hostility occur in all the major capitalist countries. Racism is indeed an inherent aspect of capitalism. But no one special group is its special victim forever. (Szymborski [1975: 68])

(v) Contradictions of Segmentation

The final major consideration of a Marxist theory of segmentation concerns the contradictions inherent in the segmentation processes. Wachter [1973: 13-25] identifies two principal contradictions in the establishment of segmented labour markets and the hierarchical social relations of production that are its precondition. First, he argues, the relative prosperity of the post-war period has led to a decline in the work discipline the employing class has over labour, and provided the material basis for working-class demands to move away from economic struggle to ‘worker control’ type demands. Second, the proliferation of hierarchy, work roles and job supervision, added to the increasing intensity of work and speed up etc., have led to worker discontent. This, in turn, is manifested by increased absenteeism, sabotage, turnover, wild-cat strikes and other expressions of spontaneous worker militancy. As Zinbalist [1975] has pointed out, these economic costs have led to substantial changes in work organization away from Taylorist hierarchical arrangements of work towards ‘work humanization’. In particular, ‘job enrichment’ and ‘job rotation’ schemes, part of ‘worker participation’
programmes, have enabled increased productivity and decline in some of the manifestations of worker opposition to hierarchic job organization. As Zimbalist argues, such changes in the internal social relations of production, while not threatening capitalist control of production, raise new contradictions and could have the potential to lead to fundamental changes which challenge capitalist control over the production process. Another contradiction Symanski notes, is exemplified in the gradual improvement of the economic position of blacks within the U.S. working class. As has been noted, blacks have gradually been replaced in the position of racial labourers by Spanish, Latin American and West Indians, and blacks have been increasingly integrated into the mainstream of the U.S. working class. In other words, the material basis for anti-black racism is being undermined. Explaining this, Symanski argues that this does not arise out of any benevolence on the part of the capitalist, but rather because occupational discrimination against blacks, at least to the extent of the past twenty years, does not pay. 'The profit possibilities involved in integrating blacks into the labour force are apparently becoming more significant than the other profit opportunities accruing from racial discrimination against blacks'. (Symanski [1975: 10]). Nevertheless, the erosion of occupational discrimination against blacks, as a by product of the pursuit of profit by the owners of capital, raises a central contradiction, creating the conditions for the elimination of anti-black racism.

The growing similarity in the working conditions of blacks and whites suggests that their initial hostility might eventually diminish facilitating the development of a common class consciousness. There would seem to be a very real possibility that capitalism, by eliminating the material basis of black-white separation, might lay the groundwork for the long term development of the class consciousness in the American working class that Marx long predicted, thereby ending the almost unique situation of the U.S. working class among the advanced industrial countries in its lack of a substantial working class movement. (Symanski [1975: 19])

4. Labour Market Segmentation in Australia

(a) Introduction

This section attempts to establish the extent and nature of labour market segmentation, and its relationship to capital accumulation and class struggle for the post world war II period of Australian capitalism. Ideally, such a task would require an historical outline of the dynamics of Australian capitalism during this period, locating historically the functions, impact and significance of labour market segmentation. However, the underdeveloped state of Marxist analysis of Australian capitalism prevents such a task being carried out; only scant and fragmentary recent empirical research is available; this section is therefore limited to utilizing as much of the available empirical material as possible within the given theoretical framework. Much more work needs to be carried out to establish in sufficient detail the nature and significance of labour segmentation in Australian capitalism.

The four segmentation processes outlined by Reich (et al) provide a convenient framework for establishing the nature and characteristics of Australian labour segmentation, viz.: segmentation into primary and secondary labour markets; segmentation within the primary labour market; segmentation by race, ethnic origin, and sex. These segmentation processes lead to the identification of six broad but distinct segments within the Australian labour market. These are:

- males born in Australia, the U.K. and Eire, New Zealand, U.S.A., Canada, and Northern Europe, referred to as the male Australian and U.K. born segment;
- males born in Southern Europe (including Greece, Italy, Malta and Spain), Yugoslavia, Turkey and Lebanon, and Latin America, referred to as the male Southern European-born segment;
- females corresponding to the first two segments; and
- male and female Aborigines. This categorisation is not exhaustive, as Australia has received migrants from over sixty nationalities in the post-war period, so that only the major groups are considered. Moreover, as will be outlined, there is a degree of overlap between segments in some cases; further the segments have tended to change as the Australian C.M.P. has evolved. This section will utilise some of the most recent, disaggregated data on the Australian labour market to support the case for segmentation in the manner outlined, and will attempt to outline the segmentation processes. Further, utilising information from recent studies and surveys, an attempt will be made to establish the economic, political and ideological characteristics pertaining to each segment, so that some assessment of its impact on functions, particularly in relation to capital accumulation and class struggle, can be tentatively suggested.

(b) Australian Capitalism and the Industrial Reserve Army

It will be useful to begin by outlining some of the key features of the composition of the Australian labour market. Of particular importance, it has been argued, is the role of the industrial reserve army, and its impact on the size and composition of the Australian workforce. Indeed, it would seem that the industrial reserve army has been of particular importance for Australian capitalism, restricted as it has been by labour shortages almost continuously since settlement. The two major sources of Australia's industrial reserve army in the post-war period have been immigration and women.

Immigration has been a crucial means of ensuring a population and workforce of the quantity and composition essential for Australia's post-war capital accumulation. Between 1947 and 1973, the net gain from immigration was 2,316,000.28 Including the Australian-born children of migrant parents, immigration contributed 3 million people out of a total population growth of 5.6 million over this period (i.e. 59 per cent). Moreover, the particular age and workforce participation characteristics of this 'imported industrial reserve army' enabled it to
Contribute 61.2 per cent of the growth of the Australian labour force in the period 1947 to 1972. In 1971, 27 per cent of the Australian workforce were migrants. The ethnic origins of these workers is very diverse, including over sixty-one nationalities. The U.K. and Ireland has been the major source, providing about 40 per cent of settlers arriving in Australia between the years 1947-1973. The other major countries of origin have been Italy, Greece, Yugoslavia, Eastern Europe, the Netherlands and Germany. 

Along with immigration, the growing workforce participation of Australian-born women has been the major source of Australian capitalism’s post-war industrial reserve army. In the period 1947 to 1973, females increased as a percentage of the workforce from 22.6 per cent to 33.3 per cent. Significant in this increase was the increase of married women in the female workforce from 15.3 per cent in 1947, to 36.8 per cent in 1971.

The very substantial increment to the Australian workforce from these two sources of the industrial reserve army provided the material basis for the present form of labour market segmentation. More specifically, the differences in the conditions surrounding the sale of labour power of the industrial reserve army vis-à-vis the ‘indigenous’ workforce, as well as within the industrial reserve army itself, are the most significant outward manifestations of labour market segmentation.

(c) Industrial and Occupational Distribution in the Labour Market

The basic labour market information is provided in Tables I, II, III, IV, and V. Tables I and II outline the industrial and occupational distribution for males derived from the 1971 Census. Tables III and IV provide similar

<table>
<thead>
<tr>
<th>Industrial Group</th>
<th>Australia</th>
<th>UKEx</th>
<th>Italy</th>
<th>Greece</th>
<th>Germany</th>
<th>Yugoslavia</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>10.7</td>
<td>2.7</td>
<td>8.3</td>
<td>2.2</td>
<td>2.2</td>
<td>3.1</td>
<td>3.0</td>
</tr>
<tr>
<td>Mining</td>
<td>2.0</td>
<td>2.1</td>
<td>0.9</td>
<td>6.5</td>
<td>2.6</td>
<td>1.7</td>
<td>2.0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>21.3</td>
<td>33.8</td>
<td>33.8</td>
<td>3.3</td>
<td>3.3</td>
<td>3.3</td>
<td>3.3</td>
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<tr>
<td>Construction</td>
<td>9.9</td>
<td>11.6</td>
<td>20.6</td>
<td>9.1</td>
<td>15.7</td>
<td>16.9</td>
<td>11.6</td>
</tr>
<tr>
<td>Transport</td>
<td>7.0</td>
<td>5.9</td>
<td>4.1</td>
<td>4.6</td>
<td>4.8</td>
<td>3.0</td>
<td>5.5</td>
</tr>
<tr>
<td>Commerce</td>
<td>21.2</td>
<td>21.6</td>
<td>14.8</td>
<td>19.6</td>
<td>18.7</td>
<td>9.2</td>
<td>20.1</td>
</tr>
<tr>
<td>Public Services</td>
<td>11.3</td>
<td>10.0</td>
<td>5.1</td>
<td>3.6</td>
<td>8.0</td>
<td>4.2</td>
<td>3.9</td>
</tr>
<tr>
<td>Recreation etc.</td>
<td>9.2</td>
<td>10.4</td>
<td>5.1</td>
<td>4.7</td>
<td>7.9</td>
<td>4.1</td>
<td>10.2</td>
</tr>
<tr>
<td>Other</td>
<td>1.4</td>
<td>1.6</td>
<td>1.1</td>
<td>1.9</td>
<td>1.6</td>
<td>1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Total %</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Employment Group</th>
<th>Professional, technical, administrative, public service workers</th>
<th>Sales and service workers</th>
<th>Craftsmen, etc.</th>
<th>Factory workers</th>
<th>Farmers, etc.</th>
<th>Professional, technical, administrative, public service workers</th>
<th>Sales and service workers</th>
<th>Craftsmen, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>10.3</td>
<td>20.4</td>
<td>6.1</td>
<td>16.7</td>
<td>6.1</td>
<td>10.3</td>
<td>20.4</td>
<td>6.1</td>
</tr>
</tbody>
</table>

### Table III: Industrial Distribution of Female Workforce of Major Birthplace Group: Percentage Distribution and Total Number of Employed Persons Aged 15 Years and Over, Census 1971*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Australia</th>
<th>U.K.</th>
<th>Eire</th>
<th>Italy</th>
<th>Greece</th>
<th>Germany</th>
<th>Yugoslavia</th>
<th>Portugal</th>
<th>Other</th>
<th>Total</th>
<th>O'Connell</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>4.8</td>
<td>1.6</td>
<td>5.3</td>
<td>1.6</td>
<td>1.4</td>
<td>2.5</td>
<td>1.8</td>
<td>2.1</td>
<td>4.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mining</td>
<td>0.5</td>
<td>0.4</td>
<td>0.1</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
<td>0.4</td>
<td>0.3</td>
<td>0.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1.28</td>
<td>21.7</td>
<td>40.9</td>
<td>48.9</td>
<td>27.2</td>
<td>35.1</td>
<td>26.1</td>
<td>30.6</td>
<td>18.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity, gas and water</td>
<td>0.5</td>
<td>0.4</td>
<td>0.2</td>
<td>0.1</td>
<td>0.4</td>
<td>0.2</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>1.2</td>
<td>1.2</td>
<td>0.2</td>
<td>0.2</td>
<td>1.7</td>
<td>0.6</td>
<td>1.1</td>
<td>1.1</td>
<td>1.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>24.4</td>
<td>24.4</td>
<td>17.4</td>
<td>17.9</td>
<td>21.3</td>
<td>9.5</td>
<td>19.2</td>
<td>20.5</td>
<td>23.4</td>
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<td></td>
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</tr>
<tr>
<td>Transport and storage</td>
<td>2.1</td>
<td>2.0</td>
<td>0.9</td>
<td>0.9</td>
<td>1.9</td>
<td>1.0</td>
<td>1.9</td>
<td>1.7</td>
<td>2.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>1.7</td>
<td>1.2</td>
<td>0.3</td>
<td>0.3</td>
<td>0.9</td>
<td>0.2</td>
<td>0.9</td>
<td>1.0</td>
<td>1.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance, Business Services etc.</td>
<td>10.3</td>
<td>8.7</td>
<td>4.9</td>
<td>3.6</td>
<td>7.4</td>
<td>2.0</td>
<td>7.9</td>
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<td>9.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Public Administration, Defence</td>
<td>4.6</td>
<td>4.0</td>
<td>1.4</td>
<td>0.7</td>
<td>3.5</td>
<td>1.0</td>
<td>3.4</td>
<td>3.1</td>
<td>4.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Services</td>
<td>21.4</td>
<td>22.1</td>
<td>8.5</td>
<td>4.6</td>
<td>18.8</td>
<td>9.4</td>
<td>21.1</td>
<td>18.1</td>
<td>20.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entertainment, Recreation etc.</td>
<td>9.8</td>
<td>9.5</td>
<td>6.7</td>
<td>5.7</td>
<td>11.1</td>
<td>7.5</td>
<td>9.4</td>
<td>8.9</td>
<td>9.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others, Not Stated</td>
<td>3.8</td>
<td>3.1</td>
<td>7.7</td>
<td>10.0</td>
<td>3.9</td>
<td>9.7</td>
<td>4.3</td>
<td>4.9</td>
<td>4.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Percentage</strong></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Employed</strong></td>
<td>1,299,965</td>
<td>166,881</td>
<td>44,452</td>
<td>33,281</td>
<td>24,244</td>
<td>27,369</td>
<td>132,673</td>
<td>424,999</td>
<td>1,653,902</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Percentage</strong></td>
<td>74.3</td>
<td>10.1</td>
<td>2.7</td>
<td>2.0</td>
<td>1.5</td>
<td>1.4</td>
<td>8.0</td>
<td>25.7</td>
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<td></td>
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</tr>
</tbody>
</table>


### Table IV: Occupations of Major Birthplace Group: Per Cent Distribution and Total Number of Employed Persons Aged 15 Years and Over, Census 1971

<table>
<thead>
<tr>
<th>Australia</th>
<th>U.K.</th>
<th>Eire</th>
<th>Italy</th>
<th>Greece</th>
<th>Germany</th>
<th>Yugoslavia</th>
<th>Portugal</th>
<th>Other</th>
<th>Total</th>
<th>O'Connell</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof., tech. and rel.*</td>
<td>14.7</td>
<td>13.3</td>
<td>2.0</td>
<td>0.9</td>
<td>12.5</td>
<td>2.6</td>
<td>14.3</td>
<td>10.9</td>
<td>13.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admin. exec. manag.</td>
<td>2.6</td>
<td>2.7</td>
<td>2.3</td>
<td>1.1</td>
<td>3.1</td>
<td>0.8</td>
<td>5.1</td>
<td>2.5</td>
<td>2.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clerical</td>
<td>34.8</td>
<td>35.4</td>
<td>12.6</td>
<td>4.3</td>
<td>27.7</td>
<td>5.8</td>
<td>25.3</td>
<td>24.5</td>
<td>32.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>13.0</td>
<td>12.1</td>
<td>9.7</td>
<td>11.8</td>
<td>10.4</td>
<td>3.8</td>
<td>9.2</td>
<td>10.4</td>
<td>12.3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part., fish., hunt., tech. geners, etc.</td>
<td>4.1</td>
<td>1.5</td>
<td>5.2</td>
<td>1.6</td>
<td>1.7</td>
<td>2.7</td>
<td>1.7</td>
<td>3.0</td>
<td>3.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miners etc.</td>
<td>2.7</td>
<td>2.5</td>
<td>0.4</td>
<td>0.3</td>
<td>1.6</td>
<td>0.4</td>
<td>1.3</td>
<td>1.6</td>
<td>2.4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade, process worker, labourer</td>
<td>9.3</td>
<td>14.1</td>
<td>44.8</td>
<td>35.9</td>
<td>20.0</td>
<td>24.3</td>
<td>23.0</td>
<td>25.9</td>
<td>13.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service, sport, rec.</td>
<td>14.1</td>
<td>16.8</td>
<td>15.2</td>
<td>12.9</td>
<td>18.4</td>
<td>17.7</td>
<td>16.8</td>
<td>16.4</td>
<td>14.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Armed Forces</td>
<td>0.2</td>
<td>0.1</td>
<td>-</td>
<td>-</td>
<td>0.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inadequately described not stated</td>
<td>4.4</td>
<td>3.5</td>
<td>9.4</td>
<td>11.2</td>
<td>4.5</td>
<td>11.5</td>
<td>5.5</td>
<td>5.8</td>
<td>4.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total %</strong></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,299,965</td>
<td>166,881</td>
<td>44,452</td>
<td>33,281</td>
<td>24,244</td>
<td>27,369</td>
<td>132,673</td>
<td>424,999</td>
<td>1,653,902</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*AAbbreviations shown in full under Male in Table 2. Source: The Buree Report [1975: 129]*
correspond to the independent primary sector of the labour market. Similarly, this group is relatively concentrated in the clerical and sales occupational categories that might be regarded as 'subordinate' primary jobs in the earlier categorisation of Reisch et al. They tend to be professional or administrative or clerical workers in commerce and the public services, or skilled workers in the manufacturing sector. This is in sharp contradiction to males in the workforce born in Southern Europe (Italy and Greece) and Yugoslavia. Only 36.3 per cent of Australian-born, and 46.4 per cent of U.K. and Eire-born, males are employed as tradesmen, production and process workers, labourers etc. This contrasts strikingly with 61.7 per cent of males born in Italy, 61.3 per cent born in Greece, and 73.6 per cent born in Yugoslavia. These workers would seem to be predominantly employed in the secondary labour market or the subordinate primary market. This reflects the broad differences in the industrial distribution of this group of workers; they are predominantly concentrated in manufacturing and construction industries, as well as commerce. Further, as Table VI shows, these workers are generally unskilled or semi-skilled on arrival in Australia. Thus a broad distinction may be made between what might generally

<table>
<thead>
<tr>
<th>Occupation</th>
<th>1966</th>
<th>1971</th>
<th>1971 Population</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>of these 15 and over</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>not in labour force</td>
<td>73.01</td>
<td>67.52</td>
<td>25.43, 24.14</td>
<td>84.08</td>
<td>65.07</td>
</tr>
<tr>
<td>of those in the labour force</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>employed</td>
<td>93.18</td>
<td>90.64</td>
<td>93.61, 91.58</td>
<td>92.19</td>
<td>93.61</td>
</tr>
<tr>
<td>unemployed</td>
<td>6.82</td>
<td>9.16</td>
<td>6.39, 8.42</td>
<td>67.40</td>
<td>36.41</td>
</tr>
<tr>
<td>of those employed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>employers or self-employed</td>
<td>2.05</td>
<td>3.26</td>
<td>1.14, 1.70</td>
<td>22.56</td>
<td>20.84</td>
</tr>
<tr>
<td>employees or helpers</td>
<td>97.95</td>
<td>96.74</td>
<td>98.85, 98.30</td>
<td>113.06</td>
<td>107.20</td>
</tr>
<tr>
<td>of those unskilled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional, technical</td>
<td>0.88</td>
<td>1.74</td>
<td>2.86, 5.65</td>
<td>20.23</td>
<td>41.61</td>
</tr>
<tr>
<td>Administrative, executive</td>
<td>0.22</td>
<td>0.83</td>
<td>0.06, 0.48</td>
<td>9.65</td>
<td>20.00</td>
</tr>
<tr>
<td>Clerical</td>
<td>0.34</td>
<td>1.43</td>
<td>1.99, 8.38</td>
<td>17.02</td>
<td>26.23</td>
</tr>
<tr>
<td>Sales</td>
<td>0.38</td>
<td>1.45</td>
<td>0.02, 4.98</td>
<td>21.77</td>
<td>44.72</td>
</tr>
<tr>
<td>Farmers, etc</td>
<td>40.92</td>
<td>31.00</td>
<td>7.64, 5.46</td>
<td>326.32</td>
<td>144.74</td>
</tr>
<tr>
<td>Miners, etc</td>
<td>2.71</td>
<td>2.49</td>
<td>0.26, 6.26</td>
<td>277.78</td>
<td></td>
</tr>
<tr>
<td>Transport and Communications</td>
<td>3.43</td>
<td>6.00</td>
<td>0.62, 1.42</td>
<td>85.71</td>
<td>38.31</td>
</tr>
<tr>
<td>Traders, Process Workers,</td>
<td>37.66</td>
<td>43.48</td>
<td>7.69, 14.67</td>
<td>107.14</td>
<td>108.99</td>
</tr>
<tr>
<td>workers, labourers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service, Sport and</td>
<td>2.82</td>
<td>3.70</td>
<td>68.75, 47.92</td>
<td>92.50</td>
<td>325.88</td>
</tr>
<tr>
<td>Recreation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Armed Services</td>
<td>0.21</td>
<td>0.87</td>
<td>0.09, 0.13</td>
<td>52.94</td>
<td>50.00</td>
</tr>
<tr>
<td>Inadequately described, not</td>
<td>4.43</td>
<td>7.02</td>
<td>8.93, 10.76</td>
<td>155.55</td>
<td>235.00</td>
</tr>
</tbody>
</table>

*Aboriginal proportion expressed as a percentage to total population proportion in each category.


information for females, while Table V provides particular information concerning the labour market portion of Aboriginal males and females. The case of Aboriginals will be considered later.

Taking Tables I and II first, the most significant observation is the degree of similarity of the occupational and industrial distribution of males born in Australia, U.K. and Eire, Germany and 'other'. They are relatively highly concentrated in the professional and technical workers, administrative and managerial workers' categories, that would largely
be called the Australian, U.K. and Northern European-born segment, and a Southern European-born segment. Hence a segmentation on race or ethnic origin, seems broadly to correspond with a primary and secondary labour market segmentation, with some overlap in the subordinated primary segment.

Having identified fairly clearly defined segments among the Australian male working class, so too are the labour market characteristics (the conditions of the sale of labour-power) of women workers in Australia significantly different from those of male workers. Just as some occupations become increasingly the preserve of 'Southern Europeans' migrant labour, so too do some jobs become 'female jobs'. Further, in terms of industrial and occupational distribution, wages, and conditions of work, the female members of the working-class sell their labour-power in distinctly different conditions to different sections of Australian capitalism, than do male workers. Table VII establishes that, for the whole period 1911-71, between 55 per cent and 75 per cent of women have been em-

<table>
<thead>
<tr>
<th>Year</th>
<th>Female as a percentage of Total Labour Force</th>
<th>Disproportionality</th>
<th>Female Occupations</th>
<th>Percentage of Female Labour Force expected in these occupations</th>
<th>Percentage of Female Labour Force found in these occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>20</td>
<td>23</td>
<td>84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1921</td>
<td>20</td>
<td>36</td>
<td>83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>23</td>
<td>22</td>
<td>76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1947</td>
<td>22</td>
<td>33</td>
<td>78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>25</td>
<td>32</td>
<td>69</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1966</td>
<td>36</td>
<td>34</td>
<td>90</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td>32</td>
<td>36</td>
<td>82</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Power [1975: 227].

ployed in occupations where more than half of the workers were women. Further, between 27 per cent and 41 per cent of women were working in those occupations where over 90 per cent of workers were women. As Tables III and IV show, the industries and occupations with a large proportion of women workers are commerce (including wholesale and retail), community and business services (including health, hospitals and education) and amusement, hotels and personal services. They also concentrate in service, sport and recreation occupations (including housekeepers, cooks, maids, hairdressers etc.), clerical occupations (including stenographers, typists, cashiers, book-keepers), sales occupations and professional and technical occupations (including nurses and teachers etc.). Margaret Power argues that:

Female occupations are those in which work relationships require men to be in authority over women and where the nature of the work is often derivative of housework. For instance, work associated with food, clothing and cleaning and work which involves caring for the young and the sick. A result of these views about the 'natural' economic roles of women is that women are concentrated in a very narrow range of jobs. In 1971 more than one-third of women worked in just three occupations: clerk, salesperson and typist and over half of all women worked in only nine occupations. (Power [1975: 228])

However, it is misleading to treat women workers as a homogeneous grouping. Migrant women workers from Southern Europe (including those from Turkey, Yugoslavia and Latin America) are disproportionately represented in the tradesmen, production-process workers and labourers category, while Australian-born and U.K. migrant women are concentrated more in clerical workers and professional, technical and related workers categories (see Table V). The figures for the 1971 census show that 44.8 per cent of Italian-born women, 55.9 per cent of Greek-born and 54.7 per cent of Yugoslav-born women were employed in the tradesmen, production-process workers, labourers category, compared to 9.3 per cent of Australian-born women, 14.1 per cent of U.K.-born and 20 per cent of German-born women. The 'clerical workers' occupation employed 33.4 per cent of Australian-born women, 33.4 per cent of British-born and 27.7 per cent of German-born women. In contrast, only 4.3 per cent of Greek-born women, 5.8 per cent of Yugoslav-born women and 12 per cent of Italian-born women were employed in this category. A similar imbalance is seen in the professional etc. category, while the categories of service, sport and recreation workers and sales workers seem to be evenly balanced. Hence it would appear that there is a distinct difference in the nature of these categories of work by Australian-born and British-born women (including Northern-European-born women) as compared to that of Southern European-born women including Yugoslav-born, Turkish-born and Latin American-born women.

From this data, it would suggest that 'Southern Europeans' migrant women are largely confined to the secondary sector, while the 'Australians' and U.K.-born women segments would seem to also extend to a degree into the primary sector. At this high level of aggregation of labour market statistics, it is difficult to be more precise about the primary/secondary labour market correspondence with the 'Australian and U.K.-born' and 'Southern European-born' segments. In particular, detailed information concerning the precise nature of work, and position within the internal hierarchical organisation of the firm, would be necessary to satisfactorily establish the precise nature of segmentation of male labour markets in Australia. One very useful piece of empirical work in this respect is that of Lever [1975]. In a detailed study of Victoria's Plea and 1971 census data, Lever attempts to establish the degree to which non-British migrants were concentrated within the working class and whether there was a discernible trend towards other economic integration or economic segregation. Although she employs a slightly different
degree of disaggregation than I have suggested, her results strongly support the segmentation that I have identified. As Table VI illustrates, there is a heavy concentration of non-British migrants, particularly 'Southern Europeans', in the manual jobs of the Australian workforce. The data shows over 90 per cent and 88 per cent of Italians, Greek and Yugoslav males were employed in manual jobs respectively in 1966 and 1971. The relevant figures for migrants from 'other countries' were 80.0 and 77.4 per cent. In contrast, only 64.3 per cent and 61.9 per cent of British and Australian-born workers were employed in manual jobs for these years. Further disaggregated data suggest that more than half non-British male and female workers were employed in occupational categories which contain a disproportionate number of migrants. These occupations are mostly unskilled and semi-skilled manual jobs, although they also include a number of skilled jobs in metal work and construction. Moreover, the proportion of all workers in these occupations of migrant concentration who were non-British migrants rose for the 1966-1971 period, while the proportion of all jobs accounted for by these occupations fell. In other words, a falling proportion of migrant workers, male and female, are increasingly concentrated in shrinking sectors of the economy. In other words, Lever's study suggests that the segmentation process is being consolidated. This is supported by the more disaggregated later sections of Lever's data where she looks separately at the portion of Italian, Greek and Yugoslav-born, male and female, workers. She finds that 55 per cent of Italian, 59 per cent of Greek and 75 per cent of Yugoslav males, were working in 1971, in the twenty-one occupations that had a high concentration of non-British migrant males; these occupations provided only 29 per cent of all jobs. These three ethnic groups were concentrated mainly in the occupations of labourers and skilled metal workers.

For migrant women, Lever notes that 53 per cent of Italians, 69 per cent of Greeks, and 64 per cent of Yugoslavs, were working in 1971 in the twenty-three occupations with a high concentration of non-British migrant women. These twenty-three occupations provided only 20 per cent of all female jobs. These non-British migrant women were concentrated in the textiles and clothing industry. However, between 1966 and 1971, Lever noted that the numbers of males involved in skilled metal trades were falling slightly for Italians, rising slightly for Greeks and rising considerably for Yugoslavs. The absolute fall amongst Italian and Greek labourers was partly compensated by the rise amongst Yugoslavs. A similar pattern was found for female workers. As Lever argues: 'A process of succession was thus visible, with the older established groups finding their way out of some "classical" migrant occupations, while newer immigrant groups were replacing them' (Lever [1975: 32]). Hence, the position of different ethnic groups within the workforce is not static, and it appears that there is some "upward mobility" amongst the older sections of the 'Southern European' segment. They are being fed into jobs higher up the hierarchy or in higher segments, as newer immigrants from Turkey, Latin America, Lebanon, etc., enter Australia in much the same way as these 'older' migrants provided the basis for upward mobility of Australian and U.K.-born workers.

Obviously this data is not conclusive and can only indicate broad trends. Disaggregated data comparing the whole post-war census years would be necessary to establish more clearly the nature of segmentation in Australia. One particularly useful empirical finding of Lever's is shown in Table VIII. Here she looks behind the category 'process workers', and finds that within this category, non-British migrant workers predominantly take up jobs as assemblers, factory workers and iron workers. In contrast, they are relatively under-represented in the tradesmen's assistants and inspectors jobs. This tends to support our notions of the distribution of workers in the 'Southern European' segment into the manual jobs in industry. Needless to say, more research is required here to clarify the picture.

<table>
<thead>
<tr>
<th>Proportion of Non-British Migrants, Metal and Electrical Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process workers</td>
</tr>
<tr>
<td>Subsections:</td>
</tr>
<tr>
<td>Assemblers</td>
</tr>
<tr>
<td>Factory Workers</td>
</tr>
<tr>
<td>Iron Workers</td>
</tr>
<tr>
<td>Tradesmen's Assistants</td>
</tr>
<tr>
<td>Inspectors</td>
</tr>
</tbody>
</table>

Source: Lever [1975: 15].

Serial and fragmentary evidence of other labour market characteristics tends to support the broad segmentation between 'Australian and U.K.-born', and 'Southern European born', and between male and female.
workers. Workers in the 'Southern European born' segments have a higher labour force participation rate, suffer from higher rates of unemployment and in general receive lower wages and income than their Australian and U.K. born counterparts. Further, these differences occur both between the male and female segments themselves. Taking the point with respect to wages and income figures, the results of the first Australian wide study of migrant income distribution support the segmentation hypothesis. The results in Table IX show that while Australian,

<table>
<thead>
<tr>
<th>Country of Origin</th>
<th>Numbers Employed</th>
<th>Average Wage ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>2,777,600</td>
<td>152</td>
</tr>
<tr>
<td>Britain</td>
<td>325,300</td>
<td>162</td>
</tr>
<tr>
<td>America and Canada</td>
<td>77,600</td>
<td>172</td>
</tr>
<tr>
<td>New Zealand</td>
<td>73,500</td>
<td>189</td>
</tr>
<tr>
<td>Italy</td>
<td>95,600</td>
<td>138</td>
</tr>
<tr>
<td>Greece</td>
<td>99,500</td>
<td>127</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>52,400</td>
<td>140</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country of Origin</th>
<th>Numbers Employed</th>
<th>Average Wage ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>889,900</td>
<td>114</td>
</tr>
<tr>
<td>Britain</td>
<td>52,300</td>
<td>117</td>
</tr>
<tr>
<td>America and Canada</td>
<td>8,300</td>
<td>146</td>
</tr>
<tr>
<td>New Zealand</td>
<td>11,900</td>
<td>121</td>
</tr>
<tr>
<td>Italy</td>
<td>31,200</td>
<td>95</td>
</tr>
<tr>
<td>Greece</td>
<td>20,700</td>
<td>99</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>74,800</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: Australian, 19 February 1976, p.3.

British, American, Canadian and New Zealand born males all received average weekly wages in the range of $152-$189 per week, males from Greece, Italy and Yugoslavia had lower average wages in the range of $127-$140. For women workers, the corresponding wages for women in the Australian U.K.-born segment were between $114-$146 per week, while those in the Southern European born segment were between $95-$103 per week. Not surprisingly, every study of income distribution by ethnic origin, from suburban to Australian-wide coverage, supports the distinction between the segments we have established. Moreover, there is clearly discernible difference in the living conditions of relative inequality, deprivation, prejudice and poverty, relative to the 'Australian and U.K. born segment'.

Unfortunately, there are not any systematic studies of the actual labour-process: the job hierarchy, conditions of work, intensity of labour etc. that would allow a full development of the labour market segmentations theory. The evidence that is available, however patchy, supports the notion of the secondary labour markets as having worse working conditions and greater intensity of exploitation, and of the 'Southern European-born' segment dominating this secondary labour market.

The Jackson Report into the manufacturing industry of Australia found that 'Migrant workers predominating in those industries, plants and jobs where conditions are worst and where jobs are physically hardest' (Jackson Report [1975: 84]). Similarly, a study of migrant women in the sloshing industry testified to their appalling working conditions:

Descriptions of poor working conditions and of women being treated with no dignity abounded in our talks with these ladies. Conditions in many factories is (sic) stifling; ventilation is poor, conditions are often cramped and there are no lunch rooms, cool water fountains or other amenities. Women often have to sit at work benches to have lunch or eat in the street. (Brown & Scour [1994: 13])

A recent strike at Ford Broadmeadows, Victoria, by migrant workers aimed at the greater intensity of labour of these Southern European migrant-dominated secondary jobs. One of the Greek-born workers located the main source of worker discontent at the speed of the line: 'People are upset working on the line,' he said. 'They work like a horse because of the speed of the line. Conditions are not good. Foremen are always telling the men to hurry and hurry. Sometimes there are ten or fifteen men away from the line and the speed is still the same and production is just the same. We work like the horse in bad conditions.'

The workers got six minutes tea time, and when people left to go to the toilet the line continued. Little wonder the labour turnover was 200 per cent in a year and the absentee rate 10 per cent. And, little wonder that migrant workers have a higher work accident rate than Australian-born workers.

A recent survey of over 1,000, mainly Southern European, migrant women in the Sydney local government areas of Marrickville and South Sydney, has thrown some light on the workforce situation of this section of the industrial reserve army who occupy the 'secondary' labour market. For most of these women, job mobility was found to be minimal: 'There is no evidence from the women's job histories of any progression from one type of job to a more pleasant one.' Most of the women worked in semi-skilled or unskilled blue collar occupations, primarily as production-process workers and in the garment industry. Further, most of these women did not stay in their jobs for periods much longer than one year—a characteristic one would expect of the industrial reserve army. Systematic study is required to further establish the nature of 'secondary jobs' and of the Southern European migrant segment, male and female, who are increasingly represented in them.

(c) Aboriginals in the Labour Market

Although Australian blacks are numerically not very significant in the
Aboriginal reserves, found that 50 per cent suffered from growth retarda-
tion due to poor diet. The low wages of Aborigines go a long way to
explaining these facts, particularly when it is recognised that $25 a week
was not large enough to adequately feed a family in Australia at that
time—indeed, the 1906 poverty-line for a family of four was $33, and
the average Aboriginal family has eight members. The Henderson
Report found that, of urban Aborigines, some 35 per cent were poor
in Adelaide and Brisbane. Only 26 per cent of men earned $80 or
more per week, while no woman earned above $80.66

(f) Political and ideological characteristics

Corresponding to the economic characteristics that suggest segmentation
of the nature described, political and ideological differences strongly
confirm it and provide more useful information on its function. Looking
at the political characteristics of the Australian working class, the most
significant aspect is that of the differing degree of political participation
and representation between the Australian and U.K. born, the Southern
European born and the Aboriginal segments. These differences are
also significant within the male/female portions of these segments.
The Australian and U.K.-born, particularly males, tend to dominate
Australian politics at every level: parliamentary politics (at federal,
state and local levels) as well as working-class politics in the trade
unions and/or on the shop floor. In stark contrast, the other segments
are almost totally absent from these political processes. The mechanisms
that lie behind this political 'neutralisation' of such a large and significant
section of the Australian working class are of course complex and warrant
detailed study. Part of the explanation would be found in the historical/cul
tural background of the imported industrial reserve army. In parti-
cular, a study by Burley shows that while 75 per cent of Dutch and
Germans in Australia (and presumably similar numbers of British, Americans etc.) were born in cities and towns, over 80 per cent of Greeks
and Italians, and over 70 per cent of Yugoslavs, were born in small
towns or rural villages. Without traditions of trade unionism, they are
flourishing in Greece and Italy onto the production lines in Sydney
and Melbourne.

There is evidence that employers consciously utilise the non-English
speaking migrants' uncertainty and apprehension to create a docile
workforce that would work for wages, and in conditions, that Australi-
born workers will not accept. One government study argued that:

employers have positively contributed to keeping ethnic groups isolated.

They have pursued a policy generally of putting members of the one ethnic
group together in the same section of the industry, with a bi-lingual over-
see for that group... Some employers on the other hand, pursue a policy
of fragmenting groups so that they are unable to communicate with any-
one. (Zakowsky & Bockley 1975: 42)

Another study found that this was verified for women migrants who
were working in the clothing industry.

All the women stated that piecework (i.e., payments on the basis of numbers of garments produced), use of favouritism and use of lack of communication between women of different ethnic groups was all used by bosses to divide women and to destroy any attempts at unity by the women. (Brown & Storer [1974: 11])

Moreover, the female industrial reserve army has been isolated from politics primarily because of the sexist ideology that has, by and large, led to the exclusion of women from most political processes. The objective labour market differences of the Australian and U.K.-born male segments from the rest of the labour market provide the material basis for such class divisions to occur in the first instance—and the subsequent destruction of class unity provides conditions in which employers can carry out their 'divide and rule' strategies.

Corresponding to this political 'segmentation' are the reinforcing ideologies of racism and sexism and nationalism. These have long been rooted in Australian capitalism, particularly among the working class. These ideologies provide the means by which the very inferior working and living conditions of the female, Southern European-born and Aboriginal segments are justified and accepted by the working class; at the same time, these ideologies are reinforced and created by the material labour market differences themselves. The result has been a division within and among the working class. The Southern European-born, who now dominate the jobs traditionally thought to be the bastion of working-class consciousness have, it seems, been effectively excluded from the political processes. As such, a large number of the proletariat have been politically contained; the same is true for blacks who have only recently been given the right to vote and be counted in the Australian census, but their political activity is, however, well outside the established political mechanisms and processes. The overall effect of these divisions has been to minimise class struggle in Australia.

5. Conclusions

This essay has argued that a Marxist analysis of Australian capitalism must focus on the hitherto neglected aspects of the labour process and the labour market. It is from this standpoint that the crucial 'segmentation' or 'fractionation' of the Australian working class can be analysed. One of the great weaknesses of the study of the political economy of Australian capitalism, and of the political practice of the Australian left, has been in treating the working class as more or less homogeneous. On the contrary it has been argued here that it is the divisions within the Australian working class—and their economic and political roots—that demand serious attention. It is only within a Marxist framework that such class segmentation can be fully understood. Orthodox human capital theory and discrimination theory represent feeble attempts to account for the inequality and discriminations that are the consequences of labour market segmentation. Dual labour market theory, while throwing up some useful hypotheses and empirical studies of segmentation, lacks an adequate theoretical framework in which to analyse labour market segmentation. Given the lack of appropriately oriented research, particularly in respect to the historical development of the structure of enterprises and the labour process, this essay has had to rely on static, fragmentary information; hopefully it will provide a theoretical framework in which future studies and research can be located. Despite the lack of information it has been possible to sketch the present characteristics of labour market segmentation.

Segmentation has been crucial to Australian capitalism at a number of levels. Economically, it has provided the material basis for dividing the working class and creating low-wage manual segments dominated by migrant and female workers. The low wages, bad working conditions and greater intensity of labour in these secondary segments have facilitated the extraction of surplus value. Indeed, it could be argued that without low-wage, secondary sector employment, certain sections of Australian capital—particularly the old technologies of steel, chemicals etc.—would not have been able to operate profitably. In this way, employers have been able to manipulate the aspirational traits of workers (sex, race, ethnic origin etc.) so as to increase capital accumulation. Politically, the Australian working class has been divided and turned against itself rather than united in a common struggle against the ruling class. The impact that this has had on the political stability of post-war Australian capitalism, particularly in neutralising a large part of the three million post-war immigrants and the great majority of women and blacks in class struggle, has been greatly neglected. Moreover, the ideologies of sexism, racism and nationalism have at once been a crucial underpinning of labour market segmentation and at the same time, a product of the material conditions of labour market segmentation. These ideologies have been central to a maintenance of the social relations of production. In these ways, labour market segmentation has had a major impact on capital accumulation and class struggle and on the lives of the working class. Despite the importance of segmentation, however, it is not without its contradictions. These are manifested at the economic level by high levels of absenteeism, labour turnover, job sabotage and the like. At the political level, strikes such as that at Ford Broadmeadows in 1973, and the emerging women's and black movements suggest the latent militancy of these most exploited sections of the Australian working class.

One of the most important political implications of this analysis is the need for the Australian left to centre its revolutionary strategy on breaking down the class divisions, and the ideologies that prop them up. If the ideologies of racism, sexism and nationalism are broken down, if working-class organisations and movements strive to break down the divisions within the working class, the future political stability of capitalism will no longer be guaranteed, and a socialist Australia will come more and more on the agenda.
the industrial reserve army concept provides important 'aggregative' theoretical foundations which should not be ignored.

28. Marglin has been criticised largely. I would argue for underscoring the role that technological change and efficiency played in the evolution of the social relations of the enterprise. Marglin places great emphasis on the 'cumulative' divide and conquer strategy as do Roehl et al. [1973]. For an outline of this criticism, see Palmer [1975: 31] and Larrin [1975: 117].
29. This of course refers to Marx's famous distinction between a class 'in itself' and a class 'for itself'. The former became possible with the increasing homogeneity of the proletariat, but this is a necessary, not a sufficient, condition for class struggle. What is required is 'class consciousness' for the class to be 'for itself'.
31. The Southern European countries of Italy, Greece, as well as Yugoslavia are major sources of Australia's migratory reserve army of labour: the most direct source of foreign labour for Australian capitalism, in quantitative terms, is the U.K. (See Collins [1975]).
32. Althoff [1969: 87-128] uses the concept of overdetermination of each of the instances of this argument.
33. See Marx, Capital, vol. 1, chapter X. 'Absolute and Relative Surplus Value', pp. 416-83. Marx defined 'necessary labour' as that part of the working day in which labour produces the value-quantity of the value of its own labour-power. The value produced during the rest of the working day Marx called 'surplus labour'. This value produced during this period of the day was appropriated by the capitalist as surplus value.
34. See Nikolinaks [1975] for a detailed outline of this mechanism.
35. For a fuller development of this argument, see Bouillon & Collins [1976].
38. See Martin [1974: 774] and Stone [1974: 152]. Of course, the trade union movement in the U.K. has a history quite distinct from that of Australia. Nevertheless, these general points hold equally well for the Australian case.
41. While I would disagree with the strategy of supporting worker participation, it is difficult not to agree with Zimbardo that such changes in the organisation of work do throw up new contradictions for the C.M.P.
42. From the standpoint of the economic effects of immigration, the economic impact of immigration is a major source of Australian capitalism's industrial reserve army. But the economic impact of immigration is an even more significant. For example, during the 1947-1960 period, immigration contributed 73 per cent of the total workforce growth in that period, and 61.4 per cent of the increment to the male workforce.
44. See Arrow [1974: 209-212].
45. See Australian Department of Labour [1974: 4]. For a useful study of women in the Australian workforce, see Morgan [1973].
47. Pozar [1972: p. 227].
48. See Australian Department of Labour [1973: 1, p. 52].
49. Lever compares non-British migrants in the workforce to Australian and British workers. She notes that these categories lead to a 'concentration of diversity' including, for example, Germans, Dutch, Turks and Northern Europeans (Lever [1975: 10]). However, the data on Tables 1, 2 and 3 and 5 and 6 suggest that the situation of Turks and Northern Europeans is different. The difference between the two groups is much greater, with the 'feminisation' of the Southern European 'segment'.
50. Lever [1972: 49]. She takes non-manual jobs to be those in the professional, technical and occupational groups.
and related workers, administrative and managerial workers, clerical workers, sales workers and members of the armed forces. The manual category comprises all other occupations.

54 First National Population Inquiry [1975: 114].
55 See for example Collins [1975a: 117]. Unemployment is obviously a feature of the industrial reserve army, who are employed or found working in the visibly redundant demands for labour. Women suffer higher rates of unemployment than men.
56 For evidence of income distribution among particular ethnic groups, see Kinner [1979], among migrants in a few Melbourne suburbs see Knapinski & Soiler (ed.) [1971], and in Sydney, Jakobowicz & Buckley [1975: 48-9] and Cox, Johnson & Martin [1975].
58 Australian, 10 January 1974: p. 2. Labour turnover is highest in the migrant-dominated manual jobs class in the industrial reserve army (see Department of Labour [1975: 36]).
59 Jakobowicz & Buckley, [1975: 12].
60 Cox, Johnson & Martin [1975: 56]. It is significant that 44 per cent of these migrant women, mostly from Lebanon, Greece, Italy, Spain, Turkey and Yugoslavia, had never worked in a paid job prior to coming to Australia.
61 See the First Report of the National Population Inquiry [1975: 491-504].
62 Within these categories, aborigines are found in the worst and least skilled jobs, although this is concealed by the degree of aggregation of the statistical categories.
64 Cited in Dubber & Dubber [1972: 183].
65 Poverty in Australia 1975: 268.
66 Aborigines and Islanders in Brisbane [1975: 66]. This study found that 90 per cent of Aborigines were working in unskilled jobs.
67 See Collins [1976].
68 Birtie [1975: 106].
69 See also the Jackson Report [1975: 81-7].
70 See, for example, McQueen [1971].
71 McFarlane [1972: 52] has argued this. Further research is required, however, before this can be fully substantiated, although the evidence presented in this paper certainly supports the hypothesis.

SOURCES


POLITICAL ECONOMY OF AUSTRALIAN CAPITALISM


