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Report

ASSAULT ON THE UNIONS

95p



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**Counter Information Services,
9 Poland Street, London W1.
01-439 3764**

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Distributed by Pluto Press, The Works, 105a Torriano Ave, London NW5 2RX.

Credits

Designed by Julian Stapleton.
Thanks to: Amanda Blake, Duncan Brewer, Data Center, Low Pay Unit, and Public Order Research Group, and for financial assistance to: Lipman Trust, the GLC Industry and Employment Committee, ACTT, CPSA, NUJ, NUPE, NUS, and POEU Derby and Newcastle branches.
Special thanks to: Elana Dallas and Stuart Ash.
Printed by the Russell Press Limited, Bertrand Russell House, 45 Gamble Street, Nottingham NG7 4ET.

Summer 1984 Report No.34

British trade unions are experiencing the most sustained assault mounted on organised labour since the war. The Tories' aim in this assault is not to abolish trade unions altogether. They want the institutions to remain, but they want unions to be more centralised, less political and more remote from their members. They would like to tame the unions, to render them incapable of taking on the employers.

The Tories said in their manifesto that they would shift the balance of power away from unions and towards management in three specific ways: by restricting picketing, so making it harder for workers to win disputes; by curbing closed shops, so weakening workers' organisation; and by promoting secret ballots, so lessening the likelihood of militant collective action.

They rejected the close ties between the state and the trade union leadership characteristic of the previous Labour government. Instead of buying the TUC's allegiance by allowing them access to decision making, Thatcher has booted them out of Whitehall and sent them back to Trafalgar Square.

But the assault has been much broader than their original statements would imply. Redundancies, privatisation, the abolition of low paid workers' protections, the banning of legitimate trade union activities and the use of the courts — all these are part of the Thatcher government's strategy to destroy union militancy. They want to create a climate in which employers can go on the offensive.

They are not having it all their own way. Despite government propaganda, union membership is increasing in some sectors. Strikes and shopfloor involvement in negotiations continue. Sympathy action in support of other workers, although outlawed by new legislation, is still undertaken on a wide scale. Above all the miners' strike has dispelled any idea that workers will not fight for their jobs and their union rights.



From the moment they came to power in 1979, the Tories have worked consistently to shackle the unions. Their aim is to shift power towards management at the expense of the workforce.

They were aided in this by the intensifying climate of insecurity and fear that high unemployment created amongst the workforce. This provided employers with the opportunity to cut labour costs by shedding workers.

As the largest employer in the country by far, the Tory government saw their direct role in this assault on the workforce as a major one. Their homespun economics told them that to boost real profits as a whole, labour costs had to be cut throughout the economy — in the public sector as well as everywhere else. Any lead they could give as employers would only encourage private employers to greater efforts. And they knew that the mechanisms for an attack on the public sector workforce — the cash limit system in particular — had already been set up and demonstrated by the Labour government under the tutelage of Denis Healey.

The Tories were careful to avoid full scale, direct confrontation at first. Thatcher and her colleagues learnt a lot from the defeat of the Heath government by the miners in 1974. They had no intention of repeating Heath's mistakes.

In 1977 Tory MP Nicholas Ridley was asked to report on the nationalised industries. He spelt out how the Tories should deal with the unions. The report argues that 'in the first or second year after the Tories' election, there might be a challenge from a trade union . . . in a vulnerable industry such as coal, electricity or the docks'. According to the summary of the secret report, which was leaked in *The Economist*, it went on to argue: 'The eventual battle should be on ground chosen by the Tories, in a field they think they could win (railways, British Leyland, the civil service or steel).

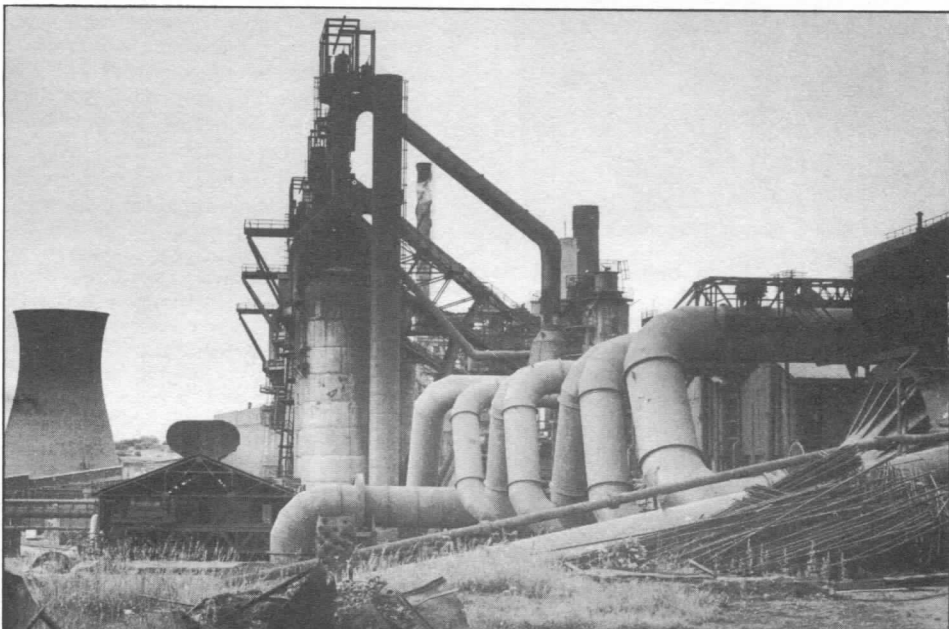
'Every precaution should be taken against a challenge in electricity or gas . . . the most likely battleground will be the coal industry.' The report said that a Thatcher government should:

'a) build up maximum coal stocks, particularly at the power stations; b) make contingency plans for the import of coal; c) encourage the recruitment of non-union lorry drivers by haulage companies to help move coal when necessary; d) introduce dual coal/oil firing in all power stations as quickly as possible . . . There should be a large

TORY STRATEGY



MARTIN HASWELL

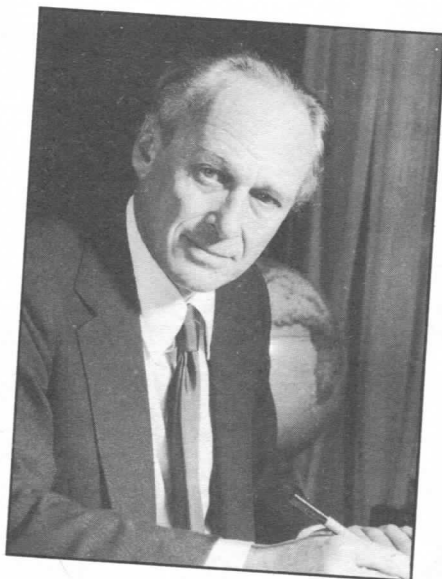


LAURIE SPARHAM/IFL

mobile squad of police equipped and prepared to uphold the law against picketing.'

It is obvious that the Tories have followed Ridley's advice closely. The major confrontations in Thatcher's first years of office were in industries identified by Ridley — steel in 1980, the civil service in 1981, British Rail and the health service workers in 1982. In each of these strikes the Tories defeated and demoralised the workforce after long and bitter disputes.

By contrast, when 50,000 miners walked out in February 1981 after the announcement of pit closures (particularly in South Wales) and organised determined picketing, the government quickly backed down and announced further aid for the industry. In South Wales, according to the *Financial Times*, 'The movement of all coal from pitheads was at a standstill. Train drivers were refusing to cross picket lines and coal merchants were unable to pick up domestic supplies from colliery stockyards. Steelworks were being picketed in the first 24 hours of a dispute that lasted all of five days.' The Tories were not yet prepared to take on the miners. They would choose their time.



Nicholas Ridley: planning the attack.

Similarly, they have been careful to avoid prolonged strikes in gas and electricity. The electricity workers were given 5.2% in April 1984, well over the government's guideline of 3% for public sector pay rises — the sum which was first offered to the teachers. The government finally gave way to the water workers in 1983 — again taking the line of least resistance when faced with a group of workers who, in Ridley's words 'have the nation by the

Lessons of 1972

The Tory Employment Acts are the direct descendants of the 1971 Industrial Relations Act. That Act attacked trade union power on many fronts. It allowed individual scabs to challenge the closed shop. It allowed unions to be sued for causing a 'breach of contract'. It gave the government the power to order the postponement of strike action ('cooling off periods') while secret ballots were organised. It called for agreements between unions and employers to be legally binding.

There was a proviso that unions which registered under the Act could gain a certain protection under the law (e.g. employers could sue them only up to £100,000). A special court, the National Industrial Relations Court (NIRC), was set up. A special judge presided over it — former Tory candidate John Donaldson.

On 11 November 1970, 100,000 workers came out on unofficial strike against the Bill (as it then was) mainly in Scotland. On 8 December 1970 the number prepared to strike for a day had risen to 500,000. The stoppage was unofficial (except in the case of SOGAT, whose executive went into hiding for a day to avoid being served with an injunction ordering them to call off the strike). Early in January 1971 there were similar one day strikes in Birmingham and Coventry.

The TUC called a rally on 12 January 1971, which was well supported, and a TUC-led march on Sunday 21 February saw over 250,000 trade unionists demonstrating in London. The AUEW called an official strike on 1 March, and 1.5million workers downed tools. On 18 March 2 million walked out.

The majority of unions refused to register under the new law, but by the summer of 1972 the NUR had agreed to hold a secret ballot when ordered to, and the TGWU had paid a fine of £80,000 imposed by the court. It looked as if the Tories were getting away with it.

The dockers were the first to challenge — and reverse — this trend. They were engaged in a long and bitter fight to prevent their employers from diverting work away from the well-organised docks into container depots and cold stores employing poorly organised and badly paid workers. Their main tactic was to black firms whose lorries went across picket lines into such depots. It was this sort of blacking that led the NIRC to impose the first £80,000 fine on the TGWU.

The struggle soon focused on the Midland Cold Store, a London depot owned by the giant Vestey company. London dockers established an effective picket and resisted every attempt by the NIRC to remove them. The Court ordered shop stewards leading the picket to appear before it: the stewards simply ignored the summons. On Friday 21 July five leading stewards were arrested by the police for being in 'contempt of court' and sent to Pentonville Jail.

Within hours every port in the country was closed as dockers walked off the job. By Sunday 23 July Fleet Street was shut down as the printers came out, and in the next two days more and more workers joined the dispute. The TUC

called a one day general strike for the following week, but by the Wednesday it was clear who was winning. The Law Lords let the five shop stewards go.

The Government and its legislation had been dealt a mighty blow, but the Court continued to function. In late 1973, 33 AUEW members at Conmech went on strike for union recognition. They refused to obey an order from the NIRC to stop the picketing and were fined for contempt of court. The NIRC ordered the sequestration of money from the AUEW's funds. The AUEW called a national one day stoppage in protest.



Blocking the pickets at Saltley coke depot in 1972; the miners won.

The Commission of Industrial Relations, a new body set up under the Industrial Relations Act, was called in to investigate the dispute, and it recommended union recognition. The employer refused. But the numbers on strike gradually dwindled and in April 1974 it was called off.

However, the next month the employer's case came to court for its full hearing (you can only get a temporary injunction if you are actually issuing proceedings, which usually take several months to come to court). An award of £45,000 compensation was made to the employer. Again the AUEW refused to pay.

The court threatened to sequester *all* the union's funds. The AUEW called an unlimited stoppage of all its members. Within 24 hours an anonymous businessman had paid the fines.

The Industrial Relations Act was discredited, made unworkable by direct action by trade unionists. The Tory government had not been able to shackle the unions.

jugular vein'. When this was the case, he said, 'the only feasible option is to pay up'.

The squeeze has been accompanied by the introduction of anti-union legislation.

One of the Tories' central themes is the use of secret ballots. 'More democracy' is not the aim — the ballots are intended to dampen down militancy.

They want pre-strike ballots in the belief that they will help prevent strikes. A strike is a collective action, where the faint-hearted are encouraged by the militant. Secret ballots are designed to isolate individuals away from their fellow workers, to encourage doubts and fears. To go on strike, or take any other form of industrial action, requires courage and the reassurance of the collective.

A dispute born in anger with a fighting spirit is dampened by the delay in calling and counting a ballot. Employers are given a chance to consolidate their position in circumstances where timing and the balance of power is crucial. The emphasis is always on pre-strike ballots. The chance to vote on compromises — especially weak ones — between employers and union officials is not being encouraged.

No militants

But the thrust of the argument for ballots has shifted. With unofficial disputes reduced, there is more emphasis on ballots for union officials. Thatcher believes that, with the general shift to the right, the rhetoric of union leaders is now more militant than the attitudes of the rank and file. She argues that secret ballots would prove this, and that 'left wing' leaders would get their come-uppance.

So far, however, the government's legislation has been aimed principally at withdrawing union immunities, making many strikes and most picketing illegal and undermining the closed shop. Here the government is building on the groundwork of previous administrations, and again it has learnt the lessons of the past.

There has been a series of attempts since the late 1960s to control industrial action by passing laws. As the boom years after the war gave way first to stagflation, then to increasingly severe recessions, the use of law in industrial relations has increased. The theory was that strong workplace organisation led by shop stewards who were not answerable to the official union machinery was responsible for Britain's economic plight. So the real

target of the legislation by Labour in 1969 and the Tories under Heath in 1971 was the shop floor.

The position of shop stewards has been greatly eroded over the past ten years. Much of this erosion took place under the last Labour government's social contract, which brought national union leaders into the centre of the stage. While appearing to influence social and economic policy, they policed an incomes policy which led to a real cut in wages for many workers between 1977 and 1979. After the defeats inflicted on the Heath Tory government in the early 1970s, the social contract years undermined self-reliance in the workplace and

contributed to the pessimism that brought Thatcher to power.

The succession of anti-union employment laws passed by the Thatcher government shows just how closely the Tories watched these defeats of 1971 to 1974. Norman Tebbit may be one of the most unpopular men in Britain, but he was careful to avoid any direct confrontation with the unions and carried on the 'softly-softly' approach of Jim Prior, who had been Employment Secretary before him. Tom King, Tebbit's successor, is continuing with the same approach. The strategy is to rely on mass unemployment to discipline the shop

Employers Associations

The Tory party represents the interests of the employing class — but those interests are by no means uniform. For instance, the attitude of large companies to unions differs from that of small outfits. Insofar as big business has a collective voice, it is represented by employers' federations such as the Confederation of British Industry (CBI) and the Engineering Employers' Federation (EEF).

The first CBI conference after Thatcher's election was full of praise for the free market and calls for Thatcher to deregulate business. A year later, in November 1980, all talk of union-bashing had stopped. Instead, the calls were for lower interest rates, subsidised energy, measures to reflate the economy and import controls. The recession had hit home, and for those employers the problem was not union power but economic conditions.

However, the Institute of Directors (IOD) — which represents mostly small businesses and used to be regarded as too far to the right — has continued its strident calls for stricter limits on union power and an end to what it calls union

monopolies. Small-time, virulently anti-union employers like George Ward of Grunwicks and Eddie Shah are from this mould. They certainly have Thatcher's gut sympathy, if not her whole-hearted support. While the TUC has been cold-shouldered, Walter Goldsmith of the IOD found his counsel sought at the highest levels.

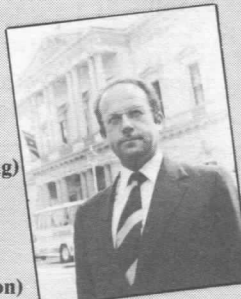
All together

The CBI and the IOD are the two most powerful employers' organisations, which span all industries and services. The CBI is the more senior of the two, with a greater representation among major companies and it plays a larger servicing role. The rival IOD has gained notoriety in recent years for its Thatcherite policies.

There are several industry federations with varying degrees of influence. In membership terms the National Farmers' Union is the biggest: it has successfully gained large sums of money for its members through its influence over Government policy, especially on the EEC.

The key organisations are:

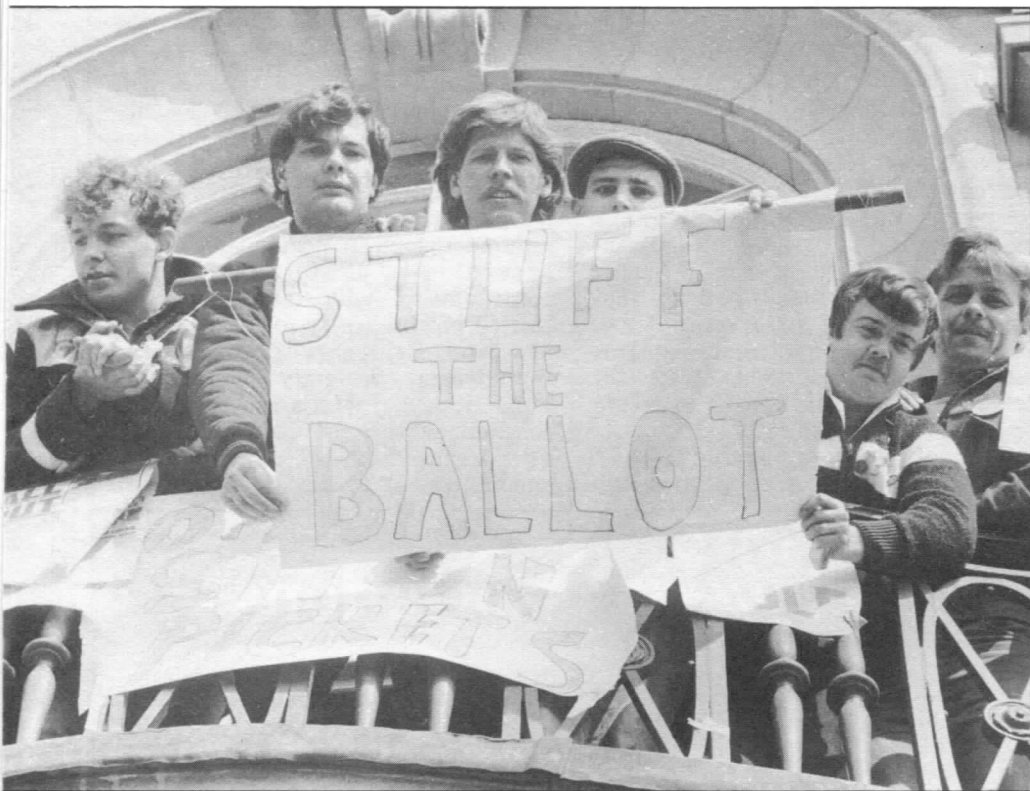
EEF (Engineering Employers' Federation)
 NFU (National Farmers' Union)
 GCBS (General Council of British Shipping)
 NFBTE (National Federation of Building Trades Employers)
 ECA (Electrical Contractors Association)
 CIA (Chemical Industries Association)
 BPIF (British Printing Industries Federation)
 NS (Newspaper Society)
 RHA (Road Haulage Association)
 FMB (Federation of Master Builders)



Walter Goldsmith:
 Counsel sought at
 high levels.

No. of members (1982)	Total assets (1982)
5,000	£10 million
123,000	£12 million
205	£4,600,000
10,000	£3,500,000
2,250	£8,300,000
199	£674,000
2,500	£877,000
281	£557,000
11,700	£1,690,000
10,087	£873,000

Employers have often canvassed the idea of creating strike insurance funds to help defeat strikes. The CBI launched a campaign for a strike fund in 1979, but had to abandon the idea because too few companies were willing to put up the money — everyone wanted to draw from the fund but the premiums, based on the number of employees per company, were too high. Competition between companies was also a factor. Companies competing for sales in the same market were happy for strikes to hit their competitors. During the dispute between the British Printing Industries Federation (BPIF) and the NGA in 1981, the BPIF ordered a lock-out. Less than half the Federation members followed the instruction and the move collapsed when it was revealed that the VPIF chairman, Alex Jarratt of IPC, had not locked out his own employees.



Miners give their view of government dictats at a 1984 occupation of Lancashire NUM HQ.

floor, with piecemeal legal attacks aimed at restricting workers' ability to win disputes, so further undermining workers' confidence and combativity. No visible targets to attack or boycott have been created — no special industrial relations courts, no register of unions.

Limits of legislation

Employers only turn to legislation when they believe it will intimidate workers rather than stir them to even greater efforts to win. Why did the Coal Board initially leave unused the injunctions so eagerly granted by the courts early in this year's miners' dispute? Because they felt it would serve to increase the miners' fragile unity rather than intimidate them into retreat.

In autumn 1983 workers at two Shell refineries struck over pay. The disputes lasted several weeks. Initially Shell got injunctions against picketers, but these only aggravated the situation, leading to more, not less, effective picketing. The injunctions were soon withdrawn. At one point Shell pickets at Heathrow airport were arrested by British Airports Authority police; when Shell management investigated it turned out that the men arrested were the senior TGWU stewards with whom the company was trying to negotiate a settlement. Shell management has not turned to the law since.

So far, those employers who have used the law have been small proprietors —

people such as Eddie Shah and David Dimbleby. The Newspaper Proprietors Association, which had threatened to sue the NGA for £4million of lost production, backed down. This is not to underestimate the effect of workers' defeats in the face of the law, nor the degree to which union members have lost confidence and no longer dare to take on disputes. It is harder to win strikes with the Tory anti-union laws on the statute books, and employers know they are less likely to be challenged by their workforces.

Employers

But the weakening of trade union organisation under Thatcher is not explained only in terms of the Tories' legal attack on workers. Union defeats and mass sackings have not been caused solely by Tory union bashing.

By 1979, employers were ready to roll back union power. Their thinking on how to do it was well advanced; they had already spent much time planning the practical aspects of defeating union organisation. The CBI had laid its plans for greater employer solidarity and for legislation to weaken the unions.

Although the sheer depth of the slump in 1979-80 came as a shock, employers did not take long to start turning the recession to their own advantage, realising that workers' self-confidence had been sapped in an unprecedented manner. The combination of mass unemployment, of a government prepared to take on and defeat major groups of workers and the anti-union laws shifted the balance of forces decisively in their favour. The Tories created a climate in which defeat came to seem inevitable — whether over Cruise missiles, the GLC or union disputes. The employers are using that climate to exert greater control over the work process than has been theirs for decades.



JULIAN STAPLETON

JOHN SMITH/JIF

The Tories took office in 1979 as the representatives of an employing class intent on turning back the decline in profitability that had occurred in Britain since the 1960s. This had to be achieved at the expense of the workforce, by cutting labour costs.

To do so meant taking back gains secured in the past by the most highly unionised workforce in any Western country. The conditions were right: deep recession coinciding with an anti-union government and an employing class that had regained confidence over the preceding years. Both were quick to press the advantage. But the shift in the balance of forces away from the trade union movement began much earlier.

During the long post-war boom, which lasted from 1948 to 1973, there were economic ups and downs. But the periods of economic expansion were prolonged and powerful, interrupted only briefly by periods when output rose more slowly, without actually falling.

Since 1973 the pattern has been reversed. Growth periods have been fleeting, superficial and speculative interludes in a long recession. While that recession has been deeper at times than at others, the general economic trend has been downwards.

Slumps

The slump of 1974-75, after the 'oil price rise shock', was followed by a short and uneven recovery in 1975-76 and then stagnation in 1976-77. A brief period of growth followed in 1978-79, and then the deepest and most damaging recession began in 1979. This is still not yet over, despite a brief US recovery in 1980-81 and signs of an upturn since about mid-1982.

The unemployment figures reflect this pattern clearly. There are two distinct periods of sharply rising unemployment, during the slumps of 1974-75 and 1979-83 (see graph). These figures are official ones, and so understate the true position.

The economic figures cannot be viewed in isolation. The year 1974 saw the miners defeating Ted Heath's Tory government, whose anti-union legislation had been rendered almost inoperable by workers' action. Employers' organisations were in disarray: on the eve of the 1974 election, 30 top companies withdrew from the CBI.

The following four years, from mid-1975 to early 1979, saw a major change in the stance of British employers. This was the time of the

THE BIG SQUEEZE



Social Contract, when the Labour government and trade union officials successfully imposed an incomes policy. This resulted in a drop in real earnings accompanied by a sharp reduction in disputes.

Coupled with large tax handouts for business, this provided a crucial breathing space for employers. It gave them the chance to recover from the damaging blows inflicted by workers

on the Tory government in the early 1970s, historically high levels of inflation, the very sharp decline in profitability during the 1974 recession, which had been accompanied by high wage militancy, and the immediate impact of entry to the Common Market.

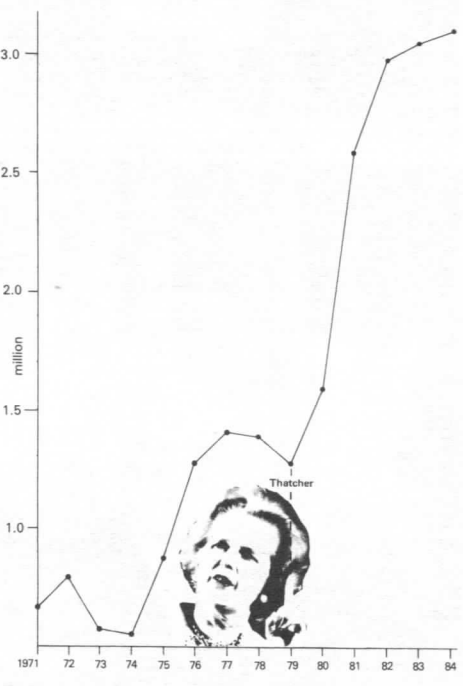
The employers took advantage of this quiescent period to regroup and reorganise. This was reflected in the renewed strength of organisations such as the CBI, which was 'taken over' by hardliners. 'Management's right to manage' became the theme dominating employers' discussions. Both in their rhetoric and, more importantly, in their relations with their workers, they adopted a more aggressive stance, particularly over productivity, discipline and disputes.

Productivity

The change can be seen most clearly in the drive to raise productivity. In productivity bargaining between 1967 and 1972, large pay rises had often been conceded in return for minimal shop floor concessions. The round of productivity bargaining that began in mid-1977 was different. It set out to, and partially succeeded in, destroying many shopfloor limitations on management power that had been custom and practice since the late 1960s.

Under phase three of Labour's pay policy (August 1977-78), self-financing productivity deals were a major way of

Graph — UK unemployment



BL

'The most decisive change here is the lack of confidence among the shop stewards,' a BL Longbridge worker told CIS. 'There's no competing for stewards' jobs any more, and those who do them keep their heads down. Then they justify not doing anything by saying that the blokes won't back them. Morale is very low.'

'The sacking of Derek Robinson was the declaration of war. Working conditions have degenerated badly since then, with speed ups, the track running constantly, loss of relief time and greater use of the disciplinary code. What used to happen was that if an operator got into difficulty he could stop the track until he sorted it out and could get back to his station. The track would be stopped quite often. Now it's rare to see it stopped.'



'But over the last year there has been a change. Without anyone kicking it off, there's a change in mood, people are prepared to have a go. Most of the recent disputes have started off in one section. Rather than going to the factory committee and arguing for the leaders to pull the factory out for them, the sections are deciding to take it on and fight, and then spread it.'

'That's what happened in the dispute in the transport section over the sacking of Zedekiah Mills. The 300 drivers run everything from stacker trucks to articulated lorries and they can stop the plant if they all act together. And they did. But because they are so strong they didn't see the need to have pickets and spread the dispute. They just went home and sat down. While they were at home the management were getting busy: everyone was laid off immediately, employees were written to at home. After three weeks the stewards were afraid the strike would disintegrate — there was some truth in that — so they called it off. It's a reflection of their passivity.'

'The change in mood is a finely balanced thing. It won't take much to set it back. But on the other hand people feel there is a bit more job security. There are new models now and if there's no job security with those, there's no job security anyway.'

getting around limits on pay rises. That year over 1,500 productivity deals were signed. Many contained penalty clauses stipulating that strikes — particularly unofficial ones — would cost a week's, a month's or even several months' bonus. These surfaced in agreements at firms such as GEC, Ford, Leyland vehicles and Rolls Royce. The assault on indiscipline was on.

In 1979 the offensive gathered pace. Real concessions on productivity were sought, and won, by employers. For example, clauses in the engineering agreement that year specified that the total cost of a one hour cut in the working week had to be met by extra productivity. At BL, Ford, Peugeot-Talbot and Vauxhall, the main targets of management's attack were mutuality (whereby both sides had to agree changes before they were made), indiscipline, unauthorised absences

and unconstitutional action.

Then came the Thatcher government and the deepest recession since the war, a recession aggravated in the UK by the deliberately deflationary policies of the government.

They pushed interest rates to record levels, almost doubled VAT and clamped down on public spending. North Sea oil coming on stream, coupled with tight monetarist policies, meant the pound became overvalued. The result was inevitable. When the Tories took over, unemployment stood at 1¼ million. By November 1980 it had topped 2 million. It now (mid-1984) stands at over 4 million. Only the removal of large groups such as early retirees, and many youth and women from the statistics has kept the official figure at just over 3 million.

How far the devastating rise in unemployment was a deliberate Tory



BL workers protest and Len Murray signs up for the social contract.



Take the Money and Run

The climate of fear induced by the recession is also shown by the remarkable lack of resistance — until the miners' strike — to closures and job loss. One of the employers' major weapons in defeating any attempted fightback over job loss has been the effect of the Redundancy Payments Act.

This was introduced by the Labour Government in 1966 as a way of increasing job mobility. It allows for a statutory payment to workers declared redundant, a payment which is often topped up by the employer. In nationalised industries such as the docks, steel and rail, payments to redundant workers have been as high as £25,000. Private sector payments have been lower, but still significant sums of money sometimes. It is estimated that £6 billion has been

paid out in redundancy money since the Tories came to power.

The threat of losing redundancy money has proved a powerful brake on resistance to job loss. Workers on strike or occupying their workplaces are technically in breach of their contracts of employment and therefore not entitled to redundancy pay if they lose their jobs. Time and again workers have withdrawn from a fight over job loss because of this threat. In May 1984 BL wrote to all their employees at Bathgate warning them that if they fought to protect their jobs they would lose all redundancy money. The next day the workforce voted against supporting the stewards' recommendation to occupy the plant.

fewer workers. The main elements are: speed-ups; increased use of time at work through bell to bell working and loss of breaks and relief time; increased shiftworking; removal of craft demarcation lines; more severe disciplinary machinery to avoid unofficial disputes and discipline individuals, tighten up on lateness and sickness, and make workers do different jobs. In addition, resistance to the introduction of new equipment has been greatly weakened. This equipment often paves the way for future job shedding and productivity increases.

The emphasis and success of management's attack has varied, as we can see by looking at some major companies and industries.

British Steel

Since the massive cuts in output and workforce imposed by Ian MacGregor in 1980-81, productivity has risen dramatically. The steel workforce fell from 166,400 in March 1980 to 81,100 in March 1983. Output fell from 14.1 million tonnes to 11.7 million tonnes a year over the same period. Management at the Llanwern plant now claim, off the record, that it is the most productive plant in the world. Further losses of capacity and jobs, such as at Ravenscraig, are threatened.

BL Cars

Austin-Rover and Jaguar have been turned around from bankruptcy by ruthless productivity drives, with management bypassing local and shopfloor union organisation but often winning the acquiescence of the trade union leaders. In November 1979, Michael Edwardes sacked Derek Robinson, the convenor of Longbridge, BL's biggest factory, for publishing a pamphlet opposing Edwardes' rescue plan for the company. About 57,000 workers came out on strike. The AUEW executive called an official inquiry into the sacking but, crucially, called off the immediate solidarity action. Needless to say, Robinson did not get his job back.

The 'Edwardes Plan' was imposed on a reluctant workforce shortly after. 18,500 struck against the new productivity conditions and grading structure, but Moss Evans of the TGWU agreed to the implementation of the plan, and the dispute was lost. Management moved onto the offensive at Longbridge: stewards were sacked, workers were shifted from area to area in an unprecedented manner, grading appeals were disregarded. Throughout BL the new working practices meant

THE TIMES

THURSDAY JULY 5 1984

20p

Redundancy may be offered to miners on strike

By Philip Willmott, Political Reporter

Some 100,000 miners and their dependants are being offered redundancy money by the Government... The offer is being made to miners who are on strike... The Government is offering redundancy money to miners who are on strike... The offer is being made to miners who are on strike... The Government is offering redundancy money to miners who are on strike...



Maxwell makes £80m bid for Mirror Group

By Philip Robinson and Graham Scraggs

Mr. Robert Maxwell has made a £80 million bid to buy the Mirror Group... The bid is for the Mirror Group, which includes the Mirror, Sunday Mirror, and Daily Mirror... Maxwell's bid is the highest ever for the Mirror Group... The bid is for the Mirror Group, which includes the Mirror, Sunday Mirror, and Daily Mirror...

tactic is a matter of debate. Those who argue that it was due to incompetence more than design point to Geoffrey Howe's March 1980 'assumption' that unemployment in 1983-84 would be 1.8 million. The official figure of 3 million shot his projection to bits. What is indisputable is that the rise created a climate of fear among workers that delighted the Tories.

The result of that fear — an unwillingness to take risks — is reflected in strike statistics:

Year	Days lost through strikes	Number of stoppages
1978	9,405	2,471
1979	29,474	2,080
1980	11,964	1,330
1981	4,266	1,338
1982	5,313	1,528
1983	3,393	1,258

As Douglass Wass, the Permanent Secretary of the Treasury, said in 1983, 'What has happened in shopfloor behaviour through fear and anxiety is much greater than I think could have been achieved by more co-operative methods' (Times 31.3.1983).

The Tories' stated aim was to produce a leaner, fitter UK economy. Leaner meant that a record number of companies went bust. In 1983 there were almost 13,500 company

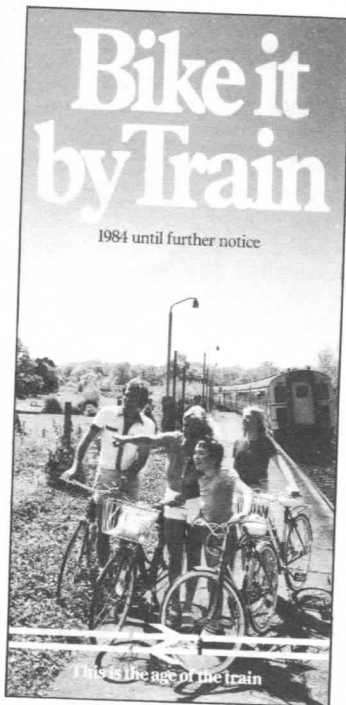
liquidations — the highest number ever recorded and three times the number in 1979. Employment in manufacturing industry fell from over 7 million in 1979 to just 5½ million in 1984 due both to bankruptcies and reduced workforces in surviving companies. No wonder Terence Beckett called for the CBI to engage in a 'bare knuckle fight' with the Tory government at the November 1980 CBI conference. But those companies that survived soon found they could take advantage of the new climate and step up their assault on shopfloor practices.

It is important not to be taken in by government claims of productivity 'miracles'. Most of the increase comes not from greater output (industrial output is 7% down on 1979) but from industry shedding labour even faster than output fell. Because the least efficient firms are the ones that tend to go under, their removal from the 'averages' also tends to raise the overall productivity figures.

Nevertheless, employers have been able to win union agreement to a range of new productivity deals. Reflecting how far the balance of power on the shop or office floor has shifted in favour of management, these deals are openly designed to get higher output from

shedding labour — through abolishing relief workers for example — and tighter supervision, particularly on the key lines.

The results? Productivity is now comparable with most European car plants and Jaguar is profitable enough to sell off. The tracks run ever faster, bell to bell working is the norm (after a long strike at Austin Cowley over the loss of six minutes a day clean-up time), and the 'Edwardes method' of going to workers directly over the heads of the shop stewards has become a management commonplace.



British Rail

BR's productivity drive has taken the form of cutting staff, by removing guards and drivers' mates, and imposing flexible rostering, i.e. increased shiftwork for lower pay. Resistance from the workforce, though not entirely successful, has certainly slowed down management's push. Minister of Transport Nicholas Ridley has gone so far as to lean on BR's management to go easy on the productivity drive to get a quick settlement of the 1984 pay offer. The prospect of rail strikes during the miners' dispute was to be avoided at all costs.

British Shipbuilding

In 1983, British Shipbuilders forced through a new productivity agreement known throughout the industry as the 'slaves charter'. It is primarily aimed at ending traditional areas of union control over the wide variety of skilled trades used in the yards. They want to see the 'multi-skilled craftsman', with

workers prepared to turn their hands to whatever management may order, rather than being turners, fitters or electricians. British Shipbuilders won conditional agreement to these new terms in the wake of the closure of the Scott Lithgow shipyard.

Westland helicopters

The Westland group is a key part of the UK aerospace industry. In order to introduce computer aided design (CAD), the company asked its designers to work double-day shifts from 6 am to 11 pm, to get maximum use out of the expensive equipment. Some 1,500 TASS members went on strike for six weeks in spring 1984, and won extra pay and a 32½ hour week in return for accepting the shift system. Westland's new found productivity will come expensive, at least in the short term.

TI Raleigh

The Raleigh bicycle company, owned by engineering conglomerate Tube Investments, has been transformed during the recession into a 'leaner and fitter', and hence much more profitable, outfit. That was mainly achieved by slashing the workforce. New products and new production lines akin to those in car assembly made many of them redundant.

Babcock Renfrew

Boilermakers Babcock Renfrew have cut their workforce by 20% since 1979 and changed working practices significantly with 'hardly any strikes'. The 14 unions at the Clydeside factory agreed new working methods in 1979 which meant fewer ancillary workers and labourers. Engineering workers have to do their own cleaning up around the machines, and there are fewer crane drivers. Next to go were 300 white collar staff in 1983. Now management is looking for agreements similar to those at British Shipbuilding: an end to craft distinctions, no more maintenance and repair teams but foremen and operators doing the work themselves.

Engineering, oil and chemicals

At the end of the 1979 national engineering dispute the employers agreed to move from a 40 to a 39 hour week by November 1981. However, clauses in the agreement specified that the cost of the reduction in working time would be met by increases in productivity. By November 1981, in the depths of the recession, the employers were ready to demand maximum concessions in return for the

one-hour cut. Tea breaks, meal breaks and washing time, were all reduced or lost. The changes spread beyond the engineering industry, as employers copied each other's tactics. In some cases workers sold jobs to gain the shorter working week, for example at the BP oil refinery at Grangemouth. In the oil and chemical industries employers agreed to reductions in the average week from 40 to 38 or 37½ hours, but this has been accompanied by increased demands for continuous shiftworking.

Construction shiftworking

On Teeside, contractors and a group of unions including the AUEW, EETPU, GMBATU, TASS and TGWU have joined together in a scheme to attract more projects and jobs from oil and chemical companies. Under the scheme, the two sides have reached a locally negotiated agreement, backed at national level, allowing Press Construction to introduce a continuous shift system during the building of a new nitric acid plant at ICI's Billingham works.

The system, which involves each shift working a 10-hour day for 4 days with 4 days off, departs radically from the traditional shift pattern, which allowed for big overtime earnings. But as the sheetmetal workers' district secretary said: 'Obviously, the recession has had a bearing. We've got to be more flexible. We couldn't allow ICI to go and build that plant elsewhere simply because we couldn't get agreement on a new shift system.'

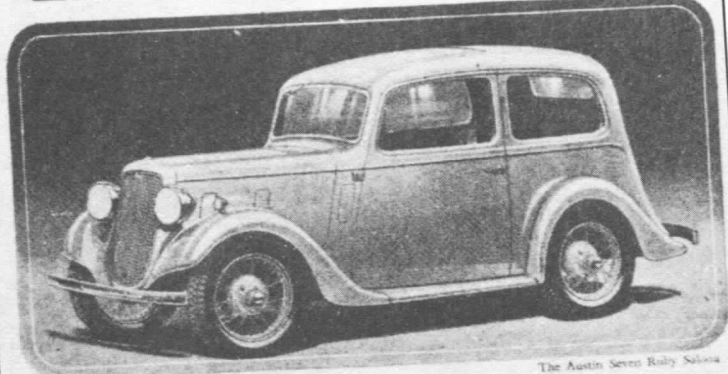
Shop stewards

Management's gains on the shopfloor have been mirrored by setbacks in organisation there. There are about 300,000 shop stewards throughout industry and services, in both public and private sectors. Their roles vary. Some still carry out the traditional job of collecting union dues and representing their sections in bargaining over pay and conditions. Others have had their roles reduced by check-off systems where union dues are paid direct to the union by management, and by bargaining being removed to 'higher' levels.

The recession, following on from the downturn in workplace activity under Labour's social contract, has seen shop stewards on the retreat. Reports of stewards' jobs not being filled are widespread.

John Edmonds, national industrial officer of the GMBATU, explains: 'For 20 years or more, union representatives in large factories and

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offices had been used to dealing with members who actively demanded improvements in pay and conditions . . . There was never very much doubt that the militancy of the members was more important than the eloquence of the trade union representative . . . About three years ago the mood of union members changed. Unemployment ceased to be regional and limited. Companies with household names began to close their factories and cut their staff. As the recession deepened, the fear of redundancy touched every trade union family in Britain. Members became disoriented because the closures appeared to have little pattern: industries in decline cut back harder, but closures also hit employees in firms with good profit records and high productivity. Confidence of union members began to slip away because no one appeared safe (March 1984).'

The results are not only a loss of self reliance on the shop floor, with a corresponding increase in reliance on official union machinery, but also increasing isolation of many stewards from their members.

Senior stewards

That isolation has been encouraged by another development: senior stewards and convenors now work much more closely with management. A privileged layer of union representatives has grown — paid by management but engaged full-time on union work. Full-time stewards paid by the employer now outnumber full-time union officials by two to one.

Several factors led to this. There was the growth of 'consultation and participation', which was part of government and management strategy after 1974. Also, under the Employment Protection Act, all sorts of issues to do with pay and conditions which had been dealt with informally became the subject of Industrial Tribunals — the procedures became more formal. In 1969, for instance, only 8% of private sector companies had formal disciplinary procedures that applied to all their employees. By 1980, the figure was over 80%, and manuals dealing with these procedures had become the norm.

With the recession dragging on, employers are still able to get away with low pay increases, job cuts and productivity increases. What is not clear is just how far shop floor organisation has been weakened: as profits rise (but unemployment remains high), how hard will union members be prepared to fight over pay, conditions and jobs?



REWRITING THE RULES



The use of the police in the 1984 miners' strike has clearly revealed their role in industrial disputes. Far from acting as impartial keepers of the peace, they are being used to facilitate the continued operations of mines that the pickets are trying to bring to a halt. Examples of police intervention are numerous: at Grunwicks in 1977 protecting scabs entering the factory; at Warrington in 1983 letting lorries loaded with newspapers out of Eddie Shah's factory; at a Southwark children's home in 1983 evicting children who were occupying the home in support of their social workers.

Despite this, the image of the forces of 'law and order' as impartial remains a powerful one. The law is constantly portrayed as neutral and dispassionate, an arbiter of conflict, with the police 'keeping the peace' and imposing the will of the courts. This is why successive governments have tried to bring the regulation of industrial relations under the jurisdiction of the courts — to bring the weight of the apparently neutral judicial system into play on the side of the employers.

The two Employment Acts, Prior's in 1980 and Tebbit's in 1982, avoid

frontal assaults on the unions. They do not create any visible targets to attack or boycott, like the hated National Industrial Relations Court established by the 1971 Act. Instead, they use the existing courts to greatly restrict the scope of trade union action and rights.

English law is based on the rights of the individual. Employment law, for example, which is most clearly concerned with groups of workers and

Rights for trade unionists?



their employers, bases itself not on organised groups but on the individual. Groups of workers cannot bring a claim — only one individual. For instance, if a steward is sacked the union cannot claim that its organisation has been weakened; nor can the steward's fellow workers claim that their conditions have been worsened. Only the sacked steward can claim, as an individual worker, for what he or she has lost.

Trade unions as collective bodies do not have general rights. They do have specific immunities which allow them to combine and act collectively. These immunities give some freedom to strike, picket and otherwise act in union members' interests.

Damages

The Employment Acts of 1980 and 1982 remove these immunities piece by piece. The Acts are meant to undermine unions' bargaining power and their ability to win — and thus readiness to call — disputes. At the heart of the new laws was the removal of one of the most important immunities for trade unions — the immunity to civil damages. Between

The 1980 and 1982 Employment Acts profoundly shift the legal grounds on which trade unions can operate. They allow unions to be prosecuted on myriad counts. However, because the procedure takes place in the civil courts, it is not the state that takes the matter to court, but the supposedly 'wronged' employer or other party to the dispute.

This effectively passed responsibility for the attack on trade unionism from the government to individual employers and scabs. They have a wide range of legal weapons with which to act against trade unions. The government is hoping that employers will do just that.

The Acts roll back trade union freedoms. If they are to act lawfully, unions must now forego many traditional forms of action. The main changes in the Acts:

- mean that many forms of industrial action, such as solidarity strikes or blacking, are illegal, thus exposing unions and workers to huge financial penalties
- make it easier for employers to sack workers on strike
- undermine closed shop agreements and encourage dismissed non-unionists to seek compensation from union and employer
- outlaw 'union labour only' agreements

Industrial action is now legal only if:

- it is between workers and their own employer
- it relates wholly or mainly to pay and conditions, dismissal, jobs, discipline, union membership or a similar issue
- it relates to a dispute in the UK

As a result, industrial action is *illegal* if:

- it is in support of other workers
- it is political
- it relates to a dispute outside the UK

Sympathy action is almost always ruled illegal. It

is legal only if:

- it is taken by employees of suppliers or customers of the employer in dispute
- it is aimed at disrupting the flow of goods and services to that employer
- and if it is 'likely' to be effective in disrupting that flow.

Picketing is unlawful almost anywhere except outside the plant where the dispute is taking place. You may not picket at:

- your employer's head office
- at other sites of your employer
- companies trading with your employer
- companies who do work transferred from your employer.

The closed shop has been attacked on many fronts:

- the allowable grounds for objecting to trade union membership have been expanded from religious belief to include any 'deeply held personal conviction'
- objectors sacked or victimised can sue their employers, unions, or named individuals accused of 'putting pressure on the employer'
- new rights are given to workers expelled from, or refused admission to, a union where there is a closed shop agreement
- to provide any protection at all against claims of unfair dismissal by non-unionists, a closed shop agreement has to have been approved in a secret ballot in the preceding five years by 80% of the employees covered by it, or by 85% of those voting (for closed shop agreements that came into force after 1980, 80% of all those entitled to vote would have to agree, but the 80% of those covered or 85% of those voting would apply to subsequent ballots).
- 'union labour only' clauses in commercial contracts, or industrial action in support of the practice, have been outlawed.

1906 and 1982 a trade union could not be sued for damages as a result of industrial action. By removing this, the Act exposes union funds to legal action. Unions can be forced to pay up to £250,000 damages for each 'unlawful' industrial action.

Worse, removal of the immunity means that an employer can go to court, have an action declared unlawful, and get an immediate injunction to have it called off pending a full court hearing which may take months. If the union refuses to comply with the injunction, the fines for 'contempt of court' are unlimited. Trade unions can now be fined and sued to the point of bankruptcy.

At the same time, the definition of lawful action has been changed dramatically. Many traditional trade union tactics which have been essential for union victories, such as blacking or solidarity strikes, are now illegal. It is illegal to exclude a non-union member from a closed shop if that individual claims a strongly held but unreasonable conviction preventing him or her from joining a union. Picketing at plants other than the workers' place of work is almost always illegal. Virtually all sympathy action is in violation of the law.

These laws are at the disposal of any employer who wishes to take a trade union to court for what is now defined as illegal action. Without attacking trade union organisation as such, the Acts provide the tools with which employers can win industrial disputes in court, claiming illegal action by trade unions. Trade union action is not illegal — but effective action is.

Right to Strike?

The Acts singled out four main areas of union strength: strikes, sympathy action, picketing and the closed shop. These have been trade unionists' most powerful weapons. By making it costly to use them, the government hopes to make unions docile and controllable.

There is no right to strike in Britain, merely some defences and immunities striking workers can use if employers attack them in the courts. Now these defences have been cut back, making many forms of strikes illegal, and allowing employers to sack strikers more easily.

Striking is permissible within extremely narrow limits. Workers can strike only against their immediate employer, and only over issues such as pay, conditions, and jobs. Broader strike action is forbidden.

Almost all solidarity action is illegal.



The Employment Acts

The 'days of action' in support of trade union rights at GCHQ, or in support of health workers' pay, or in support of the miners, were and are unlawful under the Act.

Political action is unlawful — even if the political issue is jobs. When the POEU refused to connect the private Mercury network to the BT network in defence of POEU jobs, the court ruled that because the union was campaigning against privatisation at the same time the strike was illegal.

Action in support of disputes outside Britain — blacking South African or Chilean goods, for example — is illegal. The International Transport Federation Campaign to make 'flag of convenience' ships pay union rates cannot be legally supported. Action in support of strikes taking place elsewhere in a multinational company is unlawful.

Similarly, support for fellow trade unionists is now against the law. The news media call this secondary action or secondary picketing, terms they invented during the 1979 lorry drivers' strike. 'Secondary' is used to imply illegal action: for trade unionists, solidarity action or sympathy action would be more accurate descriptions.

Many, if not most, disputes can only be won with the backing and support of other workers. The miners won in 1972 largely because of the support of Birmingham's engineering workers outside the gates of Saltley Coke Depot, when 10,000 engineers joined the picket and prevented coke being moved despite a massive police presence.

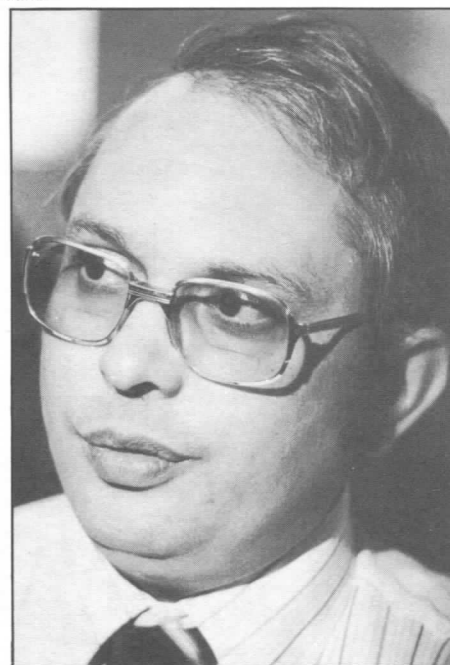
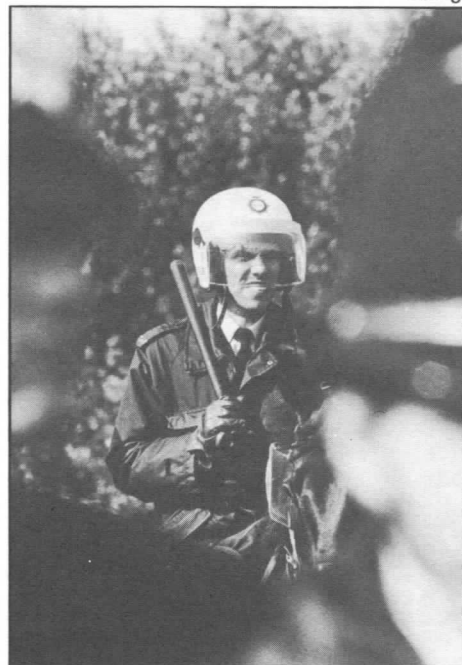
Solidarity

After Saltley, the government organised a major review of the capacity of the police to respond to disputes — the lessons of which are undoubtedly in evidence in this year's miners' strike. But it has also made certain that sympathy action itself is a virtual impossibility if unions are to behave legally.

Solidarity action can only be undertaken legally by employees of suppliers or customers of the employer in dispute. Even then, it must be aimed at and be 'likely' to be effective in halting the flow of goods and services to that employer — a condition which leaves it wide open to judges to decide on the legality of the action. Under the Act, workers at nearby plants or even in the same industry, if they are employed by a different firm, may not strike in support of another group of workers.



'Keeping the peace' for employers at Grunwicks and Orgreave. Lower right: Grunwicks boss George Ward.



The Tory Acts did not make all picketing illegal. They had no need to — severe restrictions can already be imposed. There is no right to picket, peacefully or otherwise. Any picketing which takes place is entirely at the discretion of the police. In 1960 Lord Chief Justice Parker ruled, when upholding the conviction of a worker joining two others on a picket line, that the number of pickets allowed is at the discretion of the local police in every case.

The Code of Conduct on picketing, which came out with the 1980 Employment Act, states that six pickets should be the maximum. But the Code does not have the force of

law. The police do. Obstruction, offensive language, riotous assembly, conspiracy: there is no shortage of criminal charges the police can and do use to remove and arrest pickets. As a Tory Attorney General put it: 'The criminal law is sufficient to cover the various offences that have been demonstrated by the pickets . . .' What this means in practice is that the police can find a legal justification for arresting any pickets they choose.

The Act says that picketing is lawful only 'at or near the picket's own place of work', 'in furtherance of a trade dispute' (that is, not over a political issue or in sympathy with other groups of workers), and if peaceful. There are

During the dispute between the NGA and the Stockport Messenger Group it emerged just how enormous the powers of the court can be. Local branches of the NGA suddenly found their bank accounts had been seized — even accounts used solely to pay benefits to pensioners or bereaved dependents. Massive fines were imposed for actions judged unlawful. Legal terms like 'injunction' and 'sequestration' became commonplace in news bulletins. What do they mean?

Injunctions

An injunction (in Scotland an interdict) is a court order telling someone to do something or to stop doing something. Strike leaders and unions are the targets of injunctions; employers cannot use them to stop an individual going on strike.

As an employer's tactic to stop unions from calling for industrial action, they are much favoured by the Tories. This is not surprising: injunctions can be issued very rapidly, and carry the full force of the law in stopping a union action, even if that action has not been proven to be illegal.

Employers only have to show a judge that:

- they have a 'serious issue' they want to bring to court; and
- they are being adversely affected by a particular action.

The judge can then issue an injunction ordering strike leaders and unions to stop the action until the 'serious issue' can be decided by the court at some future date. Because timing is so essential in disputes, often the 'serious issue' never gets to court: the balance of forces has been sufficiently tilted towards the employer by the injunction for proceedings to stop there.

If the union refuses to obey the injunction —

that is, it carries on with the action it has been ordered to stop — it is automatically in 'contempt of court'. The court can then impose an unlimited fine. The NGA, for example, was fined £525,000 for contempt when it refused to call off its Warrington picket. This was on top of previous fines of £50,000 and £125,000.

Penalties

Even if it does not violate an injunction, a union can have damages up to £250,000 awarded against it for any action which a judge rules to be unlawful. The penalties are steep:

- £10,000 for unions with fewer than 5,000 members
- £50,000 for unions with between 5,000 and 25,000 members
- £125,000 for unions with between 25,000 and 100,000 members
- £250,000 for unions with over 100,000 members.

Sequestration

If a union refuses to pay a fine, the court can 'sequester' the union's assets in order to get the money. A judge issues a writ of sequestration and appoints a receiver to carry it out, typically a chartered accountant from Price Waterhouse. Even the rules of the Supreme Court call this a 'most drastic method of enforcing a judgment'.

The writ of sequestration immediately 'binds' all property. No assets, including property registered at the land registry, can be sold transferred or mortgaged. Bankers holding the bank balance belonging to the union or union officials against whom writs of sequestration have been issued can then be ordered to tell the court how much money is in the account and to pay money to the court.

exceptions for union officials, people with changing or inaccessible workplaces and former employees. But in general, it is not lawful to picket anywhere except your own workplace. Any attempt to spread the dispute is illegal.

The closed shop was also a prime target of the Tory legislation. This is because it represents trade union organisation at its most developed and effective. While the new laws do not make closed shops illegal, they make it possible for almost anyone sacked for refusing to join a union to sue both employer and union. The huge sums provided for compensation are a clear encouragement to scabs to take on their unions.

Scabs' charter

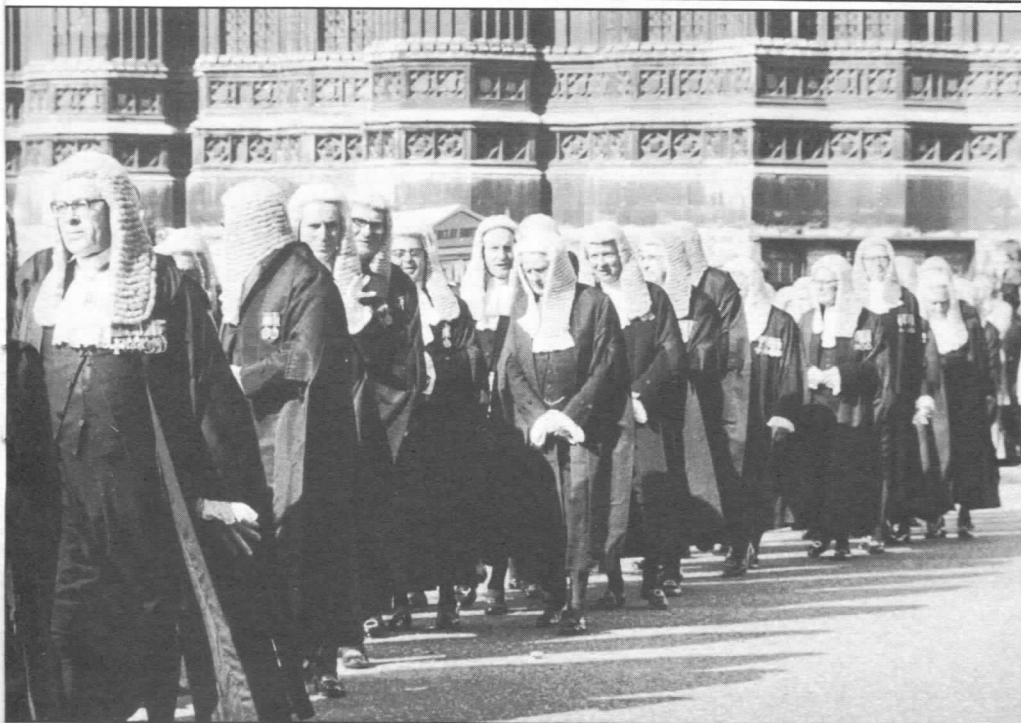
To get any protection at all, the closed shop must have been approved in a secret ballot by 80% of the workers it covers or 85% of those voting. Without the ballot, dismissal for non-membership of the union is automatically unfair and both the union and employer can be sued. Even with the ballot, anyone can reject membership on the basis of deeply held, even if unreasonable, beliefs. With such restrictions, and given that it is TUC policy to boycott such secret ballots, this amounts to a scabs' charter.

The government has encouraged scabbing before. In an unprecedented step in 1980, they put up £2million to compensate non-unionists sacked from closed shops between 1974 and 1980, when such dismissal was lawful. Only some 200 valid applications were received, despite heavy advertising. The first award showed how well it can pay to scab for the government, with Employment Secretary Norman Tebbit giving £10,500 to a 65 year old member of the Freedom Association.

Finally, there is the outlawing of a range of commercial and industrial practices which support union recognition and recruitment. The 1982 Act prohibits any commercial arrangements or industrial action to ensure work is done only by unionised labour, or by employers that recognise unions.

In the print industry, trade union shops generally handle work done only by other similarly organised shops. All NGA work is stamped with a number from the 'fairs list', the register of trade union workplaces. This practice continues, but the law, as in all other areas of trade union action, now gives employers the opportunity to challenge it profitably.

Power of the Courts



PICKING ON THE PICKETS



JOHN SMITH/IFL

The NGA

The first major test of the Thatcher employment laws came with the dispute between Eddie Shah, maverick proprietor of the *Stockport Messenger*, and the NGA. The laws held. A strong union was forced to back down.

The background to the dispute is the rapid changes taking place in the print industry. The newspaper side has seen the emergence of large numbers of 'free sheets', of which the *Stockport Messenger* is one. The general trade part of the industry has seen a mushrooming of high street printing shops in recent years. The development of new printing technologies has threatened the very heart of the NGA's power.

The key to the NGA's strength is its control over composing — the transformation of a journalist's typescript into a face on a printing press by hot metal typesetting. New technology allows a computer-based machine to produce a photographic print which can be pasted onto a board to provide the basis for a page. One result of the new process is that very different skills are needed. The old skills of the typesetter are increasingly redundant, and it is easy for union-busting managements to find people from outside the well-organised traditional printing trades who have the keyboard skills required by the new equipment.

The result is that the NGA finds itself threatened with massive job losses. For example, journalists can type copy straight into a computer which bypasses the work traditionally done by the NGA. One estimate is that the consequences for the NGA of losing the battle against new technology, as has happened to the print unions in the USA and Europe, would be a collapse of membership from the current 120,000 to less than half that.

Broken agreements

The closed shop is one of the major weapons in the NGA's defence of jobs. The closed shop means that the union is well enough organised to ensure that it has a say in all aspects of bargaining. It drastically reduces the employers' ability to recruit who they like on what terms they like, and to extend their will over the wages and conditions of those employed. So, while the technology for photo-typesetting the *Financial Times* is physically present inside Bracken House, where the *Financial Times* is produced, it is not used and the paper is still set using hot metal. This is only because the strength of the NGA closed shop has been sufficient to force the management into retraining existing compositors, instead of employing other people with keyboard skills in their place.

It is because of the magnitude of the problem the NGA faces that their defence of the closed shop is so vital. When Eddie Shah reneged on a closed shop and pay agreement in early April 1983, hired non-union staff, and then sacked six NGA strikers, the union took immediate action.

Contempt

The Institute of Directors had been looking for an employer to test the new powers granted by the Employment Acts, and Shah fitted the bill. Shah first took the NUJ to court for its refusal to handle copy in support of the NGA. Once the NUJ action was called off, Shah moved against the NGA. The dismissed NGA workers were picketing the Warrington plant, where their work had been transferred to non-union labour. Obviously, this was the only place to mount an effective picket. Yet, under the Employment Act, this was unlawful because it was not their place of work (and of course,

all the other trade unionists who made their way to Warrington to support the Stockport 6 were also acting unlawfully).

On 14 November 1983 Shah took the NGA to court and argued that the picketing of his Warrington plant, and the NGA's letter to advertisers in the Manchester area asking them not to advertise in Shah's papers, were unlawful. The High Court ruled in Shah's favour. The picketing continued.

Because they refused to obey the court order banning the picket, the NGA were summoned to appear before the court on a charge of contempt. When they still refused to call off the picket they were fined, first £50,000, then £125,000. Later the union had all £11million of its assets sequestered.

On Friday 25 November the Manchester High Court moved to seize the NGA's funds to pay the contempt fines. In response a number of NGA members employed on Fleet Street walked out, disrupting production. The next day the Newspaper Proprietor's Association declared that it would sue the union for damages, that it would sack NGA members and only allow them to return if they signed no-strike pledges. Although the threats of dismissal were lifted over the next few days, the writs served against the NGA by all the national dailies remained, and the scene was set for the mass picket at Warrington on the night of Tuesday 29 November.

Out of business

For the first time ever, police in full riot gear were used to break up the mass picket.

Shah returned to the court and refused to accept a negotiated settlement over the six sacked NGA members. On 9 December, in a clear retaliation for the size and militancy of the mass picket that Tuesday and the stopping of national papers the previous weekend, the NGA was fined £525,000. The judge said he was 'satisfied that the union's principal objective was to destroy the business of Mr Shah by force'.

The NGA turned to the TUC for support but there were no stoppages in Fleet Street as there had been after the previous fine. The TUC's

Employment, Policy and Organisational Committee voted narrowly, after a long debate, to adopt a 'sympathetic and supportive attitude' to the NGA. Len Murray then went on television to denounce this decision. The General Council backed him. There was to be no support for the NGA from the rest of the trade union movement in its struggle against the Tory laws.

It did not take long for the NGA to 'purge its contempt' — i.e. agree to stop secondary picketing at the Warrington plant. In their first major test, the Tory laws had clearly won.



POEU

The government's plans for privatising British Telecom mean not only massive job losses (up to 100,000 on some estimates) but also a decimation of its five unions, as a major industry is parcelled up into smaller components. As part of its campaign against the carve up, the POEU refused to connect the private Mercury network to the British Telecom network.

Mercury took the POEU to court on the grounds that the dispute was 'political', and therefore unlawful. The fact that thousands of POEU jobs were at stake was not considered relevant by the court. The Court of Appeal ruled that there was 'massive evidence' to show that the union was waging a campaign against the political decisions to liberalise the industry, and granted Mercury an injunction.

The executive considered whether to defy the court decision, but, despite the dominance of the Broad Left on the POEU executive, decided to lift the action against Mercury. This decision was made at the time of the POEU national conference, which decided to carry on the fight against privatisation in general by 'selective industrial action, publicity, and parliamentary



For sale: crowd control equipment for use at home and abroad. Below: suited up for terrorists.



action'.

Within three days, on 15 November, the executive decided to call off all industrial action except that being taken in the International Division. By 22 November terms had been agreed for a return to work. Management won the right to operate changes in manning levels and job locations in return for re-engaging all strikers and suspended members. A week later the same terms were agreed for the International Division.

British Telecom were not slow to press home the advantage they had won. Management used the return to work terms to attack the very sections of the POEU that had carried the selective action on behalf of the whole union. Many jobs were rationalised and, in the process, leading union members were hived off into new, invariably smaller, work units.

In the Circuit Provision group in London Central Branch, for example, the POEU branch had previously refused to co-operate with computerisation. During the dispute management introduced it, and relocated almost half the workforce.



When the International Exchange workers returned to work, they found computerised projects replacing closed-down shifts. When 100 of them were taken off shift work, their wages were cut by up to £5,000 a year.

The Fleet Telex Exchange — part of the London North Central Internal Branch — has had two shift cuts. Staff were relocated to different work and lost their shift allowance. In Liverpool Internal Branch, the PABX Maintenance Group was redeployed, including six technical officers who supported the dispute.

British Telecom successfully used the aftermath of the strike to redeploy, reorganise and computerise. They have weakened union organisation and tightened management control.

A British Telecom worker explained the implications to CIS. 'For many years there has been an agreed level of staffing to maintain telephone exchange equipment and this was jointly negotiated with the union. This gave us considerable control over the numbers employed. Those staffing standards have been withdrawn. It's now up to the local management to establish whatever they want. If they say, I've only got so much money, I don't care what the national agreement used to be, we only have one option — to use our trade union organisation. Where it's strong we can keep up the standards; where it's already weak we can't.'

Dimbleby

The dispute between the National Union of Journalists and the Dimbleby group of local papers shows most clearly how the law can be endlessly manipulated to give management the upper hand.

In 1979, Christopher Pole Carew, autocratic proprietor of T. Bailey Forman Ltd, sacked 28 NUJ members

working on the Nottingham *Post* and set up again with scab labour. The NUJ has been in dispute with T. Bailey Forman ever since. It has declared the company 'black' and none of its members may work for it or supply copy to it.

When David Dimbleby fell out with the NGA printers of his West London group of local weeklies, he decided to move the printing from the Richmond plant to TBF (Printers) Ltd, a firm run by Pole Carew, from the same Nottingham address as T. Bailey Forman.

Paper fiddle

When the NUJ learned that TBF were to print the paper, journalists refused to submit copy. They were then suspended by Dimbleby, and moves to declare their action illegal followed.

At the court of appeal, it was held that the dispute did **not** fall within the category of lawful secondary action. True, the NUJ was in dispute with T. Bailey Forman, run by the same man from the same address as TBF (Printers). But this was not considered relevant. TBF (Printers) was only an *associate* company of T. Bailey Forman — it was only legal to stop the supply of copy to T. Bailey Forman, not to TBF (Printers) Ltd. By going to the trouble of setting up another company, Pole Carew had earned the full protection of the law.



Dimbleby: one of few employers to use the law to its fullest.



Thick Blue Line

Not since the General Strike of 1926 has Britain seen such large-scale coordinated police action. In the 1984 operation against the miners, there is now little pretence that the police are maintaining order. Strike-breaking is the implicit aim, and the police are making their own laws to fulfill it. Observers say that the operation marks a potential watershed in the policing of industrial disputes in this country.

The rapid activation of the National Reporting Centre at Scotland Yard, run by the Association of Chief Police Officers and accountable only to the Home Secretary, has prompted speculation about the emergence of a national police force. Special Patrol Groups are now formed in every police force in the country, making rapid deployment of riot-trained men possible.

There are also signs that members of the armed forces are being brought in. Pickets have seen their relatives, whom they thought were serving in the armed forces, in police uniform. Three coachloads of 'police officers' travelling from Brighton to Notts were, oddly enough, seen carrying kit bags from the First Battalion Parachute Regiment.

Harassment

Surveillance techniques are more sophisticated and long-distance in scope. Motorway cameras linked to the police national computer have made it easy for police to selectively stop pickets' vehicles en route to mining areas.

Phone tapping has given police information about pickets' movements. Union officials have tested their suspicions by laying false trails for the police to follow, and say that police have shown up at meetings arranged only by telephone. A coach company in Wales was

warned by police not to hire coaches out to miners as pickets may break the law. The bus owner claimed that the only way the police could have known of the arrangement was by telephone tapping.

For miners and their families, police harassment has become almost commonplace. Articles in the *Scottish Miner* document how police have besieged many coal villages, knocking on doors late at night to look for families sheltering pickets from other parts of the country. Women, who have played an important part in organising support committees, have been warned that they risk arrest if they leave their homes. In one incident, a children's meal in a village hall was raided by the police. People are often questioned about their political views and involvement in the strike.



Police are also charging people under the 1824 Vagrancy Act and 1871 Pedlars Act for taking up collections on the street. A few people have been arrested on spurious grounds — one for leafletting, another for shouting on a public highway near a pit which had been closed a year earlier.

Miners have found the law courts operating 'like fast food joints'. Often up to 12 defendants appear in the dock together. They are not given leave to speak. Magistrates are expected to comply automatically with police requests, and this is rarely challenged, given the pressure of work.

Bail controls

Almost unprecedentedly harsh bail conditions have prevented miners from going back to the picket line even though they have not been found guilty. They cannot go near NCB property, except to their place of work, or take part in activity concerning the dispute other than 'peaceful' picketing at their place of employment. In other words, they are not allowed to attend meetings.

Miners on the 7 June 1984 demonstration and lobby of Parliament said that their hired coach was stopped at Milton Keynes for about two hours on their way to London. After being followed by police transit vans for five miles they were signalled to pull over to the hard shoulder and later sent to a yard off the motorway where an attempt was made to search them for 'firearms'. As they were surrounded by a large number of police and clearly outnumbered, they refused to leave the coach. It was eventually searched by two uniformed officers. They believe there were Special Branch men present.

PUBLIC OFFENDER

'If nothing is done to contain the bargaining power of the public sector unions, they will be able to undermine the effectiveness of all the employment legislation so far introduced by the present government and obtain excessive wage increases. If this occurs it will not be long before unions operating in the private sector follow suit. The priority for action must therefore be to break the bargaining monopolies in the public sector.' (Walter Goldsmith, Institute of Directors)

Over six million people work for the government, directly or indirectly. Its cash limits effectively determine pay and staffing levels for employees in central government such as civil servants and health service workers. They also affect, though less directly, local authority workers. Similarly, while the government does not run public corporations such as the NCB, BR and BL on a day to day basis, it owns them and tightly controls their financial circumstances. As a result, it is able to demand cuts in labour costs here too. It's not surprising that, of all employers, the government should be among the first to attack its workforce.

Deceit

It has, however, avoided direct confrontation, making a pretence of depending on 'market forces' and leaving public sector managers and trade unions 'free' to choose between pay increases and job cuts. Time and again it pretends that the machinery of central government has no role to play in pay negotiations. While the media prints ministers' lies, it ignores the fact that the public sector managers have their orders. The government sees no need to negotiate with anyone else.

The government's position is well illustrated by its actions over public sector pay — a history of deceit and broken promises. Its policy of non-intervention in private sector pay bargaining has been paralleled by a policy of keeping pay rises in the public sector well below inflation. It has unilaterally scrapped a number of pay agreements based on comparing public sector pay with that in the private sector. It is now, it says, only prepared to pay enough to enable authorities to 'recruit and retain the staff that they wish to employ'. With four million

people looking for work, that will mean real wage cuts.

The mechanisms used by the government to keep pay settlements down vary. Central government managers are given annual 'pay provision' targets. Local government workers face limits on rate support grants which will be given even greater force by the new rate capping legislation. The public corporations are constrained by 'external financing limits' which mean that the government, in effect, dictates what they can spend.

In January 1980 the government announced a broad 14% cash limit for the public services. By February 1981 this had become a 6% limit on pay costs, separate from other cash limited spending. The latest White Paper on Public Expenditure narrows down the room for manoeuvre even more by ruling out any trade off between jobs and pay. With inflation running at



'Competition is the stick they use to beat us with', a British Telecom worker told CIS. 'The argument goes something like this: privatisation means the competition is going to eat into our market share so you'd better work harder, or else.

'The management structure has changed at the same time, with decision-making devolved from national to regional and even local level. Local management are now working on a straight profit and loss basis. They have to show their profits and losses, and everything has to be paid for out of whatever cash limits that forces them to set. At that level the managers are much more powerful than they were. Now they make changes first and tell us later.'



over 5%, the government is looking for pay rises of only 3%.

Certain groups have been allowed to slip through the net, notably the police and armed forces, but also firemen, doctors and dentists and, temporarily, after their successful strike, the water workers.

Hands tied

In public corporations, government limits have not led to pay cuts for those who still have jobs. But the financing limits are calculated and can be manipulated to make nationalised industries cut real labour costs by job loss if not wage cuts. The miners' dispute has shown how closely tied by the Tories the NCB's hands are, with large sums available for redundancy payments but none to keep pits open or give pay increases.

The result of these controls has been that public sector pay levels have come down in line with, but slightly below, inflation. In 1979-80 the rises were 13%-20%, followed by 6%-11% in 1980-81, 5%-8% in 1981-82 and 4%-6% in 1982-83. Increases in the year to July 1984 are bunched around 4%-5%. Meanwhile, there have been significant increases in productivity.

The success of the government's pay cuts has largely been due to the



Ian McGregor (left) and Michael Edwardes: managing the government's job cuts. Below: exploiting the myths — name one industry, public or private, which doesn't cost you a penny.

disciplining effect of mass unemployment. From BL to British Steel and British Airways, there have been job losses in the tens of thousands, adding to the pressure on public sector workers. The strong sections have shown little sign of supporting the weak, except in the 1982 dispute over NHS pay. Then 948,000 non-NHS workers, largely other public sector groups, took industrial action in support of the NHS campaign. Between them they lost about 672,000 working days, almost as many as the health workers themselves.

Collaborators

The government uses the cash limit pay guidelines as a pointer to the rises it would like to see in private industry. It works closely with the CBI in preparing each pay round, fixing steadily lower targets. In reality pay deals in the private sector have generally been a bit higher than those in the public sector, but a pattern of falling settlement levels was achieved each year from 1980 to 1983. Since then, private sector pay deals have risen as there has been a slight expansion in the economy. In the 1983 pay period the rate of inflation was a

ceiling for public sector settlements, but a floor in the private sector. This is one of the reasons for demands for 'comparability' by public sector workers.

Under Labour's Social Contract, pay increases in the public sector were rigidly held to stated limits, while pay deals in the private sector often contained hidden elements allowing

HOW MANY NATIONALISED INDUSTRIES CAN HONESTLY SAY THEY DON'T COST YOU THIS MUCH?

For one, the British Airports Authority. We've been profitable every year since we were founded in 1966. We're building a new terminal at Heathrow, but the taxpayer isn't coughing up. We are. In fact we're pretty hefty taxpayers ourselves. Last year, for instance, our rates bill alone came to £19 million. Well, we do own some very valuable property.

Heathrow is the world's busiest international airport, offering more direct flights to more cities than any other airport on earth. But its departures pale beside its arrivals. Business arriving at our airports in 1983 boosted Britain's balance of payments by £2,200 million. Never mind nationalised industries how many in the private sector have done as well!

Airports

The World's Most Successful International Airport System

higher rises. A gap therefore emerged between pay for comparable jobs in the two sectors. In 1978-79 there was a revolt by low paid manual workers in the public sector which was dubbed the 'winter of discontent'. This led to one of the last acts of the Callaghan government: the formation of the Standing Commission on Pay Comparability, headed by Hugh Clegg. Groups referred to Clegg who were awarded pay rises by the Commission were paid those rises by the incoming Tory government, but the Commission was soon abolished.

Tory opposition to comparability was demonstrated again in 1981. For years the civil servants had negotiated pay rises based on the findings of the permanent Pay Research body, which compared civil service pay with that for equivalent jobs in private industry. It was unilaterally axed by Thatcher's government — a major cause of the national civil service strike that followed.

The Tories have refused to accept any arguments for pay rises based on comparing pay levels for jobs in the public sector with equivalent jobs in the private sector. They have also rejected index linking — i.e. maintaining real pay levels — for public sector workers apart from the police and fire services. However, they were forced to break from this position by the NHS dispute in 1982, agreeing to set up a pay review body for nurses and midwives.

Essential services?

One way of paving the way for wage cuts is to get no-strike agreements. The Tories would dearly love to get these in what they call 'essential services'. In other words, groups with the potential to disrupt the economy would deny themselves the right to strike, in return for promises about pay reviews linked to inflation or wage rises generally. The 'essential services' would include just about everything — the NHS, gas, water, electricity, teachers and fire and civil services.

The government has not yet succeeded in winning any such agreements, even though it was offered at GCHQ. They told the nurses that the review body set up to examine their pay would only be followed if there was no strike action, although there are no written procedures agreed on this and nothing has come of it yet. The police are the only group who, since the 1919 strike, have a no-strike agreement. In the armed forces a strike would be called mutiny.

No-strike agreements in the 'essential

services' would bring no guarantee of decent wages or fair collective bargaining over jobs and conditions of employment. Any unions blind enough to enter into them with the Tories would find that pay, conditions and jobs would then be subject to what the Tories call 'free market forces'. These so-called forces are not free — they are largely determined by government policies. The result would very likely be a vicious circle in which government policy would determine pay and jobs, and the no-strike agreements would last as long as it took for the first strikes to take place.

Doubtless there are those in the cabinet who would like to ban trade unions altogether in some cases. The most overt example was of course the decision in February 1984 to end trade unionism at GCHQ in Cheltenham. GCHQ is exceptional in that it is the state's central monitoring station for world wide NATO intelligence and US pressure was clearly at work. So it is not necessarily the thin end of the wedge. The response, in any event, provided a firm warning to the government. Solidarity action on 28 February 1984 involved nearly a million other trade unionists in the largest anti-government strike since the political strikes against Heath's Industrial Relations Act.

Unions with members in central and local government — including the civil service and the NHS — have been constantly on the defensive under the Tories. Fights over pay have been lost or drawn, never won, and major fights over job loss are still to come. Yet union membership has not been eroded and there has been a substantial growth of shop stewards, particularly in NUPE, the TGWU, the CPSA and SCPS.

Divide and rule

Despite such positive developments for public sector unions, the harsh truth is that Tory policy has been largely effective because, as a major employer, the government has picked and chosen how it deals with each group, and has circumvented almost all possibilities of building solidarity action. The same reasons explain the government's success in privatising many important activities, despite strong union and public opposition.

The privatisation programme has compounded the trade unions' problems as it was clearly intended to do. As the *Economist* put it on the Tories' behalf, 'the more that public sector monopolies can be broken up into smaller competing entities, the more difficult it will be for a few

unions to cause misery' (24 July 1982).

The public sector trade unions are being attacked on three fronts simultaneously. There is the demand for lower wages, fewer jobs and worse working conditions. There is the privatisation programme. And there is the Tories' attempt, which encompasses both, to break up existing bargaining arrangements and make them far more decentralised and fragmented.

The privatisation programme is a diverse one. It ranges from handing over major public industries such as British Telecom to employing private gardening contractors. The effects on the workers involved is similarly diverse, but their general direction is the same: the long-standing relationship between government and public employee is ruptured, to be replaced by one in which management is better able to exploit the workforce's weaknesses. This is also the case when privatisation is used as no more than a threat, and workers stay in the state's employ, as the unprecedented concessions wrung from many such as the dustmen and canteen staff show.

No negotiations

The changes are not being negotiated nationally, between government and unions. So far as the Tories are concerned, there is nothing to negotiate. Parliament makes the 'political' decisions — public spending levels, cash limits, privatisation — not government negotiating with trade unions. They are not interested in a 'social contract', but in its successor, an 'anti-social contract'. That means exploiting weaknesses and fears, dividing and ruling. Above all it means splitting individuals and sections away from their greater collective organisations.

'Management's right to manage' (or asset strip, as the case may be) is being trumpeted as loudly in the public sector as elsewhere. But the key change in this case has been to push decision making generally, and bargaining with trade unions in particular, away from central government, and as far down the line of management as possible. The government still makes the key decisions, but it has pushed the responsibility for enforcing those decisions as far away from itself as possible, precisely in order that its decisions cannot be challenged.

In the private sector, companies such as Chloride (where Michael Edwardes started off) and Borg-Warner have taken this process to the point where pay rises are determined at



Nearly one million trade unionists took part in the GCHQ day of action.

departmental level, with basic rate rises well below inflation plus productivity bonuses. This has not been achieved in the public sector so far but British Steel, having defeated the steelworkers' strike in 1980, has abandoned its regular national pay award. It has done deals at individual plants giving low basic rate rises topped up by output bonuses. And BL has demanded that from the autumn of 1984 all pay bargaining should be decentralised.

However, attempts at fragmentation have not always been successful. For example, in 1983 the Tories put legislation through Parliament to abolish the National Water Council. Instead of negotiating nationally, water workers would deal with their own regional water boards. This proposal was already in train before the national water workers' successful strike of 1983. The water boards chose to retain national bargaining, pointing out to the government that regional bargaining would probably lead to 'leap frogging' and uncontrollable wage drift.



Above: GCHQ Cheltenham. Below: nurses winning pay reviews in 1982.



The Tories may have failed to deliver on their election pledge to cut taxes, but on one of their promises they are forging ahead. Privatisation is being pushed through both nationally and locally.

Amongst the nationalised industries, British Aerospace, Cable and Wireless, Amersham International, Britoil and Associated British Ports have been turned into private companies and shares sold to stock exchange speculators. The National Freight Corporation was sold to its managers. Plans to hive off Sealink, British Telecom and British Airways are well under way.

Many Tory councils have sacked their own workers and hired private contractors to do the work. Services already privatised or threatened with privatisation include architectural design, school meals, refuse collection and street cleaning, housing management, building repair, laundries, highway maintenance, meals on wheels and ambulance services.

The NHS has been instructed by the DHSS to contract out cleaning, laundries, catering, building repair and non-emergency ambulances. The Tories' commitment to private services is so great that they have even forced health authorities to give service contracts to private contractors when the authorities can do the job themselves for less money and provide a better service. This was the case in Cornwall, where the health authority was instructed to privatise its laundry service.

Such services are big business. Every year the NHS spends over £3,000million on ancillary services such as catering, laundry and cleaning. Refuse collection alone costs local authorities £500million a year.

Asset strippers

The Thatcherite wing of the Tory party believes that public industry is necessarily unprofitable and inefficient, and that introducing the profit motive and the 'discipline of market forces' will make it dynamic and efficient. Despite evidence that privatising local authority services, for example, merely leads to a lower level of service and not a more efficient one, this argument is still used. For even if privatisation does not lead to efficiency, it still has two other advantages for the Tories.

First, it fits in with their general argument that public spending is too high (in fact any 'savings' made by public asset-stripping or sacking

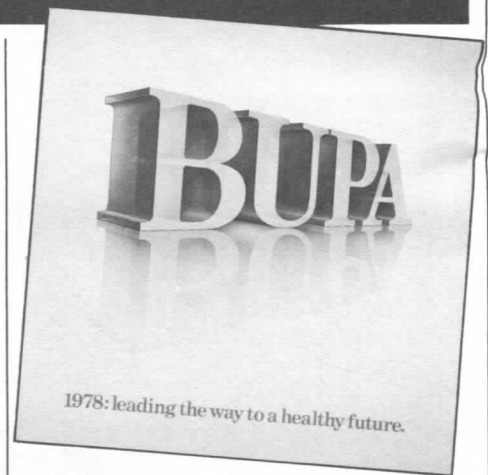
JOBS FOR SALE

council workers are purely illusory: the amount of money paid in redundancy, unemployment benefit and the loss in income tax is greater than any savings made). And, perhaps more important, it plays an important part in weakening public sector unions. Major public industries are divided up into smaller, less powerful, bargaining groups. Thousands of public sector workers are sacked, and, if re-engaged by private contractors, deprived of union membership. Only 17% of private services are unionised, compared to 52% of the workforce as a whole and nearly 90% in the public services.

Threats

Both the threat of privatisation and its implementation cause permanent loss of jobs. Privatisation has meant shedding labour, scrapping existing working practices, wage cuts, loss of benefits and an end to workplace trade union organisation.

The preparation of British Airways for sale led directly to 16,000 jobs being cut in two years. By mid-1982 over 33,000 civil service jobs had been lost or were about to be lost as a result of privatisation in the Property Services



Agency, Ministry of Defence, and other departments. The *Review of Civil Service Manpower After 1984* picked out a further 60,000 jobs for the privatisation axe.

The loss of jobs, pay, conditions and organisation can be seen most starkly in the privatisation of local services. The only way contractors can win public sector contracts on the 'competitive tendering' system Tory councils use is by undercutting wages and benefits and demanding far higher levels of productivity.



Top: private bidding for public business started long ago. Above: 1979 dustmen's strike.

Wandsworth

In March 1983 Pritchards Industrial Services were awarded a garden maintenance contract by Wandsworth's Tory council. The existing workforce of 38 full-time staff earned an average £140 a week. Pritchards said they would do the same work with 9 full-time staff plus the extensive use of casual labour.

During negotiations over the contract Pritchards had indicated they would pay weekly wages ranging from £122 to £132. Once they had the contract they hired workers at wages of from £102 to £117. Other conditions of employment — such as sick pay and pensions — were never clarified, and the workers never got any contract of employment at all.

Before long it became clear that the work could not be done, even with extensive overtime being worked, and an embarrassed Wandsworth council admitted that it was fining Pritchard's for poor performance. By mid-July 1983 the fines had topped £100,000. At this point Pritchards unilaterally scrapped their wages system and put the workers on piece work. It soon emerged that on the piece work rates set by Pritchards it would be hard to earn £60 a week.

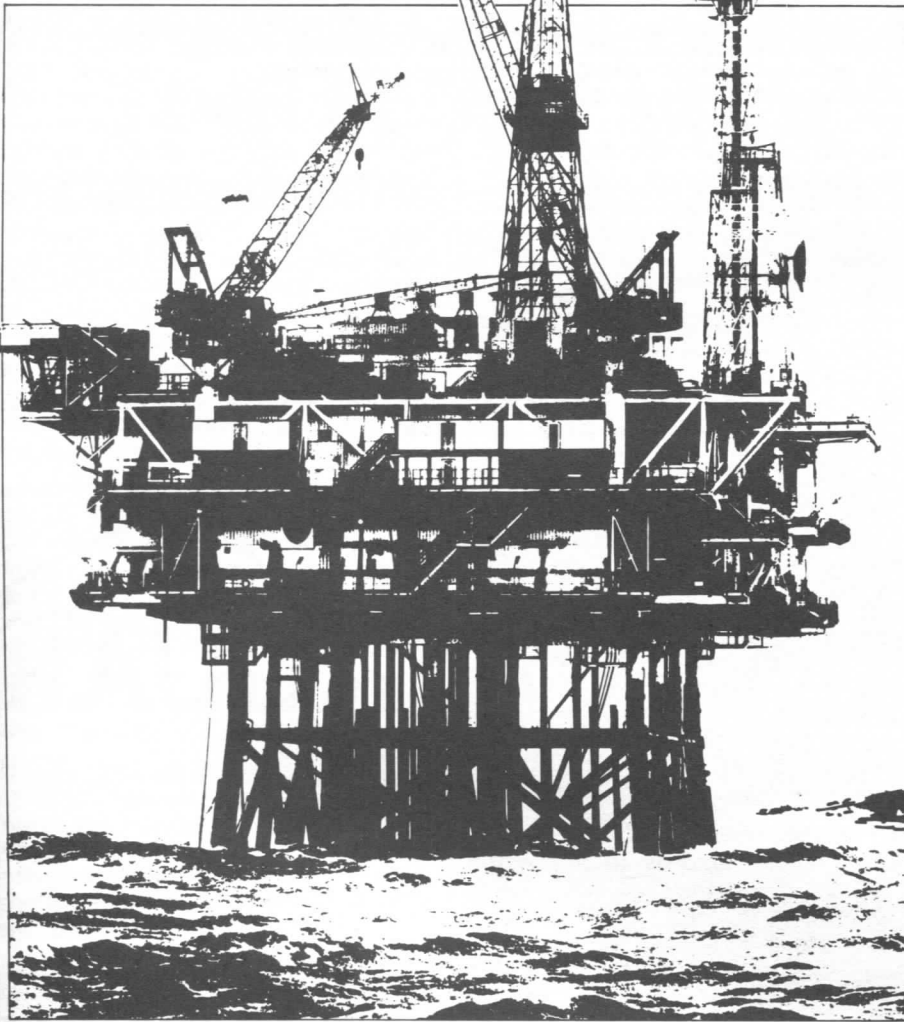
After a four-week strike Pritchards were forced to pay the previous wage levels, but the fines for inadequate performance continued to mount up and eventually Wandsworth council sacked the company.

A similar story of pressure on wages, jobs and conditions emerges from the privatisation of the refuse service.

Refuse

Wandsworth had already seen 1,000 council jobs lost through natural wastage, a process which paved the way for the council attack on services. In January 1981 the unions had agreed to 700 voluntary redundancies in return for no compulsory redundancies. In December 1981 they had agreed to a reduced labour force and increased flexibility in the street sweeping section in an attempt to keep the service public. Even before they privatised refuse collection the management had won agreement to cut nine vehicles and 39 jobs just by brandishing the threat of privatisation. There was union opposition to privatisation, with a one day stoppage and selective strike action. But the campaign came to a halt when the

ANDREW WARD/REPORT



New Realism

The TUC's policy of 'new realism' was first articulated by Alastair Graham, then general secretary of the CPSA, at the 1983 Trades Union Congress. With the support of Len Murray, and eventually the backing of Congress, he argued that the TUC should enter into discussions with the Tory government.

With Thatcher's victory in June 1983, the logic ran, the TUC needed to accept the fact that some trade unionists had voted Tory, that the traditional close ties with the Labour Party were weakening, and that the TUC would make more progress by presenting its views to the government of the day.

Subsequent events were to destroy this 'realistic' approach. The NGA dispute divided the TUC general council, and the use of the Employment Act against the NGA inevitably distanced the TUC from Downing Street.

That was at the end of 1983; early in 1984, the banning of trade unions at GCHQ led to further antagonism. The TUC was compelled to withdraw from the National Economic Development Council (NEDC), the last meeting ground between the TUC and the government.



Len Murray.

Despite this, efforts to resume talks with the Thatcher government are back on the agenda. A new version of *TUC Strategy*, the document which spelt out the 'new realism' strategy, is to be put to Congress in 1984.

refuse collectors agreed to return to work and tender for their own jobs.

In the event, Grand Met undercut the direct labour force's bid by reducing the workforce from 216 to 119, paying £25 to £30 less than the average rate for the job, and relying on even lower-paid 'casuals'. Despite promising council officers that they would seek to recruit Wandsworth staff, they took on only 64 council dustmen.

Birmingham

In May 1982 the newly elected Tory council announced drastic privatisation plans. One almost immediate result was 350 redundancies among manual workers as refuse collectors tendered for their own jobs and accepted 'efficiency improvements'.

The council paid consultants Price Waterhouse Associates £120,000 to suggest areas for privatisation and cuts in the Social Services Department. They gave £60,000 to Coopers and Lybrand to investigate the Architects Department.

There was little resistance to the consultant's investigations in the

Architects Department, but the Social Services workforce implemented a strict policy of non-cooperation with the consultants. When the consultants tried to interview social workers, two social services offices were picketed and the consultants denied access. On 21 November three social workers who had refused to be interviewed were sacked.

The majority of the council's NALGO workforce walked out. After a meeting attended by 8,000 of the 9,500 strong NALGO branch, all 1,200 social service members stayed out except senior members who scabbed, and selective action was called among other groups of members such as cashiers.

Scabs

The strike lasted three weeks and witnessed many bitter scenes, with scabs driving at speed through picket lines. Senior management NALGO members (who later resigned from the union) continued to work throughout. One went so far as to take out a private injunction against fellow NALGO members picketing his office.

After three weeks a 7,000 strong meeting voted narrowly to return to work and cooperate with the consultants in return for reinstatement of the three sacked social workers.

The Tory council used this victory to attack union organisation and public services more savagely than ever. They unilaterally terminated the closed shop agreements that had previously protected union membership. Hundreds of jobs have disappeared, notably in the City Engineering and Amenities departments. The city's 5,500 dinner ladies were told they had to accept a wages cut totalling £100,000 or be sacked from 1 June 1984. The average loss would be £15 to £18 a week.

The Tory Council was ousted in the May 1984 council elections.



JAGUAR

Above: Jaguar is one of the largest public employers to be put on the market so far. After all the cuts of recent years, jobs there should now be reasonably safe — at least until the present sales boom ends.

Below: civil service cleaners heading for Downing Street to protest against job cuts.



THE LOW WAGE WAR

In 1980, Thatcher made her position on pay quite clear: 'If excessive wage demands are granted, one of two things will happen. Either workers price their products out of the market and lose their jobs, or, if they are in a monopoly industry and can hold the country to ransom, end up by destroying the jobs of others.'

In other words, workers have been 'pricing themselves out of a job'. If only wages were lower, unemployment would fall, the Tory argument runs. In reality what they would like to see is a 'free' labour market — free of all constraints on employers to pay a decent wage — in which workers undercut their competitors, that is, other workers.

The Tories have singularly failed to convince workers of this argument: wages of employed workers have in general matched or outstripped inflation. Where they have succeeded, however, is in making the low paid even poorer.

Almost a third of full-time adult employees earned less than £100 a week in 1983, putting them in the 'low paid' category as defined by the Low Pay Unit. Of these four million people, 60% were women, who also make up a large portion of the 3.1 million low paid part-time workers. These people are much worse off than they were in 1979. One in six of male manual workers were in the low paid bracket in 1983, compared to one in ten in 1979. Four-fifths of women manual workers are now low paid, whereas five years ago, two-thirds of them were below minimum wage.

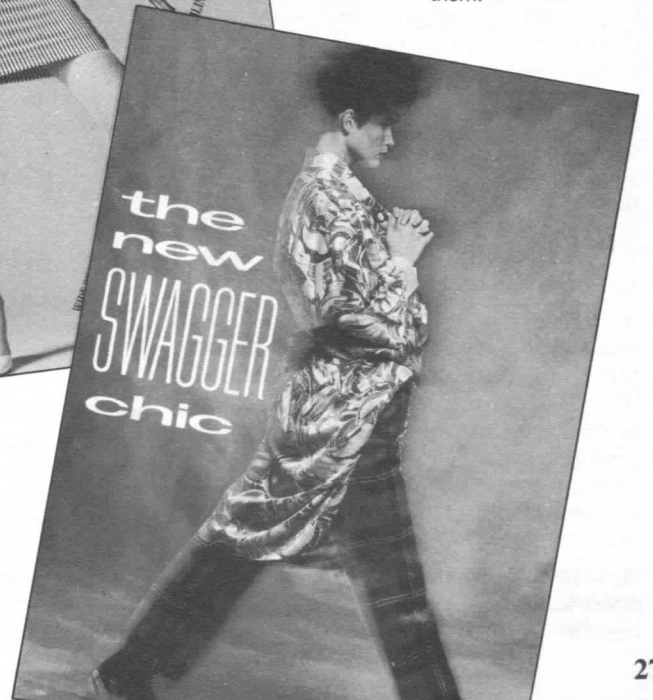
Targets

This has the effect of weakening the entire workforce, from top to bottom. Indeed, it is meant to do so, and the government has been quick to assist in the process by scrapping legislation protecting the low paid and introducing a series of measures to bring pay down. The particular targets of these measures are youth, employees covered by wages councils, and employees of firms contracting with the government.

Young workers who have been able to get jobs often work for a percentage of the adult rate. On a number of occasions, these junior rates have been



Glamour products for some; low wages, long hours, and health hazards for the women who make them.



frozen in annual pay negotiations, so that while everyone else got a pay rise, next year's entry of young workers would be on the old rate.

The government's Young Workers' Scheme is an even more direct attempt to hold down the 'market rate' for young workers. Under YWS, the government pays a weekly subsidy of £15 per worker to employers who pay their young workers less than £50 a week (including overtime and bonus payments). One such YWS worker received a mere £35 for a 40 hour week as a trainee machinist. There was no extra pay for overtime, and she was not given a payslip; when she asked for one, she was sacked.

The government also sets the 'pay' rate for thousands of young unemployed on its Youth Training Schemes at £27.50 a week. The scheme was intended to take up to 500,000 youngsters out of the unemployment statistics, but to date only 320,000 places have been filled. The quality of the training is notoriously uneven.

Workers covered by Wages Councils' agreements are another target. The Councils set minimum rates of pay for nearly 2¾ million workers — three-quarters of them women — who work mostly in low-paid service industries. These include retailing, clothing manufacture, hotels and catering, where, in general, the enterprises are small and trade unions virtually non-existent.

Fair wages?

The government is threatening to axe Wages Councils in 1985, removing a key protection for already low paid workers. Already, council members have been pressured to 'moderate' wage demands, and the staffing of the wages inspectorate (who check that employers are not underpaying) has been cut back by a third since the late 1970s to 119 inspectors. An individual inspector is responsible for overseeing fair wages of 23,000 employees; at that rate, an establishment covered by the Wages Council can expect a visit from an inspector once every 15 years.

In 1981, the National Federation of Self-Employed and Small Businesses Ltd published a pamphlet entitled 'Priced Out' as part of its campaign against the Councils. It said: 'It is quite probable that many of those on the unemployment queues would readily accept less than the minimum wage in order to get a job.'

How low does a wage have to be before a worker is competitive? Pay rates set by the Councils are already low: in

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January 1984, the minimum rate for clothing manufacture workers was £63 a week, and £68 a week for laundry workers. Many are illegally underpaid by their employers in any event. Over a third of shop workers and pub workers, and over 40% of clothing manufacture employees were paid less than the minimum rate in 1982.

The Low Pay Unit estimates that the effect of the abolition of Wages Councils will be to drop the wages of the lowest paid by up to 16%

Protection for private sector employees working on a government contract has also been scrapped. The fair wages resolution, abolished in 1983, allowed these employees to claim a rate of pay that was 'fair' in comparison with employees of other companies in the same industry who might have gained the contract. It was meant to prevent ruthless employers gaining contracts by forcing down their workforce's wages below the going rate. Without it, employers have a *carte blanche* to cut wages unilaterally.

Five days after the resolution was rescinded, ICC (Cleaning Services) Ltd cut the pay of its cleaners in Liverpool from £1.70 to £1.50 an hour, giving the resolution as the reason. Many contract cleaning firms have cut wages of staff employed on government contracts by an average of 15% according to the Low Pay Unit. And although the abolition of the resolution only applied to government departments, the DHSS has tried to push it further. In 1983 the DHSS, under ministerial instruction, sent a circular demanding that local health authorities remove fair wages clauses from their tender specifications.

Undermining pay

Another fair wages protection recently abolished was Schedule 11 of the Labour government's Employment Protection Act of 1975. This gave employees the right to claim pay rates appropriate to their job by comparing their wages to other rates in their industry or local areas, and to go to arbitration to achieve them.

For specific groups, such as lorry drivers or engineering draughtsmen, Schedule 11 was extremely useful. Now, groups of workers who seek to pull up their wages but lack a trade union to bargain for them, will have to rely on the goodwill of their employer.

The removal of the safety net legislation for low paid workers is intended to prevent the weakest section of the workforce from catching up with a stronger one. It undermines the bargaining powers of unions by heightening competition for jobs and by further isolating already poorly organised workers from trade unions. And by posing the issue as 'jobs at any wage', the government is implicitly challenging a fundamental tenet of trade unionism — the right to a decent living wage.

UNION NEWS

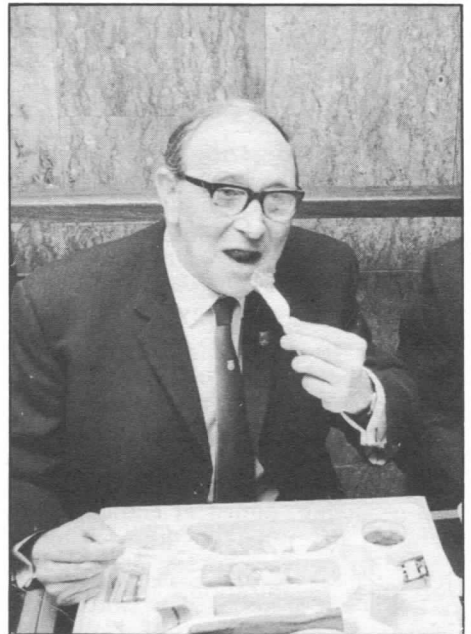
Membership of unions affiliated to the TUC has shrunk from around 12.5million in 1979 to 10million in 1984. Most of the fall is accounted for by people losing their jobs, and with their jobs, their trade union membership. Few trade unions make an effort to hang on to their unemployed members.

However, there has been no collapse in union membership comparable to that in the 1920s and 1930s. In 1920 there were 8.3million trade union members. Two years later, after a rapid increase in unemployment, there were only 5.6million. The defeat of the General Strike and the effects of the Great Depression pushed membership down as far as 4.4million by 1933. In the 1920s and 1930s employed workers left unions in their millions. This has not happened over the Thatcher years; almost all the decline in union membership is because of job loss. In 1979 unionisation was 55%. In 1983 it was still over 50% of the employed workforce.

The changing pattern of employment is reflected in union size and influence. In the early 1970s Jack Jones of the Transport Workers and Hugh Scanlon of the Engineers led their millions of members in the struggles against the Heath government's anti-union laws. In the mid 1970s they were instrumental in holding the line for Labour's Social Contract among

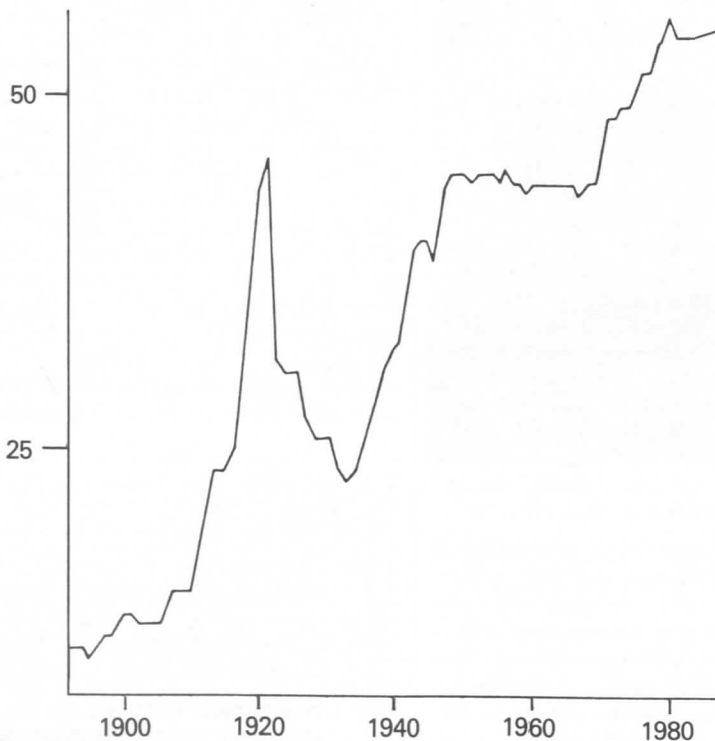


Above: no union organisation at McDonalds so far. Right: Jack Jones, prominent opponent of Heath and supporter of Wilson.



Britain's workers. Today the Transport and General Workers' Union (TGWU) has shrunk from over 2million to just over 1.5million, while the Amalgamated Union of Engineering Workers (AUEW) has declined from some 1.25million to around 1million. The influence of the current leadership is nothing like that of Jones and Scanlon at their height.

Density % UK trade union density 1895-1984



Britain still has the highest proportion of trade union membership in the western industrialised world. But virtually no union — whether craft, general, public sector, staff or industrial — has escaped the effects of the steep drop in output after 1979, the drive for productivity, and Tory attempts to cut public spending. In the largest unions, membership numbers are dropping.

Union	General Secretary	Members: end of 1979	Members: end of 1982
TGWU	Moss Evans	2,087,000	1,633,000
AUEW			
(Eng)	Gavin Laird	1,250,000	1,002,000
GMWU*	David Basnett	967,000	825,000
NALGO	John Daly	753,000	726,440
NUPE	Rodney Bickerstaffe	691,700	702,000
USDAW	Bill Whatley	450,000	417,000
EETPU	Eric Hammond	420,000	416,000
ASTMS	Clive Jenkins	480,000	410,000

*GMWU became GMBATU in 1983 after amalgamation with Boilermakers.

Hardest hit have been the blue collar unions in traditional manufacturing. It is here that unionisation is highest, and here that the full force of the recession has been concentrated. In both craft and general unions membership has fallen.

Craft unions

The craft unions, historically the backbone of the trade union movement, have been badly damaged by unemployment. On top of this, their control over work and job definition — and hence the basis of their bargaining strength — are being challenged by aggressive management tactics.

British Shipbuilders' 'slaves charter', the productivity deal forced through in 1983 in return for a chipping away of job demarcation, is one example. Throughout industry, similar moves are occurring, aimed at ending union control of job functions, gaining flexibility between trades, and eroding shopfloor organisation.

More recently, major oil companies have attempted to redefine the skill functions of maintenance craftsmen at oil refineries. What they are looking for is the multi-skilled craftsman, willing to turn his hand to whatever management deems necessary.

In the print industry, direct-input technology is putting the NGA's existing craft control over working practices under severe strain. This is

not so much the introduction of the interchangeability of skills as a clear elimination of skill in the print shop. None of the large employers have yet defeated NGA control over job definitions, but smaller employers seeking to avoid union control have mushroomed.

One craft-based union, the EETPU, has dealt with the challenge to skill by widening its brief. Its big advantage is that it organises in a growth sector, electronics, and can easily expand its recruitment drives to include semi-skilled assembly workers. Already it has signed several single union 'no strike' agreements covering these workers at newly established assembly plants owned by American and Japanese firms.

General unions

In the general unions, the TGWU has born the brunt of job loss. The dockers in particular, once a leading group of powerful workers, were decimated early on by containerisation. Since then, recession, new technology and rationalisation have hit the T&G's other sections.

The General and Municipal Workers' Union, which merged with the Boilermakers in 1983 to form GMBATU, had fallen from nearly a million to around 800,000 before the merger.

Even more startling are the changes in heavy industry. Unions of the Triple Alliance — coal, steel and rail — have seen their membership slump and their will to give mutual support eroded under the weight of government cutbacks. After the 1981 steelworkers' defeat, the membership of the ISTC nearly halved. The numbers in the NUM had fallen by 10% by 1984.

Despite this bleak picture, there are important areas of union strength. The first is, paradoxically, the public sector unions, which have resisted government cuts and even drawn in new members because of the government's attack. The second, overlapping to some degree with the public sector unions, are white collar unions such as APEX, ASTMS and NALGO. With the general shift in the economy away from manufacturing and towards services, these unions have managed to hold their own.

In the public sector, job loss has not been great. Insultingly low pay offers, such as the 3% offered by the government to the teachers in 1984, have driven recruits to staff unions. However, the civil service unions lost members heavily after the defeat of the long and bitter pay strike in 1981, and

although there was a rush of recruitment after the Tory union ban at GCHQ Cheltenham in 1984, numbers and morale remain down.

In local authorities and the National Health Service, both NALGO and NUPE have gained members. This was largely due to new unionisation as, faced with the threat of job loss, employees turned to the unions as a means of resistance. NUPE, the general union which organises mainly in the NHS and local authorities, saw its membership grow throughout the recession to 700,000 in 1983. Active campaigning by these unions has also done much to swell membership.

Offsetting these achievements in the public sector could be the weakening effects of privatisation. Unions facing the prospects of their members being employed by private companies include: civil service unions at Amersham International; NUPE in private cleaning and catering outfits; ISTC in private steelmaking such as GKN; and POEU, STE, CMA, UCW and CPSA in the privatised British Telecom. Particularly in low-paid, high-turnover areas such as catering, unions could be hard put to hold on to their members in a new climate of private-sector managerial techniques.

In the service sectors, several unions are holding their own despite the lack of new employment, employers' anti-union attitudes, and the threat of new technology.

Services

In banking, where new technology is causing a decline in overall staff numbers, BIFU, ASTMS and the non-TUC CBU have maintained membership levels. This is despite real obstacles to recruiting in building societies (where staff associations prevail) and in foreign banks, particularly American ones, where strict no-union policies apply. Almost all large and many medium-sized insurance companies are unionised, although others have only staff associations. Staff associations are almost always management-controlled and have little or no real negotiating strength.

The shop-workers union, USDAW, has grown slightly in the past few years. While retailing is a growth sector, unionisation is difficult. Staff often work in small, hard-to-organise shops, and many of the big chains, such as Marks & Spencer, C&A and John Lewis do not allow unions.

The draughtsmen's union, TASS, has been able to turn new technology to its



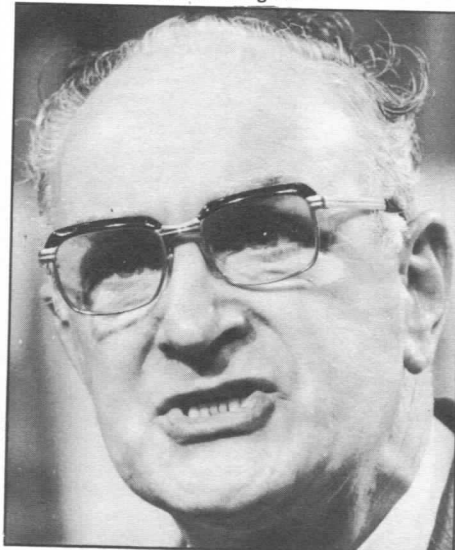
advantage. The growing demand for technicians and designers in a rapidly changing industry has allowed it to maintain membership. APEX and ASTMS also hope to recruit amongst highly skilled computer staff.

Underlying the relative fortunes of the white collar unions compared to those of blue collar unions is a fundamental reorganisation in industry. The ratio of staff to production workers in manufacturing, for example, used to be in the order of three staff to every seven production workers. In newer, more capital intensive plants, where there are more machines and fewer workers, the ratio is closer to one to one. In some high technology production, where research and design workers are white collar, the ratio has been reversed with only some 30% of the workforce being manual workers.

New openings

This trend is set to continue, setting clear objectives and openings for white collar unions to enhance their numbers and bargaining power. Workers most likely to seek union membership over the next five years are designers, researchers and technicians in staff positions, white collar professionals and data processing and clerical staff. Unions actively seeking members are

Above: textile mill about to be closed by Courtaulds.
Below: Hugh Scanlon, president of the AUEW at its strongest.



TASS, ASTMS, and, to a lesser extent, APEX. In unorganised but growing sectors such as the financial industry, no less than five unions are planning recruitment drives.

By contrast, unions in traditional sectors, seeing their base of strength crumble, are tending to consolidate. One response to the decline has been to merge:

Merging Unions	New Union	Date	Sector
SOGAT			
NATSOPA	SOGAT 82	1982	printing
NGA SLADE	NGA 82	1982	printing
TASS Sheet-metal workers	TASS	1983	engineering
GMWU Boilermakers	GMBATU	1983	shipbuilding
TGWU NUAAWU	TGWU	1983	agriculture

Speculation continues as to mergers between APEX and either the EETPU or GMBATU. Further mergers in the print industry are possible, and the much-weakened steelworkers' ISTC is also ripe to join an appropriate suitor.

The growing weight of white collar relative to blue collar unions has had its effects on the TUC, as changes in the method of selection to the General Council illustrate. The council used to be elected by block voting in trade groups. Unions such as the TGWU wielded enormous strength under this system. Now every union with over 100,000 members gets a seat automatically, swelling representation of white collar unions. The change may be procedural, but it reflects the loss of influence of the large 'old' unions and the ascendance of the new.

CONFLICTING INTERESTS

Union organisers are going to find it rough going in the coming years. In both the 'sunrise' electronics industry and in services, employers are taking intransigent, anti-union attitudes. These no-union policies are being spearheaded by transnational companies sited here, mostly Japanese and American-based. But increasingly they are being considered by UK firms which like the idea of having greater control over their workforce.

This trend is most marked in the hi-tech electronics plants now setting up in the M4 Corridor, on the south coast, and in the 'silicon glens' of Scotland. The plants, often foreign-owned, are usually small, producing personal computers, software and advanced computerised office or telecommunication equipment. They are part of the 'sunrise' industry, called this because it is one of the only growth areas in manufacturing.

Unions are a scarce commodity at these new plants. Those near Reading and Bracknell are almost totally without unions, and even companies which are well organised elsewhere, such as Ferranti, can claim no-union status at their Bracknell plants. The Reading EETPU office says that there are over 100 plants where it needs to unionise.

In the 'silicon glens' of Scotland, usually near new towns such as East Kilbride, Livingston and South Queensferry, the situation is more extreme. Two-thirds of plants at East Kilbride, for example, are non-union. The Japanese NEC-Semiconductors and US firm Surgikos are among these.

'High-tech' is not synonymous with 'anti-union'. In fact, the largest and most technologically advanced companies, which are mainly in aerospace and arms, are highly unionised. In Rolls Royce, GEC-Marconi, British Aerospace and Racal-Decca among others, trade unions have long been the rule, and it is extremely unlikely that they could be dislodged.

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Unions are also well established at foreign-owned plants such as Timex, NCR and Honeywell in Scotland. It is the new investors who are exploiting the present climate to carry the anti-union flag, or signing sweetheart deals.

'In the new microelectronics plant the companies are totally anti-union,' one specialist told CIS. 'There is almost 100% non-unionisation in Scotland, for example.'

Nearly one in three American electronics companies planning to set up abroad put the UK at the top of their list of preferred areas — above employers' havens such as South Korea, Singapore, and Mexico. Good labour relations and skilled workers are their uppermost requirements. Small wonder, then, that some 200 firms have set up in Scotland, employing over 40,000. Managements at some of these companies have actually told journalists that the lack of 'labour problems' was the reason they chose to locate there. No production losses due to industrial action, no trade unions to impose control over work practices.

Coupled with this is the introduction of new management techniques. In electronics, these are closer to a Japanese than American style, with an emphasis on the greater good of the firm. Management stresses 'team work', 'individual achievement' and productivity. The buildings are open plan, and monitoring is common. These firms include IBM, a long-standing no-union bastion, and Hewlett Packard, a newer arrival. They pay relatively high salaries and offer good conditions — 37 hour weeks, flexitime, social clubs, social outings, subsidised canteens, and medical insurance. They argue that with such good conditions, there is no need for trade unions.

The reason for their adamant position on unions is so that they can 'avoid trade union power on the shopfloor'.

熱意 創意で挑戦 自動化 効率化 コスト低減 我れらの使命!

WITH ENTHUSIASM, WITH CREATIVITY LET US STRIVE TO IMPROVE
AUTOMATION AND EFFICIENCY COST REDUCTION IS OUR AIM.

The Union Busters

In the US, the drive to keep companies 'union free' has become a massively profitable industry. From just a handful of firms a decade ago, the industry now boasts 4,000 to 5,000 consultancies and law firms. They hold seminars ('Making Unions Unnecessary' for example) engage in contract negotiations, take unions to court, and develop strike contingency plans when necessary. Using public relations techniques to persuade the workforce is a major tactic. Some of the most significant strikes in the US recently have been broken with their assistance, including the steelworkers at Newport News and shipbuilders at NASSCO. Their clients include many large US companies, ranging from Honeywell to Du Pont, Rockwell and Continental Oil:

Decertification campaigns are a speciality. These use elections by secret ballot in which members of a union in a plant decide whether or not to stay in the union. The consultants will organise to get the unions out for a fee of about \$10,000. Some 400 firms provided this service during the early 1980s. They have been highly effective. The proportion of elections won by the unions has dropped from 53.2% in 1971 to 43.1% a decade later. Today, only 18% of US workers are unionised.

Labour Research Department reports that two of these consultants, Modern Management Methods Inc. (MMI) and John Sherridon

Associates, are operating in the UK. Their main purpose is to advise US companies setting up shop in the UK. Chembank's move to Cardiff, LRD says, was assisted by a consultancy. But US union busters may have a hard time getting a foothold in the UK: when Executive Circles Ltd of Riverdale, New York set up a seminar in London in March 1983, the media publicised it widely. The TUC responded with a public statement, and the conference was cancelled by the hosting body, the London Chamber of Commerce.

British consultants are hoping to fill the gap. They mostly set up staff associations and try to prevent white collar unions from entering unorganised areas.

The Legal Protection Group claims to have helped 50 engineering companies to set up staff associations. The Employers Protection Insurance Ltd (EPI) runs an employer insurance scheme, providing cover against claims under the Employment Protection Act and Health and Safety legislation. It also runs a consultancy service.

In a dispute between the Furniture, Timber and Allied Trades Union (FTAT) and a company called Spiralyx in 1979, EPI took over all communication between the company and the union — preventing the union from bargaining directly on behalf of its members.

Tight Money

Unions are having to fight on many fronts at once. One of the most important areas is over conditions of employment in plants and in offices. An employee of National Westminster Bank told CIS just how conditions there are being worsened by pressure from management:

'The general tendency now is to keep staff numbers at the absolute minimum, so people come in early and work through their lunchtimes just so that they can get home on time. Some senior clerical staff — the sort of people who are looking for promotion — will come in as early as 7.30! They're mostly men, and it's devastating if a woman then takes over the job as she is naturally expected to cope with the same work load which you can't do if you have any family commitments. We then get the anti-woman, you're not committed to this job, sort of argument from the management.

'Disciplinary procedures, for sickness, lateness, inadequate performance, are used much more often. The procedures haven't changed but they're applied much more rigorously, often in situations where management would not previously have pushed a situation.

'A young woman had over 12 months off on sick leave — she had a series of quite serious operations. She wanted to come back to work part-time and her doctors had just agreed to it when she was dismissed. In previous years, that just wouldn't have happened.



'The discipline comes out in other little ways. Local managers have a lot of discretion about dress and that's enforced — men having to wear jackets and white shirts, women not allowed to wear trousers. Men with earrings are about the end! All these comments will go down on your record.

'One young man was dismissed for stealing £10.50. Of course it's serious, but we've seen reprimands for much higher sums than that. He had a wife seven months pregnant and would automatically have lost his home loan when he left.

'The clamp down is much greater all round. Heavens knows what happens to those who aren't in the union.'

Employers want absolute flexibility, so that they can keep expensive equipment moving. Many plants operate 24 hours a day, seven days a week. They also want flexibility on job definitions. Technicians are trained to do engineers' work, so that if a machine breaks down it can be fixed on the spot without delay.

Another management innovation is the use of 'market force bands', a comparison of jobs and salaries across the industry, with IBM usually taking the lead. Using the bands as a basis, individuals then have an evaluation session with their supervisor every six or 12 months to decide on individual rates of pay. For the workforce it is extremely divisive since individuals are supposed to keep their pay levels secret and are in implicit competition with one another.

A confidential Citicorp 'Managers Guide to Employee Relations (UK)' makes it clear that anti-union policies are not a problem for manufacturing workers alone. In the service and office sector, employers are keeping a close eye on unions. This is most pronounced in banking, where US banks are expanding and now employ around 10,000 workers in the UK. Again, they are giving a lead in anti-union attitudes. Repeated attempts by BIFU, the main banking union, to organise US banks, including Citibank, have largely failed.

Under the heading 'Employee Relations Problems — Common Causes', the Citicorp document instructs management: 'Sometimes it will seem that employees are imagining that a problem exists. Whether real or imaginery, however, it is your responsibility to recognise the situation . . . Continued denial of the existence of a problem can result in employees turning to alternative sources of leadership, either within their own group or outside the bank.'

Management are warned to be alert to these signs of trade unionism: a drop in productivity; a refusal to work overtime; changes in peoples' attitude; or unusual groupings of employees at breaks or meals. 'There may be signs of union literature; strangers on the premises or loitering outside; new patterns of communication, new questions about pay and conditions . . .' Individuals are encouraged to tell management if they suspect trade union penetration.

Management should aim to avoid trade unions at all costs. If problems emerge, the guide says, make sure the employee knows that these are individual problems. Never meet with more than

two individuals at a time. 'It is very important to avoid dealing with a group, or even giving the appearance of dealing with a group. It is conceivable that such direct dealing may be viewed as recognition of the group for collective bargaining purpose. You may then in effect be dealing with a union.'

The document also notes that only the president or chairman of the board at head office in New York is authorised to sign collective recognition agreements.

The leaking of this document in the early 1980s caused an uproar. Citicorp UK management claimed that the policy was no longer in use. BIFU officials doubt this. In the past five years they have unsuccessfully tried to organise Citicorp three times.

So far, the union says, the extreme 'divide and rule' tactics are particular to US banks. With the hotting up of competition in the financial industry, however, the big clearing banks are shifting in this direction. One BIFU organiser in London believes that in 10

to 15 years, the British banks will take on a much more American style of management.

Faced with management obstruction yet desperate to make up shrinking memberships, some trade unions have sought to preserve themselves by signing single union, no strike agreements.

The decision by Nissan, for example, to locate a UK production plant near Sunderland and to seek a single union no strike agreement produced a rush of suitors, led by the EETPU, the TGWU and the AUEW. The Nissan development followed just after the civil service unions offered no-disruption conditions at GCHQ, an offer that the Tories turned down. Also in the spring of 1984, the EETPU reached a sole recognition, no-strike agreement at Hitachi in South Wales.

If the deal goes ahead at the new Nissan plant, it will mark a significant departure from the past. The plant will be large relative to the plants where such deals have been done before, and it will involve a mix of skilled and semi-skilled employees.

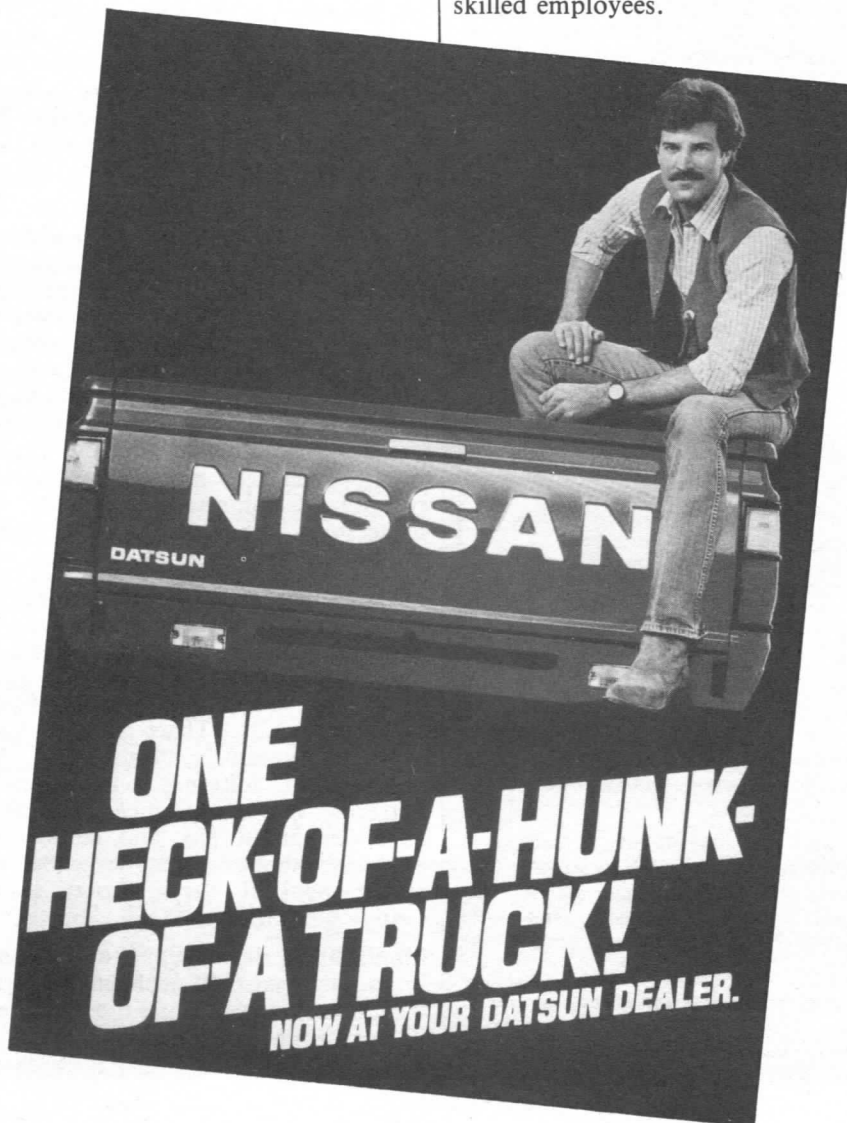
Most of the single union no-strike agreements signed by the EETPU to date are for semi-skilled workforces in small electronics assembly plants. These were pioneered at the Toshiba plant in Plymouth, where the EETPU signed an agreement to avoid disputes in 1981. The plant assembles television sets from imported kits, making workers especially vulnerable to sudden decisions by management to shift production to other plants. The agreement does not have a 'no-strike' clause, but has a procedure to avoid disputes by going to arbitration when a conflict arises. All parties agree to abide by the arbitrator's decision.

A similar deal was made at Sanyo in Lowestoft in 1982, again in a plant where TV and audio systems are assembled. In this case, all disagreements will go to an arbitrator whose decision will be final and binding. Another was with Inmos in Newport, South Wales, in 1983, and EETPU and APEX signed a binding arbitration agreement with AB Electronics in Rogerstone in June 1983.

The Hitachi agreement with the EETPU spells out most clearly the implications for trade unionism. At its television plant in Hirwaun, South Wales, the company is imposing Japanese-style industrial relations as the price of jobs. All disputes must be resolved 'without lock-out and without any form of industrial action' by groups or individuals. Disputes will be referred to a 'company members' board'. These were the conditions for keeping the plant, with its 800 employees (down already by 500), open, along with acceptance of a plan to triple production line speeds.

These no-strike agreements fly in the face of unions' traditional role: to represent their members' interests at the negotiating table, and back them up with industrial action. And they do not have to be accepted. GMBATU, for example, has negotiated rights at both Aiwa and Matsushita television and stereo assembly plants in Wales without them.

Thatcher would love to see anti-unionism spread from a few hundred companies in specific industries to employers throughout Britain. But the new plants can and will be organised, just as aerospace and arms companies, for example, were organised after years of struggle on the shopfloor. Where unions exist, as in the big four banks in the UK, it is next to impossible for employers to kick them out. And where no-strike agreements have been made to placate employers, these will only hold water so long as the workforce abides by them.



BALANCE OF FORCES

The Thatcher government has succeeded in weighting the scales in management's favour. Through its economic and legislative initiatives, it has backed employers to the hilt at the expense of the workforce. Its actions lay the basis for a continuing campaign to defuse union power.

Growing unemployment, and a string of defeats in the form of closures and sackings have lowered shop floor confidence to the point where shop stewards' positions have remained vacant in many places. Workers have come to rely increasingly on union officialdom rather than on their own workplace organisation, which has suited the government very well in its new dominant relationship with the union bureaucracies and the TUC.

Thatcher has also manipulated the internal organisation of unions, making them more bureaucratic (by such means as insisting on ballots), less political (attacking the Labour Party levy) and less militant (by outlawing effective industrial action). By weakening them internally, the government has made the unions less able to fight their opponents.

Yet the unions have not been smashed. Far from it. Monetarist philosophy claims that profitability can only be restored by wage cuts of the order of 20%, but real wages have not been cut.

Public sector wage controls have not worked. British Rail has had to increase its pay offer and drop productivity deal demands in order to prevent a dispute which might have increased the likelihood of railworkers' support for the miners. The ploy failed as railworkers refused to take coal into steelworks picketed by striking miners. The Post Office also had to drop productivity demands and increase its pay offer for similar reasons.

In the private sector both earnings and pay settlements are, on average, running well ahead of inflation, albeit due in some measure to a small recovery in some industries.

The Tories have also failed to sweep away the closed shop. In 1979 5.2 million workers were covered by closed shop agreements. The number in 1984 was four million, but almost all of the fall was accounted for by job loss in manufacturing industry.

Concerted collective action such as that seen during the miners' dispute has underlined the limits of legislation on union rights, particularly as it applies to support action and mass picketing. Employers only use the law when the unions are not in a position to ignore it. The legal climate affects relations between employers, unions and workers, but the fundamental factor is not the law, but the balance of forces.

The attack on the unions is part of the Tories' efforts to solve the crisis of the British economy, and to do so at the expense of the workforce. The Tories have tried to:

- cut real wages by holding down public sector pay and exhorting the private sector to follow suit. In this

they have failed.

- weaken union organisation. They have succeeded to a certain degree, but not irreversibly.

- cut public spending. Despite cuts in welfare areas, it is still going up overall.

In trying to fulfill these goals the Tories have made the lives of millions of working class families much harder. Despite this they have barely begun to solve the problems of the economy for big business.

The balance of forces has been shifted by the Thatcher government, but the shift has not been irretrievable. Strong and self-reliant union organisation can reverse it.



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