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Trade Unions Today

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TRADE UNIONS TODAY

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TRADE UNIONS TODAY

by

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INTRODUCTION

THE trade union movement is going through something like a crisis of ideas. After making a substantial and indispensable contribution towards victory in the second world war and after being largely instrumental in returning a majority Labour Government in the election of 1945, the British trade unions are now faced with problems, on a national and on a world scale, that are largely without precedent. They do so with a membership that is an all-time record, and with an influence that has never been surpassed, yet with a degree of theoretical confusion so great as to jeopardise seriously the prospects of success.

British neglect of theory has become proverbial and in this as in most other respects, the trade union movement is quintessentially British. This contempt for theory was born in an age when the Labour movement could to a considerable extent ride on the wave of Britain's industrial supremacy, and it continued through a period in which Britain's imperial position shielded many of her people, including decisive sections of her workers, from the full impact of world economic crisis. Britain's industrial supremacy is long gone and the British people is now reluctantly but inevitably adapting its thought to conditions in which the pre-war imperial status cannot be restored. Under these conditions, in which the trade unions must necessarily play a leading part in economic and social reconstruction, there is more need than ever for a re-consideration of issues confronting the movement in the light of its history and of an analysis of contemporary problems.

In a number of recent books and pamphlets it has been contended, or more usually assumed, that something in the nature of a radical social transformation has already occurred in Britain as a result of the war and the return of a Labour Government. It is often claimed that, in the light of this new situation, the traditional concentration of trade unionists on questions of wages, hours and workshop conditions is no longer appropriate. It is now more important, it is maintained,

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for trade unionists to co-operate with employers in increasing production than to concern themselves mainly with the distribution of the total product between wages and profits. Conferences on productivity, held under the auspices of the T.U.C, recommend shop stewards to take courses in management and especially in labour relations so as to equip themselves to win labour's co-operation with management in the interests of maximum production. Are these contentions true, and is the policy today recommended by the T.U.C. General Council a realistic adaptation to a new situation or a sacrifice of working class interests for the benefit of the employers?

This is one issue which will be examined in the following pages. The way in which it is answered will depend largely on the answer to a more fundamental question—how much was the social structure of Britain and the status of labour within that structure permanently changed by the return of a Labour Government in 1945? How far are we living under conditions so radically new as to require a complete reconsideration of traditional trade union attitudes?

Another allied question is the problem of world trade union unity. The promising World Federation of Trade Unions has been split as a result of differences arising out of the European Recovery Programme and conflicting policies over, among other things, the future of the German trade union movement. How far is the traditional striving for the unity of world labour on the basis of its common interests no longer appropriate in the light of present world power-political relations? Some feel that British labour must unite with American democracy against a Soviet totalitarian threat to both; others are no less convinced that a course which aligns us with American big business against the trade unions, not only of Russia and China, but of France and Italy, is disastrous and a threat at once to labour standards and to peace. Others, again, believe in a "Third Force" which can remain independent of both camps, and ultimately, perhaps, prove a means of reconciling them.

To what extent, again, is the British trade union movement (the product of a century and a quarter's unplanned and in many ways haphazard development), adequate structurally to cope with the problems of a second "post-war period"? Should the General Council of the T.U.C. have more authority, if

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this means that the constituent bodies must surrender a good deal of their cherished autonomy? Must the trades councils retain their present rather anomalous position in the movement's structure, or can they become for the first time the really authoritative voice of trade unionism in the localities? How far is the goal of "one union for each industry" desirable, and to what extent is it being achieved?

It is not intended in this book to offer definitive answers to all or any of these questions. It is intended rather to be of use to the trade unionist who is seeking his own answers, and who sometimes lacks some at least of the essential historical background and contemporary factual information in the light of which the answers must be sought. Some experience in helping with trade union education has suggested to the author the kind of information most needed and most commonly lacking. In view of the purpose the book is intended to serve, the author's own comments, opinions and interpretations have been inserted where it seemed these might be helpful in provoking discussion, but have not, in general, been stressed; no attempt being made to persuade the reader of the correctness or necessity of any particular policy.

The first chapter deals with the development of trade union law in Britain, not only because of the inherent interest of the subject (which is much greater than might appear at first sight) but because the changing legal status of trade unions is perhaps the best single reflection of the changing relations between capital and labour and provides, in itself, so much of the historical background against which contemporary problems must be studied.

Among contemporary problems the most crucial is without doubt that of the general level of wages. Today the movement is being assured that it is not in the general interest to put in for wage increases in advance of a general increase in production. Is this true? If so, has it always been true, or is it only true because of the peculiar characteristics of the post-war period? Chapter two considers this question, while the third Chapter goes on to examine the place of trade unions in the national economy as a whole, as it has developed since the beginning of the century.

The approach of trade unionists to questions of wages in particular and economic questions in general is intimately bound up with their outlook on political issues and with the

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unique relation in Britain between the trade union movement and the Labour Party. Chapter four discusses the political ideas of trade unionism, and their relation to such political philosophies as *laissez-faire*, Fabian Socialism and Marxism. Political differences between the various national centres have mainly been responsible for the failure, up to the present, of repeated attempts to establish one united world trade union centre, on all other grounds so clearly beneficial. Chapter five describes these attempts and brings the story down to the secession from the World Federation of Trade Unions of the trade union movements in Britain, the U.S.A. and Holland.

Finally, in the light of all the issues—economic, political and international—with which it is attempting to grapple, the movement's structure is outlined and discussed, and the question of what structural changes are desirable and possible (a very different matter) is briefly considered.

It is perhaps inevitable that, in the handling of issues so topical and highly charged as these, the personal position of the author should, on occasions, influence the treatment. Every attempt has been made in discussing controversial questions to leave the reader in a position to form an independent judgment. The author's opinions, which are to the left of the official trade union leadership, and his belief in the validity of the Marxian analysis should none the less be borne in mind by the reader when considering the issues raised, and it is hoped that, wherever attempts to be dispassionate may have failed, generous indulgence will be shown for the fallibility of human nature.

My sincere thanks for suggestions and criticism are due to Mr. J. O. N. Vickers, Miss Bridget Sutton, Mr. R. Bellamy, Mr. Tom McWhinnie, Mr. Thomas Hodgkin, Mr. Frank Pickstock, Miss Margot Heinemann and Miss Betty England. I am also obliged to Mr. George Aitken, Research Secretary of the A.E.U. for his admirable summary of the York Memorandum reproduced in the Appendix.

CHAPTER 1

TRADE UNIONS AND THE LAW

WE can most usefully begin our survey of trade unions today by a glance at the development and present state of the law regarding trade unions. This for two reasons—because it is of importance that trade unionists should know how they stand in relation to the law and because the law is in itself a reflection of the balance of forces within society, so that an examination of the way in which the law has developed will reveal at the same time the story of the relations between labour and capital and the strengths and weaknesses of trade union organisation.

Trade Union Legality

For much of the nineteenth century the philosophy of *laissez-faire*—which opposed state interference in economic life—was accepted, not only by most employers but also by the majority of workers. Yet in fact the state has never been indifferent to the condition of labour relations and, since these relations impinge on every other aspect of state policy, it never can be so. It is true that whenever a period of falling prices combined with heavy unemployment makes the bargaining position of labour weak, the state is usually content to leave the settlement of wages, hours and conditions of work, to be settled freely by the laws of supply and demand. But whenever, during a period of labour shortage, labour has taken the offensive and tried, with fair prospects of success, to force up money wages, the state has tended to interfere in the interests of "economic stability."

When, during the fourteenth century, a terrific shortage of labour caused a rise in money wages, the *Statute of Labourers* (1351, re-enacted with increasingly severe penalties in 1357 and 1360) sought ineffectively to stop the rise. When, during the sixteenth century, a general rise in the price level caused workers to try and force up wages, legislation (e.g. *The Statute of Apprentices of 1563*) sought to strengthen the machinery of wage-fixing by Justices of the Peace and so to ensure that

the rise in prices was not accompanied by a rise in the level of wages. The statute which first explicitly made trade unions illegal, the Combination Act of 1799, occurred during a period of rising prices accentuated by Pitt's decision to inflate the note issue of 1797 to help pay for the war. And today, when the bargaining power of labour is stronger than it has ever been, the Conditions of Employment and National Arbitration Order severely curtails the right to strike.

It did not require the Combination Act of 1799 to make trade unions illegal. A very substantial part of the law of England has never been recorded in the form of statute but, enforced by the Courts on the basis of custom and precedent, is known collectively as the Common Law. Under the Common Law, any association "in restraint of trade" has for many centuries been regarded as illegal. Since unions can hardly help interfering with the freedom of an individual worker to strike a bargain with his employer, they are technically associations "in restraint of trade" and illegal, as such, at Common Law. During the eighteenth century, organisations of workers grew up in the wool trade, in hosiery and in tailoring, but, unless they could disguise themselves as purely friendly benefit societies, they were always liable to prosecution, quite apart from any statutory prohibition. The Act of 1799 which forbade combinations as such was therefore designed, not so much to make trade unions illegal, as to strengthen the law in enforcing their illegality. This Act, supplemented by a further Act of 1800, was a panic measure, passed during the stress of war by a government that saw in any association of working men the threat of Jacobin revolution. It was part of a policy of repression that succeeded for the time in destroying all opposition to Pitt's Government; it encountered no serious resistance, and, while the war was on, no serious demand for its withdrawal. The prohibition of combination was, of course, defied by both men and masters (to whom the Acts were supposed to apply equally), though prosecutions were only undertaken in the case of the men.

In an age in which the ideas of *laissez-faire* were rapidly gaining ground, the maintenance of the Acts under conditions of peace seemed somehow inappropriate. It had been one thing to forbid workmen to negotiate freely with their employers in centuries when the state assumed responsibility for regulating wages. But at the end of the eighteenth century

"when the notion of customary rates had begun to crumble under the disintegrating blasts of 'free contract' "¹ there was something out of date about the Acts even while they were being passed. And in the nineteenth century it was inevitable that, once the peculiar conditions of the Napoleonic War had ceased to exist, such legislation should come under heavy fire.

The Combination Acts had never been particularly effective in preventing either trade unions or strikes. Lancashire cotton spinners, Glasgow weavers, Northumberland, Durham and South Wales miners waged bitter and often prolonged strikes. Despite the Acts, nation-wide organisation was established for a time among calico-printers, ironfounders, paper-makers and ropemakers.² Finally in 1824, convinced that the Acts fostered rather than restrained industrial unrest, Francis Place persuaded the Select Committee on Artisans and Machinery to recommend the Repeal of the Acts, which was effected in 1824. Place, who had started his political life as a follower of the anarchist Godwin, retained from his first teacher a strong aversion to state action and to state prohibition. But by 1824 he had long completed the evolution from anarchism to liberal *laissez-faire*; he held that not only must the Combination Acts be ineffective in repressing trade unions, but that unions themselves were incapable of affecting the general level of wages, which depended on the laws of supply and demand. The last result expected or desired by Place from the repeal of the Combination Acts was an increase in trade unionism or in the incidence of strikes. It was only because Place felt that, given freedom of organisation, the workers would more quickly come to appreciate their futility, that he was so enthusiastic for repeal.

The Act of 1824 not only repealed the Combination Acts but also laid down that the act of organising a union did not render the perpetrator liable for prosecution at Common Law. The outbreak of strikes that immediately followed the passing of this measure nearly led to the re-imposition of prohibition in an even more severe form. But with the post-war trade revival of 1820 and the consequent ebb of revolutionary sentiment among the mass of the people, the middle classes were now at the beginning of half a century's industrial

¹ Milne-Bailey: *Trade Union Documents*, p. 9.

² A. Hutt; *British Trade Unionism*, p. 10.

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expansion, and even as early as 1825 were feeling that conciliation, which they could well afford, was likely to be a more appropriate policy than coercion, a feeling perfectly expressed in Sir Robert Peel's policy at the Home Office. Place was fully expressing the spirit of his times when he succeeded in preserving freedom for trade unions, though the Act passed in 1825 contained stringent provisions against "molestation" and "obstruction" which made picketing a very hazardous procedure.

Trade Unions after the Repeal

The depressed conditions that followed the end of the boom, in 1826, had a dampening effect on trade union activity. The movement for parliamentary reform came to absorb a lot of working class energy. The year 1832 saw the passage of a Reform Act extending the franchise to the middle classes in the towns, while it left the wage earners voteless. The same year saw the start of a new upswing in the trade cycle which lasted until 1836. Thus, favourable conditions for trade union activity coincided with a period of intense working class disillusionment with both the middle classes and with politics. This argely explains the wave of revolutionary trade unionism which culminated in the rise and fall, in 1834, of Robert Owen's "Grand National Consolidated Trades Union." In the same year the "Tolpuddle Martyrs" were transported, after a hurried trial, for having attempted to organise in Dorchester, an agricultural workers' branch of the "Grand National." They were sentenced under an Act of 1797 on a charge of administering illegal oaths. The mere act of forming a union was no longer illegal. Secrecy would be needed, however, to protect agricultural workers against the very real danger of victimisation. Administering oaths was a traditional method of impressing the need for secrecy on illiterate men, but that, it was now shown, involved the risk of Botany Bay. The unions had not secured much beyond the bare possibility of legal existence.

If trade unions were no longer illegal bodies, neither were they in any strict sense legal. They had no recognised corporate existence, no legal personality. They could not, consequently, own property and were fair game for defaulting treasurers or dues collectors. This was rectified for the time

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being, in 1855, when the *Friendly Societies Act* gave legal protection to union funds, and in 1859 the *Molestation of Workmen Act* legalised the peaceful persuasion of blacklegs to refrain from working during a strike.

This favourable attitude of governments towards trade unions during the 1850s is explained by two factors—the character of the "new model" unions that were developing since the collapse of Chartism in 1848, and the generally favourable position of British Industry in the world's markets.

The characteristic unions of the period were, to take the three leading examples, the Amalgamated Society of Engineers, the Amalgamated Society of Carpenters and Joiners, and the Boiler Makers and Iron Shipbuilders. In this type of union the highly skilled craftsmen were not, at that time, seriously threatened with competition from foreign industries, or with being replaced by women and juveniles or semi-skilled dilutees. The preface to the rules of the A.S.E. (1851) states : "We are willing to admit that whilst in constant employment our members may be able to obtain all the necessaries and perhaps some of the luxuries of life, are, perhaps, surrounded by many comforts and congratulate themselves on being so circumstanced".¹ The main danger to the standards of substantial comfort which many of these men had attained came from the possibility of unemployment. This risk was best met by limiting the number of new entrants to the trade, which was effected by rigidly enforcing apprenticeship rules, and by limiting the number of hours worked by each man—in fact by the traditional methods of keeping up the price of a scarce commodity through limiting the supply. The members of the new model unions tended to feel that a social system in which labour power was sold on the market might have much to offer them, providing they could perpetuate and exploit their monopoly of skill. At the same time British industry was itself in a monopoly position on the world market, since other countries had not yet begun to overtake our industrial lead. So it was natural enough that employers should feel that the men of the new model unions did not constitute a threat to the social order and that industry could well afford whatever concessions a policy of conciliation might impose.

There is an element of truth in the belief that during this period the unions of skilled craftsmen entered into an alliance

¹ See James Jeffrey's: *Labour's Formative Years*, p. 29.

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with the employers on the basis that both might benefit from the exploitation of Britain's industrial monopoly. Yet it would be wrong to over estimate the solidity of that alliance. The struggle for the nine-hour day which, the unions believed, would compel the employers to employ more workers, and by increasing the demand for workers would force up wages, gave rise to bitter and prolonged industrial disputes, notably the lock-out of the London building workers in 1859-60. Legally, too, the unions were still extremely vulnerable. Since they remained bodies illegal at Common Law, no special legislation was needed to put them at a disadvantage. On the contrary, as subsequent developments were to show, special legislation would be necessary before the unions could enjoy anything like equality of bargaining power with the employers. Since 1824 a trade union had not constituted, in itself, a Common Law Conspiracy. But any organised attempt to "obstruct" an employer in his business, for example by striking, did. The *Offences Against the Person Act* of 1861 referred specifically to "any unlawful combination or conspiracy to raise the rate of wages," and the leaders of the New Model Unions, however opposed they may have been to schemes of radical social reform, were fully conscious of their legal disabilities and were equally determined on political action to remove them. Largely on the initiative of the London Trades Council (formed in 1860 as a result of the building lock-out) the Reform League was founded in 1865 to fight for universal manhood suffrage. It soon secured strong support from the trade union movement as a whole.

Besides the precarious legal position of strikers, the union leaders were bitterly resentful of the inequality of employers and workers before the law. Under the existing *Master and Servant Act* dating back to George II, a worker who left his job in breach of contract could be prosecuted for felony and sentenced to hard labour. An employer violating the same contract stood to face civil action and the possibility of damages. As a move to right this anomaly a trade union conference, often regarded as the precursor of the T.U.C., was held in London in 1864. In 1867 "the first positive success of the Trade Unions in the legislative field"¹ was scored when the *Master and Servant Act* of Lord Elcho became law. This remedied the grossest injustices, but left the unions far from

¹ Webb: *History of Trade Unionism*, p. 236.

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satisfied. As it was replaced after eight years by the more appropriately named *Employers and Workmen Act* we need not describe its provisions here. It increased the confidence of the union leaders in the efficacy of parliamentary agitation without satisfying their demands and stimulated the unions to more intensive political activity.

The Workers' Franchise and its Consequences

Trade unionists had other incentives for political activity, however, in 1867. A series of violent acts (known as the Sheffield Outrages) directed against non-unionists and involving loss of life had been perpetrated by a small craft union in Sheffield; this resulted in an enthusiastic press campaign against trade unionism which chose to ignore the fact that the overwhelming majority of trade unionists repudiated terrorism and, in particular, repudiated Broadhead and his associates in the Sawgrinders* Union of Sheffield. The Government set up a Royal Commission with dangerously wide terms of reference, including not only the Sheffield Outrages but also the duty to "enquire into and report upon the organisation of Trades Unions and other Associations." Fearing with good reason that the Commission might result in a renewed attack on the unions by the legislature, the union leaders were further alarmed by the decision of the Lord Chief Justice, early in 1867, that since unions were bodies in restraint of trade and therefore illegal at Common Law they could not claim legal protection for their funds under the *Friendly Societies Act* of 1855. Thus their funds were again at the mercy of dues collectors and treasurers who might choose to decamp, and there was an outburst of sustained indignation among trade unionists which contributed appreciably to the passing of the Reform Bill in 1867, giving the vote for the first time to nearly all wage earners in the towns.

Since nearly all the trade union leaders were Liberals and since they campaigned vigorously in the election of 1868, the trade union vote contributed substantially to Gladstone's victory, and the new Government came at once under pressure to remove the legal anomalies. The *Trade Union Act* of 1871 gave legal protection to union funds, removed the possibility of prosecution for conspiracy, freed the unions from legal interference in their administration of friendly benefits and also laid down that no agreement between a trade union and

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an employers' association could be enforced at law. So far as this Act went, the unions for the first time had the best of both worlds. The fact of being illegal at Common Law no longer deprived them of legal protection for their funds, or laid them open to the risk of prosecution for conspiracy. Yet, being still illegal at Common Law, no union could be sued by one of its members for any payment of Friendly Society benefits. The Trade Union Act of 1871 is rightly termed the "Trade Unionists' Charter", because for the first time the existence of unions was made legally secure. However, the Gladstone Government represented predominantly the manufacturing interest. Making heavy concessions in one sphere, it did what it could to compensate in another. The *Criminal Law Amendment Act* of the same year repealed the Act of 1859 and made stipulations regarding molestation, intimidation and obstruction even more severe than those in the Act of 1825. Picketing became once more a legally hazardous procedure, and convictions against striking miners and gas stokers which followed immediately the passing of the Act showed that the employers were inclined to take full advantage of any legal opportunities given them.

In some ways the tactics of the new model unionists during the previous two decades had rendered them vulnerable to this kind of attack. In representing themselves to the Government—for example in their evidence before the Royal Commission of 1867—they had deliberately played down strikes as a feature of trade union activity. They went to almost excessive lengths to present themselves as trade friendly societies; no doubt many government supporters believed that by giving legal stability to trade unions as friendly societies whilst legislating against them as instruments of class struggle they could drive a wedge between the unions of skilled craftsmen and those of miners, textile workers and others who were too poorly paid to afford the high contributions necessitated by benefit schemes. No doubt, too, the new model unionists were at least partially sincere in playing down strikes. As William Allan, the General Secretary of the A.S.E., told the Royal Commission in 1867: "I should say that the members generally are decidedly opposed to strikes, and that the fact of our having a large accumulated fund tends to encourage that feeling amongst them."¹

¹ James Jeffery's: *Labour's Formative Years*, p. 41.

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Nevertheless, the record of union struggles during the period 1850-1875 shows clearly enough that the craftsmen were prepared to strike and to resist lock-outs by employers, though not, as a rule, in support of wage increases. The engineers' lock-out of 1852 arose from the A.S.E.'s demand for the abolition of overtime and piece work. The builders' lock-out of 1859-60 was caused by a request from the carpenters, joiners, stone masons and bricklayers in 1858 for a reduction in hours. The brickmakers struck in 1864 against a contract binding workers to their employers for an entire season by the device of withholding part of their pay until the season's work was over. The engineers on the north-east coast struck work in 1871, and after five months secured the nine-hour day for their district. It was a common belief among craft unionists at the time that, since wage levels depended on the supply of and the demand for labour, the way to win wage increases was by not striking directly for them, since the total demand for labour must be determined by the state of trade, but to reduce the supply of labour by enforcing rigid apprenticeship rules, by abolishing overtime, reducing hours and in some cases by subsidising emigration.

Though they might use the strike weapon with extreme caution, the craft unionists were fully determined to defend the right to strike since they appreciated that its loss would deprive them of all bargaining power in the face of the employers. They threw themselves into a campaign for the repeal of the *Criminal Law Amendment Act*, so affecting the outcome of the 1874 Election. Already in 1873, at a by-election in Greenwich, a working class candidate had stood against both Liberal and Conservative with the result that the latter was returned. In the General Election of the following year pressure was brought to bear on Liberal candidates to pledge support for repeal; where no support was forthcoming, trade unionists often voted Conservative. As a portent of the future two working class candidates (both miners) were returned to Parliament as members of the Liberal Party. After a lot of initial hesitation, Disraeli's Government introduced, in 1875, the *Conspiracy and Protection of Property Act*, which restored the right of peaceful picketing, and softened the previous provisions regarding molestation, intimidation and obstruction, while the *Employers and Workmen Act* of the same year made breach of contract a matter for civil action in the case of

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workers as well as of employers. The Trade Union Amendment Act of 1876 modified some technicalities of the Act of 1871, but had little apparent effect on the position.

The Webbs have indicated the marked change that had occurred in the status of trade unions in a little under a decade. "In 1867 the officials of the unions were regarded as pothouse agitators, 'unscrupulous men, leading a half idle life, fattening on the contributions of their dupes', and maintaining, by violence and murder, a system of terrorism, which was destructive, not only of the industry of the nation, but also of the prosperity and independence of character of the unfortunate men and women who were their victims. . . . In 1875 the officials of the great societies found themselves elected to the local School Boards, and even to the House of Commons, pressed by the Government to accept seats on Royal Commissions, and respectfully listened to in the lobbies." (Webb. "History of Trade Unionism" p. 311). 1874 marked the crest of a period of prosperity which had begun in 1867, and trade union membership reached an unprecedented height. "It is probable that between 1871 and 1875 the number of Trade Unionists was more than doubled." (Webb p. 312). The Trade Union Congress of 1874 reported a total membership of nearly 1,200,000.

The Taff Vale Judgment

Still, the law courts had not finished with the unions. In the 1890s, following an immense expansion of trade unionism among the most poorly paid workers, and including for the first time on a really mass scale miners, dock workers, railwaymen and farm workers, the courts began discovering that "incitement to breach of contract" constituted an offence, with which the instigators or organisers of strikes might be charged. And in 1901, even before the famous Taff Vale Judgment, it was ruled (*Quinn v. Leathern*), that it was an offence to inflict damage on a party by persuading others not to enter into his service, even if no question of "breach of contract" arose. After that came the famous Taff Vale Judgment, in which the Amalgamated Society of Railway Servants lost over £40,000 in damages and costs, the union being held liable for damages suffered by the railway company during, and arising out of, a strike which the union had called. Since no one can predict in advance what damage may or may not be suffered

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by an employer against whom strike action is taken, the effect of this "judicial *coup d'etat*" was to destroy all the gains made during the period 1871-6 and to make strikes "for all practical purposes illegal" (Lord Askwith: quoted in A. Hutt's *British Trade Unionism*, p. 47). Allen Hutt has vividly described the prevailing atmosphere in employers' circles, reflected in a series of articles published by *The Times* entitled *The Crisis in British Industry*.¹ A press campaign ensued, reminiscent of that following the Sheffield Outrages thirty-five years previously. In less than two years the trade union membership affiliated to the newly formed Labour Representation Committee more than doubled. At the General Election of 1906 the Labour Representation Committee (soon to change its name to the Labour Party) returned 29 members, and there was a majority of Liberals pledged to remedy the legal position. The *Trades Disputes Act* of 1906 made unions henceforth immune from actions for tort (that is, for civil wrongs for which damages might be awarded), legalised peaceful picketing, and made impossible any actions for inducing a breach of contract in pursuance of a trade dispute. Henceforth no one could be liable for damages merely through an act of combination, and the unions must have felt that at long last their fight for equality before the law had ended in success. From a strictly formal point of view it could be argued that the unions had secured a privileged position—at once protected by the law and in certain ways above it. Since 1871 a union has been accepted as a legal personality, entitled to own property through trustees and to have this property protected by law. On the other hand a union was not, since the Act of 1906, a legal personality in the sense of being liable to civil action for damages. Though, of course, trade unionists including officials could be sued, as individuals, on the same footing as anyone else, the funds of the unions were exempted from the results of such actions. This may seem to have made the unions privileged bodies, a view held strongly at the time by Sidney Webb, as well as by the majority of legal authorities. Yet what was the alternative? If trade unions are not to be regarded as legal personalities having legal protection for their funds, they are obviously at a crippling disadvantage. If they are to have the full status of corporate bodies, on the other hand, the right to strike, to be effective, must include the right to

¹ See: *Modern Quarterly*, Old Series, Vol. 2. No. 1.

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persuade others not to work for the employer concerned. This had just been declared actionable by the verdict in the case of *Quinn v. Leathern* when the Taff Vale Judgment, to the surprise of everyone including the judges of the Court of Appeal, was upheld by the House of Lords confirming, for the first time in legal history, that trade unions were liable to actions for tort. If an employer can, through legal action, charge his losses up to the union, the strike weapon is not so much blunted as reversed. The justification for placing trade unions in a formally privileged position is simply that unions of wage earners do not fit comfortably or automatically into a legal system designed primarily to protect private property. Such is the inequality of bargaining powers between capital and unorganised labour that unless the wage earners can secure for their organisations a very special legal status, they are liable to find themselves at their employers' mercy, working for wages and hours and in conditions which they have no means of affecting.

It is worth noticing, incidentally, that the Taff Vale Judgment still stands, as a precedent, except in so far as the law was changed by the Trades Disputes Act of 1906. This Act relieved the unions of the liability of being sued for tort, but it did not affect the validity of the Judgment as a statement of the law as it stood in 1901. "Trade Unions can still rely on that decision as supporting their own right to sue for tort"¹ and the Court of Appeal recently upheld the right of the N.U.G.M.W. to bring an action for libel. (*N.U.G.M.W. v. Gillian and others*, 1945).

In one other respect the Act of 1906 strengthened the unions in the exercise of the right to strike. A number of deeds which might otherwise be actionable were made immune if performed "in contemplation or furtherance of a trades dispute." Among these was the act of inducing a breach of contract, so that today, at *bona fide* trade union meetings, the question of whether or not to go on strike can be discussed in complete freedom, with no fear of legal consequences, so long, of course, as nothing criminal is advocated.

The Osborne Judgment

The next important struggle took place over the political rights of trade unions. In 1909 the Osborne Judgment denied

¹ H. Strauss: *Trade Unions and the Law*, p. 14.

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unions the right to spend any of their funds for political objects, even though this might be the clearly expressed wish of a majority of the members. One immediate result of the Judgment was that the Miners' Federation, which had hitherto held aloof, decided to adhere to the Labour Party. The addition of the group of miners' M.P.S to the Parliamentary Labour Party brought to an end the existence of the Lib-Labs, the group of working class M.P.S belonging to the Liberal Party, dating from 1874.

The second election of the year 1910 left the Liberals in office, but they were now dependent for their majority on the support of the Labour and Irish Parties, to both of which concessions would clearly have to be made. Outside Parliament the workers were showing considerable militancy in strikes involving dockers, miners, railwaymen and many others. The increase in prices that had been going on almost without interruption since 1896, and the failure of wages to keep pace with them, together with the fact that in the Commons the Labour Party members could not easily be distinguished from the Liberals, combined to produce a wave of trade union militancy that became decidedly anti-political in tone. Increasing numbers of workers were being won for revolutionary Syndicalism, and in this situation the Liberals regarded the Labour Party as a stabilising rather than as a revolutionary factor. In 1913 the *Trade Union Act* allowed any union to use funds for political objects, providing they were drawn from a special fund set aside for the purpose, with any member not wishing to contribute having the right to "contract out." The establishment of a political fund had to be authorised by a majority vote of the members, and any member wishing to "contract out" of paying the political levy was to retain all his other rights of membership unimpaired.

Even this only partially reversed the Osborne Judgment. Any normal association is free to spend its funds as the majority of its members see fit, without the law having any say in the matter or control over the procedure. But trade unions are not normal associations. For one thing they are, as we have already seen, bodies illegal at Common Law, requiring special Acts of Parliament to enable them to exist and function freely. Having been granted statutory legality and having then been accorded a unique position in the country's legal structure, the Law Lords held that the *Trade Union Act* of 1876 had

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specified the purpose for which these bodies existed. Political activities had not been named in the Act of 1876 and so, according to Lord MacNaghton, in giving judgment: ". . . societies, whether incorporated or not, which owe their constitution and their status to an Act of Parliament having their objects and powers defined thereby, cannot apply their funds to any purpose foreign to the purposes for which they were established, or embark on any undertaking in which they were not intended by Parliament to be concerned." Thus we find again that the trade unions, because they do not fit easily into the legal structure of a capitalist state, have at every stage to be specially provided for. Although the Act of 1913 left some trade unionists dissatisfied, the movement took the view that the substance of its claim had been conceded.

The General Strike

Here, with the exception of the *Trade Union (Amalgamation) Act* of 1917, which made it rather easier for unions to amalgamate, and whose provisions will be discussed later, the matter rested until the General Strike of 1926. The Emergency Powers Act of 1920 does not specifically refer to trade unions, though it does give the Government power, in the event of a large scale industrial stoppage threatening essential supplies, to intervene to break the strike by Orders in Council. These powers were used with alacrity both during the coal stoppage of 1921 and during the General Strike of 1926.

The term General Strike, as applied to the dispute of 1926, is, strictly speaking, a misnomer. The Conference of Trade Union Executives, which was responsible for calling the strike, called out only the "first line" workers, consisting mostly of workers in the transport, printing, metal and power industries, called out to support miners in their dispute with the coal owners. About two and a half million workers were directly affected.

The course of the strike does not concern us at the moment. What does concern us is the fact that there was, amongst authorities, no sort of agreement as to whether or not a general strike was legal. The unions maintained that this was a sympathetic strike, called in support of the miners, and that the unions were consequently protected by the provisions ('contemplation or furtherance of a trade dispute') of the

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Act of 1906 against action for damages should **there be any** question, for instance, of incitement to breach of contract. The judgment in the case of *Conway v. Wade* (1909) had established that to qualify for protection under these provisions a party need not himself be directly concerned in the dispute, but may be acting in support of a fellow trade unionist who is. Many lawyers, on the other hand, contended that the General Strike was a good deal more than a sympathetic strike since it had for its object the influencing of the Government to a particular course of action. Some differences of opinion exist as to whether, in view of this, a general strike constitutes a trade dispute within the meaning of the Act of 1906. There was also a difference of opinion as to whether the General Strike was (apart from any question of civil liabilities for breach of contract) a criminal offence. Sir Frederick Pollock expressed the view that those who called the strike could have been indicted for criminal conspiracy. This question is of more than historical interest since, now that the *Trades Disputes Act* of 1927 has been repealed, the legal position is as it was in 1926—whatever that may have been. No one can be sure that a general strike will not occur again, but we shall have to leave the question here, citing, though not necessarily agreeing with, the remark of Mr. Justice Asquith: "A country whose law gives no clear answer to the question whether a general strike is legal or not deserves a succession of general strikes to concentrate its mind."¹

The position was at least clear after the *Trades Disputes Act* of 1927, but it was clear in a sense which no trade unionist could accept. Sympathetic strikes were illegal if, at the same time, they were designed to coerce the government; any strike involving breach of contract with a public authority under conditions threatening grave inconvenience to the public, was criminal, as was instigation to an illegal strike. The total repeal of this Act, in 1946, was one of the first acts of the new Labour Government, and it restores the position as it was at the time of the General Strike.

Perhaps the most bitterly resented of the provisions of the 1927 Act were those precluding civil servants from affiliating with any outside body (such as the T.U.C.) and those defining intimidation in a way so loose that no picket could feel secure against arrest. But this is all past history.

¹ Henry Strauss: *Trade Unions and the Law*, p. 43.

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A writer in the May, 1948, issue of *Labour Research* summed up the position in this way: "The law is muddled and confused, but on the whole not unfavourable—we should certainly think carefully before agreeing to any codification or tidying of the law lest we find ourselves worse off than we are." Most active trade unionists would probably endorse this view, though the position today is complicated by the (temporary) abolition of the freedom of strike action. By a prolongation of special war-time legislation (to which the T.U.C. has so far willingly assented) strikes are illegal in Britain today until after (a) the dispute has been reported to the Ministry of Labour; (b) twenty-one days have elapsed; (c) the Minister has failed to refer the dispute for settlement under the Conditions of Employment and National Arbitration Order. Maximum penalties under the Order are two years or £500. There is a Government assurance that the retention of this Order is temporary, and will under no circumstances be further prolonged without the express consent of the T.U.C. The right to strike is further restricted by an Act of 1875, still on the statute book, which declares strikes in gas and water undertakings (extended to include electricity undertakings in 1919) illegal and criminal if there is reason to believe that injury to person, damage to valuable property, or public inconvenience (a dangerously vague phrase) will result.

With these important exceptions the right to strike has been secured to trade unionists and, what is equally important, the right to picket is also protected providing there is no intimidation. Since the repeal of the *Trades Disputes Act* of 1927 intimidation is once more defined in accordance with the provisions of the *Trade Union Act* of 1913 as: "violence or threats of violence of such a kind as to justify a binding over to keep the peace."¹

In respects other than the right to strike, "the taint of illegality still clings to trade unions."² For example contracts between unions and their members are not, in general, enforceable at law, since unions are still unlawful at Common Law except where specifically legalised. Thus, the courts will not entertain an action by a member to enforce a claim for benefit payment against his union, to which he may consider himself

¹ H. Samuels: *The Law of Trade Unions*, p. 75.

² Cole: *British Trade Unionism Today*, p. 132.

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entitled. On the other hand, whenever union membership carries with it any kind of right to a share in union property, a member may not be expelled except in accordance with union rules, and an irregular expulsion may be nullified by the courts.

Intimidation is, of course, illegal but the law distinguishes between intimidation and a warning. To inform an employer "without violence or anger" that his employees are likely to leave his service unless he discharges a non-unionist constitutes a "warning" and is not actionable.

Finally, relations between one union and another are not normally the concern of the law, except where private property rights are concerned. In the case of amalgamation, for example, where the disposition of private property will usually be involved, the Act of 1917 provides that at least 50% of the members of all unions concerned must participate in the necessary ballot and that the votes for must exceed the votes against by at least 20%. The amalgamation, to be effective, must be duly registered. Registration itself is not normally obligatory on trade unions, nor does the fact of registration confer much in the way of benefits or obligations. Its main effect is to facilitate large scale property transactions and to compel officials to make annual financial returns to the Registrar of Friendly Societies.

The over-all picture of the state of trade union law is not, all things considered, unsatisfactory. In considering any further reforms that may, from time to time, seem necessary it may be helpful to recall a speech made, many years ago by Mr. Churchill, on a similar topic. In speaking of the law courts in the House of Commons on 30th of May, 1911, he said that they "deserve and command the respect and admiration of all classes in the community, but where class issues are involved it is impossible to pretend that the courts command the same degree of general confidence. On the contrary, they do not, and a very large number of our population have been led to the opinion that they are, unconsciously no doubt, biased . . ." This being the case, there seems good reason for ensuring that, whenever legislation affecting trade unions is in question, they should be given, so far as the letter of the law is concerned, the benefit of any doubt.

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THE main purpose of a trade union is to protect and further the interests of its members. Does this imply that a trade union must be vigilant at all times to push the level of wages as high as its strength permits, or are there circumstances under which the raising of wages may be opposed to the national interest, and, consequently, opposed to the interests of trade unionists themselves? This is perhaps the main policy question confronting the trade unions today, and certainly the most fruitful source of controversy within the movement. Since economists are at least equally at variance on the question, this is not altogether surprising; and though it would be presumptuous to attempt a solution of a vexed and complex problem within the compass of a short chapter, it may be useful to define the issues that seem to be involved before proceeding to a more detailed examination of the place of trade unions in Britain's economic and political life.

Development of Wages Theory

For the first half of the nineteenth century most economists held, with Malthus and Ricardo, that there was an iron law preventing real wages from rising very far for very long. The tendency for population to grow and as it grew to press on the limits of the food supply, must make it impossible for trade unions or governments to bring about permanent improvements in the living standards of the masses. It is today a commonplace that both economists went wrong in under estimating what improvements in farming technique could do, to raise the productivity of agriculture. Thus, by the middle of the nineteenth century, John Stuart Mill saw no necessary limit to the level of wages, and insisted that wages could be increased by increasing the real wealth of society. This increase, however, would follow automatically, from the operation of the laws of supply and demand, and the intervention of trade unions was not called for and would prove harmful.

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The level of wages, according to John Stuart Mill, was entirely determined by the laws of supply and demand. The supply of labour depended on the size of the population, or at least of that part of it which had of necessity to work for wages, and the demand for labour was determined by the amount of capital in private hands available for investment. This latter constituted the "wages fund." If profits were high, the stock of capital and thus the wages fund would grow rapidly, and wages could be expected to rise. But, though wages would increase as expanding trade increased the demand for labour, it was unthinkable that trade unions could raise wages at the expense of profits. For lowered profits meant a slowing up in the accumulation of capital and hence a decline in the demand for labour, it might be possible for workers in a particular industry, if they were highly organised, to force up wages above the market rate, but if that were done it could only be at the expense of the country's wages fund, so that the demand for other kinds of labour would fall and other workers, presumably among those less highly organised, would suffer wage reductions.

Towards the end of his life Mill modified his theory of wages and came to adopt a position compatible with his sympathy for trade union aspirations. In a book review appearing in the *Fortnightly Review* of 1869 he concluded that, while the total fund available for use as wages could not exceed "the aggregate means of the employing class" it could be increased within that limit by reducing the personal consumption of employers. Nearly all economists continued to hold, however, that an increase in money wages was more likely to cause the employer to reduce his demand for labour than to reduce his personal expenditure, so that the workers as a whole would derive no benefit from the wage increase.

Theories of this sort were also widely held, at the time, in the trade union movement. We have already seen the "new model" unions fighting for wage increases, not directly but indirectly, by seeking to limit the supply of labour. The tactics of these unions were those of restricting entry into the craft and subsidising the emigration of skilled craftsmen. If this were the only way by which trade unions could raise wages, then the masses of unskilled and at the time unorganised workers could never hope to improve their conditions by trade union action. The prevalence of *laissez-faire* ideas on economics, therefore,

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must have contributed not only to justify indifference on the part of employers and governments to labour conditions, but also to justify the well-known indifference of the craft unionists of the period to the fate of their less skilled brethren.

The leading contemporary critic of Capitalism, Marx, is frequently, and surprisingly, stated to have preached his own version of the iron law of wages. Since one of his best-known works, *Value, Price and Profit* is devoted entirely to refuting this theory, it is difficult to see how the fiction comes still to be repeated. Marx believed that, in any capitalist society, wages could not be raised far above subsistence level. But what constitutes subsistence level is, in itself, partly a matter of customary and prevailing standards of living. One of the factors determining the standard of living of the workers is the degree of pressure they can exert, through their organisations, on the employers. So that the level of wages is affected by the relative bargaining strength of labour and capital.

What prevents trade unions from forcing up the level of wages very far and makes any gains they may score precarious, is the existence of what Marx calls the "industrial reserve army"—that is, of the army of unemployed. Any increase in wages secured by the workers will give employers more incentive to displace labour by machinery. The demand for labour is not only determined by the total stock of capital but also by the number of workers each unit of capital employs. As in the course of time, more and more labour-saving machinery is introduced "the demand for labour keeps, therefore, no pace with the accumulation of capital. It will still increase, but increase in a constantly diminishing ratio as compared with the increase of capital."¹

Marx predicted that the growth of unemployment through the increasing use of labour-saving machinery would act as a drag on all the efforts of trade unions to raise the level of wages. Nevertheless, he insisted in the same pamphlet, an increase in real wages at the expense of profits is possible and must continually be fought for.

Towards the end of the nineteenth century orthodox economists, while not accepting Marx's view that the division of the product of industry between wages and "surplus value" depended on the relative strengths of the contending classes,

¹ K. Marx: *Selected Works*, Vol. 1. p. 336.

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came to adopt a much less rigid approach to the question of wage determination. For example, Marshall held that if an increase in wages resulted in a rise in the productivity of labour, the prospects of enhanced profits would attract more capital into industry and so raise the demand for labour. The amount of capital used in the employment of labour, which economists before John Stuart Mill had usually taken to be constant, was treated by Marshall and his successors as "not a fund but a flow." But while trade union pressure, according to this view, could raise the real wages of the workers, it could only do so provided productivity also increased. The view so commonly expressed today, that workers should seek to improve their conditions by increasing the size of the "national cake" rather than by trying to increase their share of the existing cake, is fundamentally the view expressed by Alfred Marshall.

It follows from such theories as this that, for any given level of labour productivity, there is an "economic wage" level at which working class incomes will be maximised. Economists throughout the nineteen - twenties accordingly attributed the persistence of unemployment at figures in excess of one million to the fact that trade union pressure had kept wages above this "economic" level and consequently discouraged investment, reducing the volume of employment accordingly. The trade union movement never accepted this view, which also came under heavy fire from adherents of the "New Economics", principally J. M. Keynes, during the late nineteen-thirties. This school shifted the emphasis of enquiry from investment to consumption. The experience of the crisis of 1929-32 as well as certain theoretical considerations led Keynes to conclude that reducing wages was no way of meeting a crisis of over-production. Wage reductions would reduce the demand for consumers' goods, causing a fall in their prices and so further inhibit investment. Trade unions showed more instinctive good sense in resisting wage cuts than did professional economists in advocating them. Trade unions, however, were in Keynes' view powerless to affect the level of *real wages*; they could only influence *money wages*, since they could not prevent prices from rising as money wages rose. Trade unions could, however, by resisting wage reductions, keep up demand and so check the fall in prices during a slump, thus lessening the slump's intensity.

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During periods of depression, therefore, Keynes would oppose reductions in wages. But equally, during periods of prosperity and rising prices, the theories of Keynes favour a policy of restraint in pressing for increases in money wages. These cannot affect real wages, but will merely increase the inflationary pressure. Consequently, since 1945 under conditions of threatened inflation, all economists other than Marxists have supported the policy popularly known as "wages freezing."

The answer to the question of whether Marx or Keynes is the best guide on wages policy during conditions of full employment depends upon whether or not it is possible to increase wages *at the expense of* profits.

Was Keynes right in holding that "the worker by bargaining over money wages is powerless to effect his own real wages"? The effect of a general wage increase will clearly be that employers will *wish* to raise prices, thus ensuring that the cost of the increase does not come out of their own pockets; they will clearly *wish* to dispense with labour by introducing labour saving machinery and they may, by refraining from investing money because of the lowered rate of profit, increase the incidence of unemployment (this last possibility would tend to be discounted by Keynes, though not by a great many economists). The question then arising is—how far can these reactions by employers be offset by governments, responding to political pressure from the workers? Efforts to increase prices can be offset by price control; declining private investment can be offset by increased government investment in public works and on the equipment of government controlled industry.

Throughout the twentieth century the trade unions, approaching the matter empirically, have tended to accept implicitly the view that wages can, and where possible should, be increased at the expense of profits. There is, of course, a limit to the extent to which this can happen, for a stage must be reached when capitalists are getting so little in the way of profit that they cease largely or altogether to invest their money. Even before this stage has been reached an increasing "strike of capital" may well have precipitated a crisis in which either the workers, through industrial and political action, put an end to the capitalist system, or the employers defeat the workers and beat down the level of wages. But

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though there are, consequently, limits to profit squeezing under capitalism, no one can say where those limits lie, or how close to or far removed from them we may be at any particular moment. Thus, the trade unions have in the past insisted on complete freedom for collective bargaining, and trade unionists have sought to use to the full what bargaining power they possessed. Unemployment has nearly always been high enough to prevent wage claims by the workers from seriously threatening profits, but a new situation arises whenever, under conditions of full employment, the bargaining power of the workers becomes overwhelmingly strong. When this occurred, during the second world war, its immediate effect was to precipitate controversy between the Government and the T.U.C. which threatened to become acute.

Wages Under Full Employment

In April, 1941, the Coalition Government issued a White Paper on wages policy. In view, it declared, of the prevailing shortage of goods in the shops "increases in wages or other incomes would not . . . raise the general standard of living; they would merely tend to send up prices and denude the shops, making it difficult to secure a fair supply of goods."

Three months after this came the reply of the General Council of the T.U.C, rejecting emphatically the arguments and the conclusions of the White Paper. Wage increases were necessary, the statement said, in the case of all workers receiving less than a subsistence wage, and for the rest, wages were best left to free negotiations between employers and trade unions. It was misleading to suggest that wage increases constituted the only, or even the main source of the inflationary threat, and the price level could best be stabilised by stronger price controls, subsidies, wider rationing and limitation of profits. Any attempt by the government to freeze wages might impair national unity and impede the war effort.

The Government was not, of course, proposing to freeze wages by legislative action. What the T.U.C. feared with some reason, was the effect of the White Paper on the decisions of the various negotiating and arbitration bodies whose awards, in a period when strikes were illegal, could so powerfully affect the level of wages. They feared that the White Paper

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would be regarded by such bodies as a directive against awarding wage increases at all, and their vigorous reaction was effective, at the least, in stopping this form of wage freezing from taking hold during the war.

Trade union policy was re-affirmed even more clearly in a resolution carried at the 1943 T.U.C. This declared that the government's policy was "being used as a means to fix wages by decree, thereby destroying the fundamental rights of the trade unions to bargain with the employers . . . Congress, therefore... instructs the General Council to urge the Government to refrain from issuing instructions to any tribunal legislating on any wage claim."¹

Trade Unions and Wage Freezing

Since the ending of the war, and particularly as a result of the return of a Labour Government in 1945, trade union wage policy has undergone a complete transformation. In September, 1947, the Ministry of Labour issued a circular letter to all joint wage negotiating bodies asking them to keep in mind the Prime Minister's appeal to workers, of August in the same year, asking them not to press for wage increases. This was a repetition, under rather different conditions, of the tactics of the Coalition Government in 1941, and trade union opinion was decidedly hostile. Following a conference between the General Council and the Prime Minister, on the 1st of October, 1947, the circular was withdrawn and in December the General Council circulated to unions an interim report calling on the workers to exercise "even more restraint" in pressing for wage increases and on the Government to enforce stricter price control by maintaining subsidies and reducing profits. At the same time the report reiterated, with emphasis, that there should be no interference with wage negotiations by the Government.

In February, 1948, there appeared the now famous Government White Paper on *Personal Incomes, Costs and Prices* which laid down that "there is no justification at the present time for any rise in income from profits, rent, or other like sources and that rises in wages or salaries should only be asked for and agreed in the exceptional cases mentioned." The exceptional cases were declared in the White Paper and

¹ See M. Heinemann: *Wages Front*, p. 158.

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by Sir Stafford Cripps in the House of Commons, to be those in which workers were already getting less than subsistence wages, in which essential industries were undermanned as a result, in part, of low wages, and in which marked increase in production had already taken place. The T.U.C. remained unenthusiastic, in view of what it called the "limited and weak character" of the White Paper's references to profits. After a further conference with Ministers, however, the T.U.C. called a special conference of trade union national executives to which it presented a report accepting the principles laid down in the White Paper. This was possible, said the General Council, because the rights of free negotiation and collective bargaining were left unimpaired, because the White Paper "was not a law imposing rigid and specific restrictions upon wage claims and negotiations" and because it by no means ruled out wage increases but merely restrained claims "within the principles laid down in the White Paper."

Nevertheless, the conference showed some uneasiness at some of the White Paper's implications. For one thing, although Sir Stafford Cripps, in explaining its contents to the House of Commons, had conceded that there might be "some exceptional" cases in which "wage rates were not up to what might reasonably be regarded as a national subsistence level", and that in such cases wage increases would be justified there was no indication from the Government as to what they thought constituted a reasonable subsistence level. Mr. Tewson, the General Secretary of the T.U.C., was strongly opposed to any attempt to get from the Government such a ruling, on the grounds that if it were given it would almost constitute a national minimum wage and that the T.U.C. had always opposed the adoption of national minima on account of their tendency to become maxima.

A lot of uneasiness remained in the minds of delegates to the conference about the White Paper's effect on the awards of the National Arbitration Tribunal and other authorised negotiating bodies. Nevertheless, the General Council's Report was adopted by 5,400,000 votes to 2,000,000, the minority, according to the press reports at the time, including the Amalgamated Engineering Union, the Electrical Trades Union, the Union of Shop, Distributive and Allied Workers, the Constructional Engineering Union, the Civil Service Clerical Association and a few professional workers' unions.

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Following this conference the Ministry of Labour issued a further letter to wages councils and wages boards stressing that while the White Paper had, of course, no statutory force, any future wage awards should be accompanied by a memorandum to the Minister showing that the White Paper's points had been fully considered before the award was made.

The T.U.C.'s new policy was subsequently endorsed at the Margate Conference, September, 1948, by about the same majority as it had received at the executives' conference nearly six months earlier. The fact that some of the unions voting for the policy (such as the National Union of Mine-workers and the National Union of Railwaymen) had very recently enjoyed or were at that moment engaged in claiming substantial wage increases, did not go unnoticed in the ensuing press discussion. Whatever the reasons for the movement's acceptance of the White Paper, it represented a very radical departure from traditional policy. It meant that while there was still no statutory wage freezing, negotiating and arbitrating bodies were advised to weight the scales against any wage claim that came before them. At the same time, the Chancellor of the Exchequer appealed to employers not to increase their dividends, to which appeal nearly all of them responded.

Full Employment and the Inflationary Spiral

What is the explanation of this change of policy, as spectacular, in its way, as the agreement to prolong compulsory arbitration and make strikes illegal under peace-time conditions? The confusion existing in trade union thought over the whole issue is well illustrated by the remarks in the September (1948) issue of the *Operative Builder* (the journal of the National Federation of Building Trade Operatives) which are reminiscent of some passages from *Alice in Wonderland*. "By the implicit recognition of the gap between practice and theory the trade union movement manages to avoid an embarrassing situation. The movement naturally accords general support to the Government, and this support implies acceptance of the policy of withholding wage demands to counteract inflation. In practice, however, the unions are forced to submit claims, as the cost of living is inexorably rising in spite of the Government's (and everyone else's) obvious desire that it should not."

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There is no doubt whatever that in 1948 two considerations were uppermost in the minds of trade unionists, conditioning their entire approach to the wages question. The feeling that their own government was in office, together with the constant fear of an inflationary spiral which might drastically reduce real wages, combined to restrain some unions from pressing wage claims. But not all. Immediately after the White Paper appeared, the General Secretary of the Furniture Workers, speaking of a claim which his union was putting forward, said: "we shall maintain this claim and resent interference with our negotiation machinery whether direct or by implication." (*Daily Herald* 6/2/48). At the same time the Acting General Secretary of the Chemical Workers' Union was urging support for the Government's wages policy however drastically traditional trade union policy had to be recast: "The Trade Union movement cannot continue to bury its head in the sand and refuse to face up to its obligation to the Government and the responsibilities of its own political policy."

The Wages Curb

What lies behind this radical departure in trade union policy? Supporters of the view of the General Council point to two changes which have occurred in Britain's economic position which, they claim, are fundamental and compel a recasting of traditional policies. Firstly, full employment, which has been maintained in Britain since the end of the war, not only gives the worker a sense of security, but enhances the value of his weekly wage and is worth making sacrifices to preserve. Secondly, the maintenance of full employment is threatened by Britain's changed position in the world's markets. The war-time loss of overseas investments and the change in the terms of trade in a sense adverse to Britain, combine to increase the difficulty of paying, by exports, for the volume of imported raw materials needed to preserve full employment. The danger now, it is said, is not that unemployment will result from a failure of demand through wages being too low, but that it will result through a failure in *supply*, from our inability to pay for the flow of materials needed if our factories are to work to capacity.

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Much of our present difficulty, it is maintained, arises from the fact that we are producing goods for export at prices too high for existing markets. Unless wages, therefore, can be related to changes in productivity, unemployment is likely to appear in the export industries and then in the industries depending on imported raw materials. After that we should have to reduce food imports and our general standard of living, and this, in turn, would adversely affect output. Thus, under these conditions, uncontrolled movements to increase *money wages* are most likely to result in a catastrophic fall in *real wages*. The point was made by Sir Stafford Cripps at the Margate T.U.C. in 1948 and he carried the Conference with him: "We must remember that we are not paying our way internationally. We are buying a great deal more overseas than we are able to pay for out of our production efforts. If, in these conditions, we were to regard the increased difficulty of paying our way as individuals or nationally as a reason for making the cost of production go up, we should merely be making a certainty that the *real* value of wages would go down."

The case for the "wages curb", therefore, does not only depend upon the danger of inflation which was characteristic of the immediate post-war situation. It depends additionally and mainly upon conditions in the world market that are likely to be long with us.

The case against the General Council rests upon the belief that wages can be increased *without* increasing the cost of production. This is the case if wages can be increased at the expense of profits and interest and if costs of production can be reduced by more rapid mechanisation—for this reason the Communist and Left critics of the Government advocate diverting capital resources from defence to "economic re-
armament.*"

Thus, the issue of wages policy has implications of the widest social character. It is the view of the Labour Government that income redistribution has already gone as far as is practicable and that there can, therefore, be no *general* increase in wages without prior increases in the productivity of labour. In support of this, the White Paper (Cmd. 7649) on National Income and Expenditure, shows that out of total personal incomes after tax, wages, accounting for 39% in 1938, had risen to 46% by 1947 and 48% by 1948. The share

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of rent, interest and profit, calculated on the same basis, is shown to have declined from 34% in 1938 to 28% in 1948. This calculation, however, as critics point out, ignores undistributed profits, which, though they are included in "private incomes" do not count as "personal incomes". If they are taken into account, the share of wages has increased from 39% to 44%—not, however, at the expense of rent, interest and profit, which have remained nearly constant, but at the expense of salaries.

The position then appears to be that wages account for a higher proportion of *spent income* than ever before, but that, in the form of undistributed profits, property owners are accumulating claims on future production, and that they can at any time reverse existing tendencies by increasing dividends out of profits. Supporters of the Government reply, however, that a Labour Government can be relied upon to deal with this contingency when it arises, and that in the meantime the share of wages in the National Income can not be increased without dislocating the economy.

The point is also frequently made that the post-war expansion of the social services and food subsidies provides the wage earner with a greatly increased "social wage" which must be taken into account in any discussion on the National Income. Between 1946 and 1948 this expenditure, met from taxation, rose by nearly £600,000,000. Against this, however, must be set the fact that between the same two years the sums raised in indirect taxation rose by more than £500,000,000. Indirect taxes tend to bear most heavily on the income groups which benefit most from social services and food subsidies. When we consider that in 1948 the revenue from indirect taxes amounted to over £2,000,000,000 while central government expenditure on social services and food subsidies amounted to just under £1,400,000,000 it is clear that the redistributory effects of indirect taxation can easily be over-estimated.

Here we must leave, for the moment, the question of trade union policy and the level of wages. We need only note, in conclusion, that the Government supporters are probably right in saying that in 1948 *further* redistribution of income is extremely difficult and may be impossible without a radical leftward transformation of the Government's economic and political policy. Left wing critics of the Government **are**

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probably equally right in stating that redistribution is *possible* if the Government is prepared to make aggressive inroads into private property rights. Do we want redistribution at the price of radical and perhaps revolutionary policies ?

If present policies prove adequate in preserving full employment, in maintaining and extending social services and general living standards, the answer of the trade unions will almost certainly be "no." If, on the other hand, mass unemployment comes again, and with it attempts to unfreeze wages *by reducing them*, then clearly, present approaches and policies regarding wages will be replaced. The Government is well aware how much depends upon the success of the "experiment in mixed economy."

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The Strike Weapon

THROUGHOUT the history of trade unionism there have been differences of view about the efficacy of the strike weapon. Some trade unionists have almost seemed to hold, with Bernard Shaw, that strikes were a futile form of protest and could always be won by the employers since in the last resort their longer purse strings gave them greater staying power. Not all members of this school have been prepared to go as far as one trade union organiser who, in 1911, in a debate on union strategy with Tom Mann, incautiously expressed the view that: "You cannot win any more strikes. The only strikes won are. . . little ones. . . . Not one involving 10,000 persons has been won in this country. . . . You will never win any more strikes whether big or little."¹ Yet while many have felt that strike action was to be kept as a last resort, at the other extreme have come the syndicalists, including Sorel, who held that strikes, whether won or lost, were valuable for their own sakes as a school of battle for the proletariat.

Prevailing opinion among trade unionists is strongly opposed to the irresponsible and light-hearted use of strikes, but nonetheless regards the preservation of the strike weapon as absolutely indispensable. Statistics show that a high proportion of recent strikes has been won by the workers (25%), about the same proportion ended in compromise, while about half of the total were won by the employers.² This is no sort of measure of the effectiveness of strikes, for it does not tell us how many concessions were obtained by the workers through employers not wishing to push matters to the point of a dispute. But the proportion of successful strikes during a period throughout which unemployment exceeded a million goes far to disprove the theory that strikes are ineffective.

During the same period, figures quoted by Barou show that wage claims accounted for little more than a third of the total

¹*Industrial Syndicalist*, No. 7.

²Barou: *British Trade Unions*, Appendix XIII—figures for the years 1935-39 inclusive.

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number of disputes, while trade union recognition, sympathetic actions and other causes not arising directly out of the strikers' conditions of employment, account for over a quarter of the total.

Strikes have been successful even when the whole weight of state power has been brought to bear against the strikers. The best example of this is the famous railway strike of 1911, which forced the reluctant railway employers to accord, in effect, union recognition, after the Prime Minister, Asquith, had threatened the union representatives with bloodshed if a strike took place. During this peculiar affair, troops were moved into Manchester at the request, not of the public authorities, but of the railway companies, and in Llanelly two demonstrators were shot dead. Finally the Government climbed down and, according to the *Daily News* (23rd August, 1911): "Recognition, on this occasion, was won on the brink of civil war." The strike succeeded although it was far from complete, and despite the fact that five distinct unions were competing for membership on the railways. Three factors operated strongly in favour of the men. Trade was booming, so that dislocation on the railways was unusually costly; public opinion was hostile to the companies and to the Government for resorting to force and the international situation was disturbed—war with Germany was already threatening.

Another important strike, eleven years later, was lost in the face of a heavy trade depression, despite a substantially higher degree of organisation among the men. In the Autumn of 1920 the post-war boom came to an end, and 1921 was a year of acute crisis. By the end of 1920 the employers' organisation in the engineering industry was demanding extensive overtime and the unions, fearing that overtime would accentuate the already severe unemployment, were resisting. The employers had the tactical good sense to wait until the funds of the A.E.U. had been depleted through paying out prolonged unemployment benefits, and then, in April 1922, issued an ultimatum demanding that: "The trade unions shall not interfere with the right of the employers to exercise managerial functions in their establishments, and the Federation shall not interfere with the proper functions of the trade union." The employers claimed the right to impose whatever alterations in overtime or other working conditions they saw fit. The men

¹ Op. cit. Appendix X.

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were to be in the position of soldiers who "obey all orders and complain afterwards", the third clause in the employers' ultimatum reading: "Instructions of the management shall be observed, pending any question therewith being discussed in accordance with the provisions referred to." The funds of the A.E.U. were approaching exhaustion when the men returned to work on the employers' terms.

The strike weapon has been notably used with success to break the so-called "non-political" trade unions set up in the mining industry in South Wales and Notts., following the defeat of the miners in the 1926 lock-out. Although during the nineteen-thirties the official union leadership was in general opposed to strikes, strikes broke out in Taff Merthyr and at Harworth, Notts., against the non-political miners' unions, and ultimately succeeded in destroying them, reuniting the miners behind the South Wales Miners' Federation and the Notts. Miners' Association respectively.

Looking at the history of strikes during the present century, the decline in their incidence is very noticeable. Measured in working days lost, strikes during the decade 1929 to 1939 were little more than half as severe as during the first decade of the century, and in the second world war they were less than half as severe as during the first. This by no means implies that working class militancy has declined during the course of the century. During the century and a quarter that has elapsed since trade unions became legal, both sides have accumulated a great deal of experience and both are increasingly ready to use the machinery of negotiation and arbitration wherever possible, as an alternative to strikes and lock-outs. But if the negotiating room is now one of the important spheres in which industrial struggles are fought out, it does not mean that there is any the less of a struggle to decide the share of wages and profits in the national income. It is doubtful whether abstract justice has much to do with the outcome of wage negotiations. A scrutiny of the awards made by National Arbitration Tribunals throughout their existence suggests that the question uppermost in the minds of the members has been rather "what is the smallest sum that will keep the men quiet?" than "how much are the workers entitled to?" Nor is it at all easy to say on what principle the proceeds of industry should be equitably divided. While many trade unionists believe that all profits, together with rent and interest, derive

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from the unpaid labour of the wage and salary earner, many employers act as if they thought that bare subsistence was the most a wage earner should expect. What happens during negotiation is usually that each side assesses the strength of the other without actually resorting to a fight. With the experiences of more than a century behind each side the assessments have become more accurate, so that at present a battle is resorted to less frequently. If this estimation is substantially correct, it follows that no amount of perfecting the machinery of negotiation and arbitration can enable the trade unions to dispense with the right to strike whenever they deem it advisable or expedient. To surrender this right, in a situation in which a small number of men exercise effective control over the means of production, means reverting to a form of industrial serfdom. With a Labour Government in power the trade unions have temporarily acquiesced in compulsory arbitration and given up the right to strike freely—a situation which seems unlikely to last.

Statutory Wage-Fixing

Today, the overwhelming majority of employees are covered by statutory machinery for negotiation, either voluntary or compulsory. The most important piece of machinery for fixing wages, which is both statutory and compulsory, is provided by the *Wages Councils Act* of 1945. This Act, which was "strenuously opposed by the representatives of the British Employers' Confederation",¹ provided for Wages Councils, empowered to fix minimum remuneration for all workers (including clerical workers) in an industry, the term "remuneration" now including very much more than wages. The old Trade Boards, replaced by Wages Councils, were limited to the fixing of minimum wage rates. The Wages Councils, since the Act of 1945, can, in addition, fix payments for the guaranteed week and decide questions of training, recruitment, and working conditions in the industry. They may also provide for holidays with pay in excess of the six days to which they were limited under the *Holidays with Pay Act* of 1938. There were, by 1948, over fifty of these Councils, including those for sections of textiles, food, drink, and for furniture, outfitting and distribution. Trade unions have opposed the laying down

¹ T.U.C. Report, 1945.

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of a national minimum wage, but have recognised the value of Trade Boards and Wages Councils, wherever they have not felt strong enough by themselves to secure reasonable minimum standards for their members. Wages Councils today are both more numerous and more widely effective than the Boards first established by the Liberal Government in 1909, or those later set up by the Coalition Government in 1918. They are likely to remain for a long time an important part of the machinery for determining wages and conditions of work.

Apart from the *Wages Councils Act*, special Acts have been subsequently passed to provide compulsory machinery for three occupations notorious for many years on account of low wages and poor conditions—agriculture, catering and road haulage. The first national minimum wage in agriculture was laid down by the *Agricultural Wages Act* of 1947, which provided for the setting up of Central Boards for England and Wales and for Scotland, to replace the war-time County Committees. Farmers and farm workers are represented by their respective organisations on the Boards; in the case of the workers, the two unions representing them (The Transport and General Workers' Union and the National Union of Agricultural Workers) sharing in participation. Prior to 1940, wages in agriculture had been regulated (under the Acts of 1924 and 1937) but on a county by county basis, with no national machinery.

Another piece of war-time legislation, tenaciously resisted by the employers, was the *Catering Wages Act* of 1943, promoted by the Ministry of Labour, under which a Catering Wages Commission was set up, representing employers and workers, though not those directly connected with the hotel and catering trades. This is a permanent body with very wide terms of reference, which is empowered to establish a Wages Council for any section of the industry. This is undoubtedly a more effective procedure than to attempt direct control by one Board of all the sections of a trade so heterogeneous in its make-up and enjoying such a wide diversity of conditions.

Since 1947 a Joint Industrial Council has operated for workers in road haulage, and with a Wages Council has effected improvements in an industry where, for a long time, excessive hours of work were a menace both to the health of the employees and the safety of the public.

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It is, perhaps, not very surprising to find that mining was the first British industry to enjoy minimum wage legislation. The *Coal Mines Act of 1912*, which provided machinery for establishing minimum wages on a district basis, together with the *Trade Union Act of 1913*, enhanced the prestige of the Labour Party, and justified, in the eyes of the traditionally Lib-Lab Miners' Federation, their decision to adhere to that party in 1909.

Fair Wages

As the Government becomes increasingly important as an employer of labour, direct government responsibility for ensuring satisfactory minimum conditions also increases. But as early as 1891, at a time, when, following the dock strike of 1889, unskilled and previously sweated labour was beginning to organise to improve its conditions, and when, also partly as a result of the dock strike, public opinion had become increasingly critical towards sweating, the Government included for the first time, a "Fair Wages" clause in a Government contract. Today, with the position improved and systematized by the House of Commons in October, 1946, everyone working on Government contract (including sub-contractors) and all state-aided private industries are obliged to observe "Fair Wages", a term which now includes fair conditions of labour. These are defined as those wages and conditions stipulated by collective agreements or arbitration, and they must be observed by all employers concerned, whether or not they happen to be parties to such agreements. Local authorities also apply "Fair Wage" clauses in issuing contracts; consequently, while there is no basic national minimum wage, and though millions of workers are still receiving less than any reasonable minimum standard that might be laid down, there is nevertheless a considerable sector of the economy in which the unions are not obliged to fight to establish a minimum but can work to raise wages above a minimum already laid down.

Voluntary Negotiations—The Whitley Experiment

The statutory regulation of minimum wages and conditions is, however, exceptional in British industry. Most occupations had, before the second world war, developed their own voluntary negotiating machinery. In some cases this followed the

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recommendations of the Whitley Committee set up in March, 1916. In its Report, issued in March, 1917, the Committee stated: "In the interests of the community it is vital that after the war the co-operation of all classes, established during the war, should continue, and more especially with regard to the relations between employers and employed." The Report was adopted by the Government as the basis of its industrial policy, and approved by the Trades Union Congresses of 1917 and 1918. In outline, the scheme proposed the establishment of Joint Industrial Council for each industry, to consist of a National Council representing employers and employed, local councils, and, on the factory level, works committees. The manner of formation of these "Whitley Councils" and the methods of procedure and constitutions were to be left for decision by those concerned. It was clear from the Report, however, that something much more ambitious than a system of voluntary negotiating machinery was at first envisaged. The subjects to be dealt with by the Councils were to include technical education, the utilisation of workers' initiative and experience in increasing production, workshop conditions, legislation affecting the industry, negotiating machinery, time and piece rates and security of employment. The Whitley scheme, in fact, was designed to integrate the workers into the direction of industry while preserving private ownership and production for profit. Inevitably, the scheme failed to achieve this object. Perhaps the best summary of ten years' experience was that made by Arthur Pugh, then Secretary of the Iron and Steel Trades Confederation, at the T.U.C. Summer School in 1929: "In the basic industries, such as metals, textiles and mining, where Trade Unionism was comparatively strong, and joint machinery fairly well established, the proposals had little effect; but in unorganised trades they were welcomed as affording an opportunity for the workers having a much larger say in regard to their working conditions through the medium of collective bargaining than had hitherto proved possible." Industries claiming to have developed the machinery with success were the printing and allied trades, flour milling, pottery, boot and shoe and tinplate.

During the inter-war period the number of Whitley Councils heavily declined, but there was a revival during the second world war and in 1947 they numbered 114¹ or about twice

¹ P.E.P. *Six Studies in British Trade Unionism, May, 1947.*

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the figure for 1939. In addition to those industries listed by Pugh, stable Joint Industrial Councils have been established in central and local government, bricks, wool and worsted, hosiery, docks, road transport, chemicals and shipping. The overwhelming majority of these Councils have confined their attention exclusively to questions of wages, hours and working conditions. Employers, as typified by the engineering industry in 1922, whose attitude caused a lock-out throughout the industry, deprecated any suggestion of workers interfering in managerial functions. The Councils for the boot and shoe trade, flour milling and pottery have concerned themselves with problems of research and training, and the Pottery Joint Industrial Council was only for a short time concerned directly with production. Consequently when, in the course of the second world war, a renewed drive began for workers' participation in the control of industry, it took the form of Joint Production Committees and had no connection at all with existing Whitley Councils. After the war the Government began to encourage the formation of Working Parties, consisting of representatives from employers, workers, and the state, to report on such industries as textiles, the boot and shoe trade, furniture and pottery. Here again, what survived of the Whitley machinery had no relevance. The reasons for the failure of "Whitleyism" in its broader social objectives, are not far to seek.

In September, 1943, a group of W.E.A. students in North Staffordshire published the results of an unofficial investigation into the *North Staffordshire Potters Industry and the War*. These students were nearly all trade unionists, and their comments on the fate of the Whitley Councils are of interest as reflecting an unofficial, yet responsible and probably quite representative, trade union view. "One development" says the report, "which might have had a good deal of effect on the management side of the industry, as well as more far reaching results for the industry in general, was the setting up of Works Committees, a movement stimulated by the National Council just after the last war. By 1922, 103 were in existence, 16 were in the course of formation, and 23 were under consideration. But from that time enthusiasm waned; and those committees that were still functioning by 1939 were mostly concerned with little more than entertainment. The main reasons for the failure of the Works Committee appear to be

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three : (1) undemocratic election; the most usual method of selecting a Committee was for the manager or the owners to ask employees of their own choosing to serve on them; (2) there was frequently the fear of victimisation on the part of the workers, and times of meetings were usually arbitrarily fixed by the managements. There was also at times a lack of interest on the part of the operatives even when there was no likelihood of victimisation."

Professor G. D. H. Cole has given, in his preface to Dr. Barou's recent book on *British Trade Unions*, some aspects in which the sponsors of the Working Party idea have learned from the failure of the Whitley Councils. "What was wrong," he writes, "with the Whitley Councils set up after the first world war was that they were meant to induce the trade unions and the employers to become partners, not in carrying out plans approved by the State, but under the conditions of uncontrolled profit-making enterprise. The new plan based on the technique of the Working Parties is essentially different, because the bodies which it is proposed to set up are to include nominees of the State, as watch-dogs of the public interest, and because the intention is to ensure that the policy of the industries affected shall fit in with the requirements of the Government's economic plans. On such bodies, the representatives of the trade unions and of the Government should be able to pull together; and the power vested in the Government can be used to secure the employers* conformity with the public interests. I say 'can be' and not 'will be', for neither I nor anyone else can yet know how the experiment will work out. All that can be said at this stage is that it is not doomed to failure from the start, as 'Whitleyism' was."

Machinery of Arbitration — The Industrial Court and the National Arbitration Tribunal

In 1919 there was established, by an Act of Parliament, the Industrial Court, as a permanent body to which industrial disputes might be referred by the Minister of Labour, providing that both parties to the dispute agreed to do so. Decisions of this Court are not binding on either of the parties, though in practice they are almost invariably accepted. Even without the consent of both or either parties the Minister of

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Labour may set up an 'ad hoc' Court of Enquiry. Its decisions are no more binding than those of the Industrial Court, but they are highly likely to determine the eventual settlement.

Finally, under the Conditions of Employment and National Arbitration Order of 1940 (made under Defence Regulation 58 AA) a National Arbitration Tribunal was set up. It consists of five members—three appointed by the Minister and one selected from each of the panels drawn up by the employers* and workers* representatives respectively. Under the terms of this Order, no strike is legal until the industrial dispute has been referred to the Minister of Labour. He is expected, within twenty-one days, to refer the matter to negotiation or arbitration, either through previously existing channels or via the National Arbitration Tribunal. Unlike the Industrial Court, decisions of the Arbitration Tribunal are binding. Since the end of the war, every Trades Union Congress has sanctioned the prolongation of this war-time expedient for a further year, though it is impossible to say for how much longer this will continue. One considerable advantage retained for the workers by this arrangement is that all employers in an industry are compelled by law to observe wages and conditions of employment at least as good as those settled by collective bargaining or voluntary arbitration. This has been the decisive argument used at Trade Union Congresses to secure the prolongation of the Order. Though for a trade union movement confident of its strength it might appear to be inadequate compensation for the extremely dangerous forfeiture, in a capitalist economy, of the right to strike.

Other Negotiating and Arbitration Machinery

For completeness, it should be stated here that many industries have their own separate negotiating machinery. There were conciliation and arbitration boards in iron and steel, building, textiles, the boot and shoe industry, furniture and others before the end of the nineteenth century. Today, the railways have the Railway Staff National Council, the mines have the Negotiating Committee, representing both sides, and the National Reference Tribunal, consisting of men drawn from outside the industry, to whom are referred cases on which the Negotiating Committee have been unable to reach agree-

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ment. It is worth noting, in this connection, that the replacement of private employers by a national board in mining and on the railways or in any other nationalised industry need have no effect on the negotiating machinery which operated under private enterprise. For the Civil Service, the Civil Service Arbitration Tribunal, consisting of an independent chairman, one member drawn from a Ministry of Labour panel and one from the staff side of the National Whitley Council, arbitrates in all cases where the government department and the civil service unions have been unable to reach agreement.¹

Co-operation in Industry

The days have long passed when trade unions were concerned exclusively with the day-to-day interests of their members and felt that they need not aspire to participation in the direction of the country's economic life. But trade union participation in the control of economy, whether at the industrial or at the national level, can be of two kinds. It may be conceived as a step towards replacing capitalist by working class control of industry, either along syndicalist or socialist lines. It may, on the other hand, be seen as a step towards integrating the trade union movement into the machinery of a state that is still, in all essentials, capitalist. The second standpoint was strongly expressed in the General Council's Report to the 1928 Trades Union Congress, which represented a new departure in national trade union policy.

There were, according to the Report, three possibilities before the movement. The first was to try to overthrow the social order, as had been resolved at the 1925 Congress of the T.U.C. This was rejected because of the suffering and danger to civil liberty which would be caused by a dislocation of the country's economic life which such a policy would involve. The second possibility was to "fight sectionally for improvement", which would leave untouched the whole question of Labour's status in the industry, and would consequently mean the abandonment by the movement of all wider social aspirations. The third possibility, the one recommended in the Report, was to co-operate with the employers and with the government in an all-out policy of rationalisation. "The ultimate policy of the movement can find more use for an efficient industry than

¹ Ministry of Labour's *Industrial Relations Handbook*, p. 26.

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for a derelict one", therefore the unions must "promote and guide the scientific reorganisation of industry" while obtaining material advantages for their members from the process.

This is a sound, in fact an inevitable policy for the unions, on certain assumptions. If the interests of employers and employed can be reconciled, the policy is a good one. If they can not it is difficult to see how this kind of policy can last for very long. Take first the question of markets. It is assumed that it would be to the common interests of employers and employed in an industry that it should be able to compete, with maximum effectiveness, on the world's markets. A lowering of production costs is therefore essential, but how is it to be secured? Selling prices might be lowered in three ways—by cutting wages, by cutting profits, or by raising the productivity of labour. The workers are likely to resist the first alternative and the employers the second. Could not agreement, then, be reached to leave the share of wages and profits where they were, while both sides concentrated on improving efficiency? This might not be so easy, for employers may feel tempted, if they can, to raise the productivity of labour by increasing the intensity of work, or to lengthen the working day, rather than instal expensive machinery. This is not just an abstract possibility—it occurred to a considerable extent in a number of British industries between the wars, notably in coal mining, where mechanisation was slow and half-hearted but where an hour was added to the working day in 1926, and in cotton, where the more looms drive and the Bedaux system of speed-up caused such bitter and prolonged struggles in the early 1930s. These are only two examples of the many which might be named, as the present condition of Britain's basic industries only too clearly indicates.

But supposing the employers have been persuaded to agree not to seek to advance "prosperity" either by wage cuts or by longer hours or by increasing the intensity of work. Surely, in that event at least, both sides might agree on a policy of encouraging mechanisation and so reducing production costs and selling prices. This is true—providing that the workers can be assured that the result of mechanisation will not be to increase unemployment. Since, in the past, this has usually been the result of mechanisation, the workers are by no means easy to convince on this point,

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If these considerations are at all relevant to the problem of production, it follows that there may be not one but two ways of rationalising industry—an employers' way and a workers' way. The employers' way is one which includes wage cutting, speed-up, the lengthening of hours and mechanisation bringing with it considerable risks (and under capitalism, the eventual certainty) of unemployment. The workers' way would rather comprise reducing selling prices by cutting into profit margins, and mechanisation accompanied by such an increase in real wages as would ensure an expansion in the home market for the products of industry, and so lessen the risk of unemployment. But to minimise this risk it seems likely that uncontrolled capitalism will have to be replaced by a planned economy, a course that will be supported by the Labour Movement but is unlikely to commend itself to employers.

The true position is often lost sight of, because during the late war many of the above considerations applied, if at all, with greatly reduced force. *Up* to a point, both sides were prepared to make concessions in the interests of a war which both wanted to win. War conditions also eliminated, for the time, the problem of marketing the products of industry, so that labour had no fear of working itself into unemployment if it produced too much. It is sometimes maintained, especially inside the trade union movement, that the return of a Labour Government in 1945, ensured the adoption in Britain of a planned economy if not of an entirely socialist one, and that therefore, with risks of unemployment and undue exploitation considerably reduced, labour could prolong its war-time policy indefinitely. This also raises a problem the solution to which lies outside our compass, but, at the very least, it would seem precipitate to suppose that as a result of the nationalisation of the Bank of England, coal, railway transport, gas, electricity, civil aviation and to some extent iron and steel and the taking of a number of steps towards economic planning, the economic instability of capitalism is past and that labour can now act in a way that would be appropriate in a socialist economy.

The attitude of trade unions towards "restrictive practices" is a good case in point. From the days of the new model unions of the mid-nineteenth century, it has been the policy of craft unions to keep up wage rates and combat unemployment

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by limiting the supply of labour. To this end such measures as the shorter working week, the raising of the school leaving age and earlier retirement pensions have always been favoured by the unions, but in particular the unions have practised, where they could, the enforcement of rigid demarcation rules, so that in performing certain operations the skilled craftsman would be safeguarded against being undercut by the cheaper labour of the semi-skilled man. On occasions the number of apprentices accepted into the trade has been restricted with the same object, and it has happened, in some cases, that the individual output has been restricted by open or tacit trade union action. A good deal of criticism has been levelled at the trade union movement because of such practices. When, for example, on the 22nd of April, 1948, the Commons debated the Labour Government's "Monopoly Bill", the Conservative opposition at once pressed for an enquiry into trade union practices as part of the more general investigation into monopolies. The trade unions might reply that in an economy based on the purchase and sale of labour power, no one should complain if organised labour, like any other group with commodities to sell, tries to keep up the price of its commodity by restricting its supply. It is clearly better to work for the abolition of a situation in which human labour power is bought and sold like any inanimate thing, at a market price, than to complain if the workers, having nothing else to sell, seek to sell their labour power on advantageous terms.

During the war, the trade unions willingly agreed to put a number of trade union customs and safeguards into cold storage, but the 1942 *Restoration of Pre-War Practices Act* requires the listing of all such practices surrendered, the employers to permit such practices to be restored within two months of the war ending. By agreement of the General Council of the T.U.C. this restoration has been twice postponed, and the subject is under continuous review by the National Joint Advisory Council to the Ministry of Labour, on which the General Council is represented. The union concerned, perhaps more than any other, with the whole question of restrictive practices is the 700,000 strong A.E.U., and its union journal expressed in May, 1948, what is perhaps a representative expression of trade union opinion on the subject: "Restrictive practices are defined as safeguards affecting the skilled crafts, dilution of labour, overtime, wage scales,

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the position of trainees, demarcation problems, the performance of skilled operations by unskilled or semi-skilled and also female labour.* The article went on to criticise the President of the Board of Trade and the Lord President of the Council (Mr. Harold Wilson and Mr. Herbert Morrison, respectively) saying: "We are at a loss to know why they seemed to treat the question of union practices as still open to enquiry . . . why they thought it necessary to say that the matter must be re-examined by the National Joint Advisory Council. The only doubt in our mind is whether the unions should not now insist upon bringing the *Restoration of Pre-War Trade Practices Act* into immediate operation."

In *British Trade Unionism: Six Studies*, a recent publication of P.E.P., the view is expressed that "Organised labour is no longer a force in opposition to a social system controlled by and in the interests of the employing class; it is an integral part of a new social system." This view is certainly widespread today, though a little further on in the same section (p. 150) we find it said that: "Government policy . . . for the vast majority of trade unionists, still is—something remote, laid down and executed by a distant central authority, and for most of the rank and file is not regarded as 'their' policy." Yet to an increasing extent, during the second world war, the trade unions in an organised way have been drawn into the direction of economic policy at a variety of levels.

Both the British Employers' Confederation and the General Council of the T.U.C., for instance, were represented on the Joint Consultative Committee and on the National Joint Advisory Council of the Ministry of Labour, both of which bodies were called on to approve the Conditions of Employment and National Arbitration Order of 1940. Soon after the setting up of a separate Ministry of Production, in 1942, a National Production Advisory Council, consisting of 6 representatives from the T.U.C., 3 each from the two employers' organisations (the British Employers' Confederation, con-

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be overcome. He rather tended to use it as a sort of public relations department, to which could be communicated from time to time such information as he might wish to pass on to employers and workers. Similarly, on the Regional Boards which met under the chairmanship of the Ministry of Production's Regional Controllers, and on which sat an equal number of representatives from employers and trade unions, trade unionists have complained of the lukewarm attitude displayed towards suggestions emanating from the workers' side.

The experience of Joint Production Committees, which first began to arise in quantity during the second half of 1941, is decidedly mixed. There are sufficient examples of successful J.P.C.s making a worthwhile contribution to solving production problems to prove that the idea is fundamentally a sound one. Yet there are a vast number of cases in which the management showed that from the start they were reluctant to set up these committees and only did so as a result of pressure from outside or from the workers inside the plant. In such cases, in which as a rule labour's relations with the management would not, in any case, be good, the J.P.C.s frequently became subsidiary battlefields, with the struggle habitually carried on over wages and hours now extended to production issues. Sometimes it happened that an inefficient or complacent management was prodded by the vigilance of its workers into taking effective action. But it also frequently happened that the management, taking advantage of the fact that J.P.C.s had no executive power, and that the last word rested with the management, seemed to take pleasure in frustrating recommendations coming from the J.P.C.s. Excess Profits Tax and other measures of war-time taxation removed many of the customary incentives to efficiency on the part of the employers, while, quite apart from the fact that, for political reasons, the labour movement identified itself with the war against Fascism, the large number of workers who were working on some form of output bonus tended to give the workers a direct financial incentive to increase production. With no fear of unemployment to inhibit the drive for increased output, J.P.C.s were often frustrated in their efforts by managements who carried over into war-time conditions the traditional jealousy of "managerial functions" and the obsolete notion that workers are incapable even of participating in the control of industry.

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However, by June 1944, 4,566 J.P.C.s had been established, and in the same year the T.U.C. resolved in favour of carrying over J.P.C.s into the post-war period. Trade unionists complained of the persistent tendency on the part of many employers to regard the functions of the J.P.C.s as confined to such questions as welfare and absenteeism. In fact, it was pointed out, in drawing attention to bottlenecks and suggesting remedies, in recommending improvements in the flow of materials inside the factory and in developing training schemes for recruits, to name only a few examples, J.P.C.s had, in a sufficient number of instances, proved invaluable. In 1944 Congress also regretted "that the Engineering and Allied Employers' National Federation persists in excluding technical and administrative workers from participation on the workers' side of these Committees and instructs the General Council to take immediate steps to remedy this position."

Mr. Allan Flanders, in his pamphlet on *British Trade Unionism* names three conditions requisite for the full success of J.P.C.s. Firstly, the interest of the workers in production must be won, which means that they must be convinced that they will benefit fully, in the form of better wages and conditions and reduced hours, from increased production, and that they will not suffer, as in the past, from unemployment due to over-production. Secondly, scientific, technical and clerical workers (many of them now organised in the Association of Scientific Workers, the Association of Supervisory Staffs Executives and Technicians and the Clerical and Administrative Workers' Union) must participate fully on the workers' side of J.P.C.s and thirdly, the management must provide full information, as required, including access to the companies' books. Since the end of the war the number of J.P.C.s has declined drastically. If, as is possible, we are entering on a period of renewed wage struggles, there may grow up a fear among the more militant trade unions that J.P.C.s will distract the attention of the unions from their proper functions, and canalise their energies in directions that are "safe" from the point of view of the employers. The future of J.P.C.s would seem to be bound up with the future of labour relations in industry, and with the extent to which the unions are satisfied that there will be no return to the economic conditions of the 1930s.

At the 1947 T.U.C., at Southport, the A.E.U. moved for J.P.C.s to be made legally compulsory in all plants of over a

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certain size. The attitude of the General Council was one of general agreement with the proposal, combined with a desire to proceed cautiously; the fear was expressed that in the event of J.P.C.s being made compulsory they might come to be regarded as a substitute for trade union organisation in unorganised factories.

Trade union policy, besides favouring J.P.C.s at factory level, also favours the setting up of working parties, and wherever possible the establishment of permanent development councils for industries not deemed ripe for nationalisation. Working parties are particularly associated with the name of Sir Stafford Cripps, who initiated them when he was President of the Board of Trade. These consist of representatives, selected by the Board of Trade from nominees put forward by the employers' and workers' organisations concerned in the industry, together with Government nominees. Where they have been appointed, and notably in the textile, pottery and boot and shoe trades, they have recommended Development Councils to guide, in consultation with the Board of Trade, the economic policy, including the capital re-equipment, of the industry. By the end of 1947 about a dozen working parties had reported in favour of Development Councils. The *Industrial Organisation and Development Act* of 1947 provides the necessary legislative authority for the setting up of such Councils, and they were first established for the furniture trade. Such Councils, should, according to the T.U.C.'s recommendation, consist of "workpeople and employers in equal proportion and an impartial chairman and other independent members appointed and paid by the Government."

In an attempt to co-ordinate and make effective the whole of trade union policy on the production front, the General Council of the T.U.C. convened in November, 1948, a special conference of trade union Executive Committees, and presented to it a report on productivity. Recognising that "The problems thrown up by our economic situation are complex" and that "there is no one factor which in itself can remedy the position", the General Council felt that "the material foundation upon which we have to work out our economic salvation is the provision of goods in such quantities and at such prices as will enable us to trade on a scale which will ensure that we pay for the essential food and raw materials which we must import and also to have adequate supplies of

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home produced goods available to provide the needs of the growing population of this country/'

To meet this overriding need there was necessary, in the view of the General Council, joint consultation within each industry to secure the following points:

- "(a) focussing attention on shortages and bottlenecks so that they may be overcome wherever possible;
- (b) organising national or local industrial conferences to be addressed by leaders on both sides of the industry and appropriate research scientists concerned with the industry in question, together with representatives of the Production Efficiency Department of the Board of Trade;
- (c) accelerating the formation of Joint Production Committees under satisfactory conditions in the industry;
- (d) reviewing the system of shop stewards and other workplace representatives and seeking to raise their efficiency by Training Within Industry courses or by other means;
- (e) considering how far it is possible to take advantage of the courses provided by existing agencies for instruction in management and technical subjects;
- (f) consulting the Committee of Editors of Trade Union Journals on the kind of material, technical or otherwise, which would be of interest and value to the readers of those journals;
- (g) dealing with the production question at Conferences of full-time Trade Union officials in each region, now held annually in the autumn. (At previous conferences of this kind representatives of the National Savings Movement, and Government Fuel Efficiency officers have spoken. This year Regional Officers of the Production Efficiency Department have attended.)"¹

The policy approach of the General Council received overwhelming endorsement from the Conference; the Amalgamated Union of Foundry Workers' and Constructional Engineering Union representatives opposed the general line, the former stating: "a policy is presented on the assumption of a continuity of full employment". "The facts are," he claimed, "that all the objective conditions which precede a slump are making their appearance and the workers know it."² The

¹ T.U.C. *Productivity Report*, p. 5, para. 13.

² *Productivity Report of a Conference of Trade Union Executive Committees*, p. 17

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General Council, on the other hand, maintained that without an increase in the productivity of labour full employment would not be preserved. The General Council's critics tend to stress the converse—that without the preservation of full employment labour will not remain united behind the production drive.

Wages Policy Under Planning

Finally, the thorny question of the attitude of the unions to a national wages policy must be considered. In its *Interim Report on Post-War Reconstruction*, adopted by the T.U.C. in 1944, the movement declared itself opposed, unambiguously and emphatically, to compulsory arbitration and to the direction of labour. "We are not," said the Report, 'in any circumstances inviting the State to impose a system of compulsory arbitration in wage disputes or to make it a criminal offence on the part of the workmen to refuse to accept the terms and conditions of a wage settlement.' Dr. Barou believes that this negative attitude is inconsistent with those parts of the Report which favour the establishment of a planned economy. "It is difficult, however," he writes, "to see how in an organised and planned society compulsory arbitration can be avoided, unless the trade unions and the employers' associations can assure the State that their methods of settling working conditions and wages will not upset the workings of the plan."¹ His argument is the familiar one that the plan—any plan—which may be drawn up by the planning authorities, requires a particular distribution of the labour force and that this distribution will bear no relation to the plan if wages and conditions continue to be determined by the bargaining power of labour and capital in the various industries. For wage increases will tend to be won by workers in those industries which are most highly organised, while unattractive industries may be, and often are, those in which organisation is weak but to which the government's economic plans requires more labour to be diverted. Therefore, the argument runs, a planned economy is impossible unless wage rates are also centrally determined—and this requires the unions to give up that complete freedom from control in collective bargaining on which they have so strongly insisted. Unions are guilty of serious inconsistency in pressing for greater planning in all

¹ *British Trade Unions*, p. 188.

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respects except those in which they see their own interests directly involved.

The argument is usually further developed that under conditions of full employment there is no alternative to the direction of labour except a national wages policy. The existence of what economists are inclined to call a degree of elasticity in the labour market, but which laymen call, more simply, unemployment, has ensured in the past a reserve of labour on which expanding industries have been able to draw. Full employment means a reduction in the mobility of labour, and means that under-manned industries must be in a position to offer the inducement of increased wages to attract the necessary labour. But the tendency has been in the past for trade unions to preserve, not only the absolute living standards of their members, but also their relative position on the wages ladder. If workers in an under-manned and hitherto low-wage industry obtain a wage increase, the tendency will be for workers in other, less essential, industries, to press for wage increases, which, if they are well organised, they may get. This would destroy the "differential" advantages intended as an "inducement to enter the under-manned industries, and the distribution of labour would not conform to the national interest. Therefore, either the government must take power to direct labour into more essential industries, or it must have power to attract it there in the necessary quantity, by operating a policy of wage differentials.

It must be admitted that it is a great deal easier to point out the almost insuperable drawbacks to any scheme for government control of wages than it is to say exactly what should be the policy of the unions under conditions of full employment. On the latter point, as on all the other controversial questions discussed here, the attitude of the unions will in the last resort depend on the extent to which their members can be convinced that we really have entered a period in which exploitation is on the decline and unemployment has been forever banished.

One of the chief difficulties in the way of using planned wage differentials as a means of allocating the labour force is that the higher the standard of living, the smaller the drawing power of high wages compared to other incentives, such as agreeable conditions of work, pleasant locality, housing and so on. To be really effective, the differentials would have to

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be very great indeed, and it is certain that, if wages in other occupations are reasonably adequate, men are not going to be induced to change these occupations for work which is, say, dangerous, arduous, dirty or far from home, merely because wages are a little higher. Another difficulty is that a plan is not static, but requires periodical changes in the allocation of labour. No one seriously suggests that wage rates can be moved up and down in accordance with the exigencies of the plan without producing serious dislocation in labour relations and in the national economy. Suppose that during a period in which a shortage of labour in the foundries was threatening the steel target, foundrymen's wages were raised systematically, and that in this way the shortage was overcome. In two or three years' time it might be found that the foundries had become over-manned in comparison with, say, transport. Since a proposal to reduce wages in the foundries would provoke resistance, transport wages would have to be raised above the already high level in the foundries. It is only necessary to think of this example repeated, simultaneously in a number of industries and in different branches within an industry, to visualise chaos arising with regard to wages, prices and the distribution of labour.

In a completely planned, Socialist economy, this problem would appear in a different light. For, with the complete removal of the private employer it is not difficult to envisage the unions brought into the machinery of planning at every level. In the U.S.S.R., which has a completely Socialist economy, the All Union Central Council of Trade Unions participates fully in the Supreme Economic Council in all its institutions.¹ The production plan emanating from the Supreme Economic Council is submitted to production conferences which are called in each establishment, and in the light of amendments proposed at such conferences, the final plan is issued, in which the trade unions have participated at all levels from national to factory. Wage differentials are used, but so also are other material inducements, such as differential rations and preferential treatment regarding holiday accommodation and in other respects. Since the economy is completely planned, there is hardly any possibility of less essential industries being allowed to expand and so keep labour and other resources away from industries which are

¹ Baykov: *Soviet Economic System*, p. 143.

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more essential. Since, too, in the process of drawing up the plan, the trade unions themselves have amended and finally endorsed the whole plan, including the size of the total wage bill and its allocation among different industries, there is little chance of an individual union subsequently claiming more than the agreed share for its own members, which (rent and **profit** being non-existent), can only come out of the share of their workers, or out of the funds set aside for capital construction and maintenance, the social services and defence. That is not to say that allocating the wages fund or distributing the labour force present no problems in a Socialist economy. The problems are often highly intricate, and very imperfectly solved, but they are soluble, in a society that has eliminated private profits, in ways that are of very doubtful application to a society, like our own, in which over eighty per cent of industry is in private hands, and in which the nationalised industries are still required to pay, out of current earnings, large sums in compensation to former owners. In such a society, the struggle to secure labour's share in the total product may be expected to absorb a great deal of the unions' energies. The Government may assist, by providing welfare facilities, training schemes and through operating the *Control of Engagement Order* (which, without directing labour into essential industries can keep it out of inessential ones)¹ in allocating our labour force along rational lines. But trade unions may well be reluctant to forfeit their independence, and to handicap themselves in their sufficiently arduous task of protecting the interests of their members, so long as private ownership and production for profit remain the basic features of our economic life.

¹ There still exists the power to direct labour under Defence Regulations 58AA.

CHAPTER 4

TRADE UNIONS, THE LABOUR PARTY AND THE CONTROL OF INDUSTRY

HOW far are trade unions justified in taking part in political activity? For a century or more this has been a subject of bitter controversy, and as recently as 1927 in Britain and 1947 in the U.S.A. attempts have been made to put legal obstacles in the way of such activities. Prevailing opinion in the trade union world is that such activities are necessary—in fact indispensable—and in many spheres of political life today the direct influence of the trade union movement has been felt. To take only two examples, during the nineteen-thirties, trades councils played an important part, in co-operation with the National Unemployed Workers' Movement, in mobilising activity against the Means Test; again, the *Education Act* of 1944 shows to some extent the influence of the Council for Educational Advance, in which the T.U.C. co-operated with the National Union of Teachers and the Workers' Educational Association. In the centre of public controversy today, however, is the question of nationalisation and how nationalised industries should be operated. The attitude of trade unionists on these questions is likely, to say the least, to influence the way in which they are eventually settled. Present day currents of opinion within the movement are the outcome of a century's history, and only in the light of this background can they be properly understood.

The Politics of the New Model Unions

After the defeat of Chartism in 1848 most trade unionists concluded that politics were best left alone. It was in vain that the surviving Chartists, still united in the National Charter Association, appealed to the "Trades of the United Kingdom" in March, 1851, "without abandoning your present unions, without slackening your present co-operative and associative efforts, to imbue them with the political element as well, and to support that phalanx of Chartist organisation . . . as the ranks and strength of Chartism increase, in the same proportion you will begin to feel its effects in parliamentary legis-

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lation. Strikes," insisted the Chartists, "though necessary and sometimes successful, must in the long run, fail to alleviate permanently the conditions of the workers." But "contrary to the expectations of the Chartists the decade following 1850 was a period of slow but solid trade union advance in which political issues did not appear to arise. Prices were rising, production and employment were increasing, the markets of the world were opening up to Britain's industry, and under the cautious, and business-like leadership of men like Allan and Newton of the Amalgamated Society of Engineers, the "new model" craft unions made substantial and permanent advances.

Even during this, their most unpolitical period, there were leaders who sought to advance the unions' interests by political action, and during the engineers' lock-out of 1852, William Newton, a founder of the A.S.E., stood (unsuccessfully) for the constituency of Tower Hamlets. His programme was undistinctive and vaguely liberal, but in one significant respect it went beyond the *laissez-faire* outlook current in his day—he advocated government intervention during periods of trade depression to cure unemployment by public works.¹

During the 1860s there was a very marked revival of working class interest in politics, of which the London Trades Council, formed in 1860 out of a movement to support the builders in their lock-out, became a focal point. Foreign affairs were surprisingly prominent in the political activities of "insular" British workers, and it was out of a demonstration in support of the Polish rising of 1863, in London, that Marx's International Working Men's Association (First International) was formed in the following year, with strong trade union support. The American Civil War (1861-5) was also the occasion of working class political activity on the side of the north and against a pro-slavery intervention on the part of Britain's Liberal Government. This is especially significant as showing that, while working class politics were anything but socialist, their internationalism was something more than a mere reflection of the policies of Gladstonian liberals.

In 1866 the trade unions and trades councils were especially active in the National Reform League, agitating for the extension of the franchise to the working class. In 1867 the movement was successful in securing the Second Reform Act,

¹J. Jefferey's: *Labour's Formative Years*, pp. 130-2.

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but despite this, not a single working class candidate was returned in the General Election of 1868. In the following year the Labour Representation League was formed, the first of its objects being "To prevent the continuous exclusion of qualified working men from Parliament, School Boards, Municipal Councils and other representative bodies." In 1873, at a by-election in Greenwich, a candidate was run with working class support against both Conservative and Liberal candidates, with the result that the Conservative gained the seat. This was a time when, as we have seen, the Liberal Government's trade union legislation had been so unsatisfactory that E. S. Beasley, Professor of History at London, who had chaired the inaugural meeting of the First International, could write of the Greenwich Election: "The result of the Greenwich Election is highly satisfactory . . . the workman has at length come to the conclusion that the difference between Liberal and Tory is pretty much that between upper and nether millstone"; John Stuart Mill had written three years earlier, in a letter to Odger, a leading trade unionist and political radical: "The working men's policy is to insist upon their own representation, and in default of success to permit Tories to be sent into the House until the Whig majority is seriously threatened, when, of course, the Whigs will be happy to compromise, and allow a few working men representatives in the House."¹ So much for the risk of splitting the "progressive" vote. Mill's prediction was correct, and in 1874, in the two constituencies of Morpeth and Stafford, the Liberals "accepted what they were powerless to prevent", and Burt and Macdonald, both miners' leaders, were returned, without Liberal opposition, as the first two "Labour" representatives to Parliament. At the same election, the Parliamentary Committee of the Trades Union Congress (The T.U.C. had been formed in 1868, on the initiative of the Manchester and Salford Trades Council) was instrumental in securing the defeat of all those Liberal candidates in the Election of 1874 who would not pledge support for the repeal of the *Criminal Law Amendment Act*,² so contributing to the Tory victory of that year.

At the Election of 1880 only three Labour members were returned and in the following year the Labour Representation League passed out of existence. It looks as though, while

¹ Webb: *History of Trade Unionism*, p. 272.

² See Chapter 1.

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workers had established their rights to be elected to parliament, there would not be a significant political labour movement, and the newly enfranchised trade unionists in the towns would be content to cast their votes indefinitely for Liberal or Conservative candidates, bringing electoral pressure on either or both, but seeing no necessity to work for independent labour representation. The success of this method in securing from the Conservative Government the comparatively satisfactory *Trade Union Act* of 1875,¹ seemed a powerful argument in its favour.

Strong economic forces were at work, however, impelling the workers to more ambitious political endeavours. In 1873, the boom that had followed the end of the Franco-Prussian War began to peter out. Germany had spent a large part of the French reparations on capital (especially railway) construction, for which big orders had been placed in Britain. The end of this capital construction boom resulted in a depression, which, contrary to all expectation and precedent, and with brief periods of alleviation, lasted for over twenty years. Up till then, each depression in the nineteenth century had been followed after a year or two, by a resumption of activity and the opening up of new overseas markets. What was not yet widely realised in 1873 was that the conditions on which these revivals had been based had forever passed away. In the production of rolling stock, iron, coal, rails, engines, and machinery, in which for decades she had enjoyed a virtual monopoly, Britain was now beginning to be overtaken by the U.S.A. (for the first time physically unified by a coast to coast network of railways, and politically united as a result of the civil war) and by Germany, united for the first time since her victory in 1871. The industrial monopoly, which had enabled Britain to emerge from every previous depression had come to an end, and the fact was to change the entire political face of the country.

Political Effects of the Great Depression

Politically, the depression was reflected in the formation in the 1880s of the first stable Socialist bodies, the Social Democratic Federation and the Fabian Society, both emerging in 1884. In the trade union field it was reflected in the increasingly difficult position of many of the craft unions. These bodies,

¹ See Chapter 1.

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mostly confined to the highly paid and highly skilled craftsmen, found it harder to maintain the payment of benefits at the old rates, during a period of heavy and prolonged unemployment. The very benefits that had made for a stable membership and sound finances during the 'fifties and 'sixties, were now a source of embarrassment, and unions open to the unskilled, with (consequently) low membership contributions, and less emphasis on friendly benefits, were more in keeping with the new situation. While, as the Webbs wrote later: "Many of the old societies were already shrinking up into insignificant minorities of superior workmen, intent mainly on securing their sick and superannuation benefits", not always securing those, but in the meantime avoiding strikes in an effort to preserve their funds, men like Tom Mann and John Burns were active inside the A.S.E. to win support for a new approach.¹ In 1887 there had been a pitched battle between police and workers in Trafalgar Square and in the following year occurred the famous strike of the match girls at Bryant and May's factory. 1889 saw the strike of gas workers at Beckton and of dockers throughout the Port of London. 1889 was also the year in which the International was revived, with a congress in Paris, seeking to unite the world labour movement around the slogan of an eight hour day, and the year in which the first serious show-down at the T.U.C. between the forces of Socialism and the new unionism on the one hand and the "old gang" on the other, took place. Two years before, at the T.U.C. of 1887, Keir Hardie representing the new forces, and Broadhurst, of the Stonemasons, representing the old, had clashed over the motion to establish a new Labour Electoral Association. Hardie attacked, outspokenly, the "liberal" character of the existing Labour representation, and Broadhurst denounced Hardie as one of the "tools of the Tory Party." The case against those who stood for labour representation independent of the Liberals was put by one of the delegates, an M.P., who said that: "The policy of this Congress and of the working classes, as I have hitherto understood it, has been a policy of reform and not of revolution"—independent labour representation being identified, in the *minds* of the "old gang", with revolution. The same delegate also said that if they were to separate themselves from existing parties and build a totally new one "there must be a long time

¹ A. Hutt: *This Final Crisis*, pp. 114-5.

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to wait for the emancipation of the working men of the country."

At the Congress of 1889 the Socialists were routed on the issue of the eight-hour day, to which Broadhurst, Secretary of the Parliamentary Committee of the T.U.C. (which lasted until 1920, being then replaced by the General Council) and Shipton, Secretary of the London Trades Council, led the opposition. Broadhurst attacked Hardie in a speech of considerable violence including him among "those who spread dissensions in the unions and seek to destroy unionism by vehemently attacking its prominent representatives" and concluding his remarks with an appeal "to hound these creatures from our midst". A month before, Shipton had confided to the future Mrs. Webb, a *propos* the dock strike then in progress: "No responsible official of a trade union which had funds of its own to lose, would treat employers in that fashion. . . . If the dock companies stand out . . . the whole organisation will break down and the workers will dribble back." Mrs. Webb comments "Clearly, whatever may be his sympathy for dock labour, his dislike of a Socialist victory was the stronger feeling."¹

However, the dock strike succeeded, and consequent on the ensuing drive to organise the unskilled workers, the hands of the old gang were weakened, and at the Congress of 1890, the demand for a legal eight-hour day was carried, following which Broadhurst resigned his secretaryship of the Parliamentary Committee. What the old gang felt about this reverse is best seen in the lamentations of George Howell, writing in 1891 his book on *Trade Unionism, New and Old*. Howell had had a distinguished career of service to the labour movement. A former secretary of the London Trades Council and of the Parliamentary Committee, leader in the agitation for the working class franchise and for the repeal of the *Criminal Law Amendment Act*, he now felt that the movement was making a tragic mistake in hitching its waggon to the star of collectivism, through legislative interference with wages and hours. He wrote of the "disastrous" Congress of 1890: "A loud voice, impatient gestures, and persistent interruptions were in strong force at the Trades Union Congress of 1890. The exhibition was sad and pitiful to behold." He quoted with approval the Liberal John Bright's description of the

¹ Beatrice Webb: *Our Partnership*, pp. 20-1.

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eight-hour agitation as the "offspring and spawn of feeble minds." It was not even British, but had been "transplanted from the continent of Europe into this country by men who have misappropriated to themselves the name of Socialists." It was a sad day when the trade unionists of London "allowed themselves to be dragged into the whirlpool of state interference." Of course the old unionists were not opposed to the eight-hour day secured as the result of trade union pressure on the masters. It was the legally compulsory eight-hour day that roused their ire, though, in the absence of state protection, it would be many times more difficult for the less highly organised unskilled workers to reduce the working day, than for the craftsmen who, with their higher degree of organisation, would have less need of state assistance.

The progress of the new ideas along with the new unionism resulted in *the* return to Parliament of Keir Hardie, John Burns and Havelock Wilson (the last named against both Conservative and Liberal opposition) at the election of 1892. These successes led, in the following year, to the foundation of the Independent Labour Party, the first Socialist body in Britain to have in any sense a mass following, and one of the major forces making for the formation of the Labour Representation Committee in 1900.

Just how far the pendulum had swung against the old unionism is apparent from the proceedings at the Congress of 1893, in which Samuel Monro, of the Belfast Trades Council, said in his Presidential address to Congress that *laissez-faire* was a mere cover for exploitation and added: "I think his (Sir John Gort's) surmise that there probably never will be a Labour Party in the House is destined to be falsified . . . ere long we shall see a compact body devoted to the interests of labour . . ." At the same Congress, Ben Tillett, leader of the London dock strike, successfully moved that a fund be set up to assist independent labour candidates at local and national elections, and, even more remarkable, James Macdonald,¹ of the London Trades Council, secured the carrying of an amendment that candidates, to qualify for assistance, "must pledge themselves to support the principle of collective ownership and control of all the means of production and distribution." This, occurring as early as 1893, is somewhat surprising, but there is no doubt that opinion at the Congress

¹ Not James Ramsay McDonald.

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was running well ahead of the rank and file. The proposed political fund was not initiated, so poor was the response from the constituent unions (two replies were received to the Parliamentary Committee's appeal). There is an air of unreality about the debate at the Congress of 1894, pledging the support of the T.U.C. for the public ownership of the means of production, distribution and exchange. Keir Hardie moved the decisive amendment which changed the original resolution of nationalising land and mines to a whole-hogging resolution in favour of Socialism, and he was supported by Tom Mann and John Burns of the A.S.E. Havelock Wilson of the seaman's union, "supported" the resolution with a lukewarm speech, describing himself, not unfairly, as "one of the old reactionary gang" and saying that "whilst he was in favour of the amendment he did not believe he should live to see it carried into effect." The resolution as amended by Keir Hardie, was passed by 219 votes to 61.

In the course of the following year the twenty year old depression began to lift, and the superficiality of the Socialist victories began to reveal itself. In 1895 the trades councils were deprived of their representation on the T.U.C. while John Burns' pronouncement, replying to Macdonald's denunciation of the Parliamentary Committee for failing to do anything to implement the nationalisation resolution, that "they could not bring about the social revolution in twelve months", set the tone of the proceedings. It was at this Conference that members who were neither trade union officials nor working at their trade were declared ineligible as delegates—which ruled out John Burns as well as Keir Hardie—and in the following year a motion limiting nationalisation to land, power and communications in effect replaced the all-embracing resolution of 1894. In 1895 Keir Hardie lost his seat in West Ham, and it was clear that, following the general improvement in trade that had begun in 1894, the trend of trade union and working class opinion was moving strongly away from the Socialists and the "new unionists."

The Origin of the Labour Party

However, the forces within the trade union movement were now delicately balanced, and the gains made by the Socialists between the years 1889 and 1894 were by no means all lost

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during the next five years. In 1899, a year in which the cyclical movement in production again began to turn downwards, the T.U.C. passed, by a small majority—546,000 to 434,000—a resolution to call a special conference representing trade unions, co-operative and socialist organisations, for the purpose of increasing labour representation in Parliament. There was nothing about the Conference which actually met in the following year to suggest that it would make any more permanent mark on Britain's political life than had the London Workingmen's Association, the Labour Representation League or the Labour Electoral Association. Yet the Labour Representation Committee formed as a result of the Conference, representing in its first year barely four hundred thousand trade unionists and less than thirty thousand organised Socialists was destined to become the Labour Party in 1906 and to form the first majority Labour Government in 1945.

The early progress of the Labour Representative Committee was not impressive. At the Conference of 1901 the affiliated membership was still less than 400,000 and response among the trade unions remained unenthusiastic. The effects, however, of the Taff Vale Judgment and of the economic crisis which broke out during that year were to stimulate trade union interest in the new venture, rather as the Sheffield Outrages and the Committee of Enquiry of 1867, and the *Criminal Law Amendment Act* of 1871 had aroused both the trade union agitation for the franchise and the movement for labour representation in Parliament during the 1870s. From the start, the trade unions had had a dominant position in the new party, the initial constitution of the L.R.C. providing that out of an Executive Committee of 12 members, 7 should be drawn from the trade unions, 2 from the Social Democratic Federation, 2 from the I.L.P. and 1 from the numerically tiny Fabian Society. (In the event it was the Fabian Society that was destined to shape the political outlook both of the Labour Party and of the trade union movement).

Following the Taff Vale dispute, trade union affiliations to the L.R.C. increased by 100,000 in less than twelve months, and by 1903, membership, standing at 850,000 was more than double the figure for 1901. Meantime, within the L.R.C. a furious struggle was taking place between the constituent organisations. Politically, the more conservative trade unionists set the pace, leading to the withdrawal of the S.D.F. from

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the Committee and increasing friction with the I.L.P. Even Keir Hardie at one time considered withdrawing, informing a meeting at the Caxton Hall, Westminster on March 8, 1903, that: "If the old gang of Trade Unionists should get in a majority on the Labour Representation Committee the Independent Labour Party, which existed for the making of Socialists, would revert to its original position. . . ." The revised constitution of the L.R.C., agreed at the Newcastle Conference in 1903, gave even greater weight to the trade union as against the political element; E.C. membership was increased to 13, of which 9 represented the affiliated trade unions, 1 the trades councils, 2 the I.L.P. (which was wise enough not to follow the S.D.F. into the wilderness) and 1 the Fabian Society.

From then on the progress of the L.R.C. continued without a break. In 1906 the membership reached 1,000,000 or double the membership of 1901, and by 1915 it had again doubled, reaching the figure of 2,100,000 (of which 98% consisted of trade union affiliations). It is worth noting that, though in the year 1920, Labour Party membership reached 4,400,000 (of which 99% were trade union members) it subsequently declined, showing, in 1935, a membership of only 300,000 in excess of that of 1915. In 1948 following the repeal of the *Trades Disputes Act* of 1927, the achievement of a Labour Government and a trade union membership exceeding 8,000,000, Labour Party membership stood at the record figure of over 5,000,000 with the unions still accounting for 90%.

The great election victory of 1906, in which 29 candidates of the L.R.C. were returned, is, of course, a landmark on the path towards a strong and independent political expression of trade unionism, but as a Labour victory its importance has often been exaggerated. In nearly all constituencies in which L.R.C. candidates were successful they were not opposed by Liberals, and the only noteworthy concession won by the new party at first was the speedy introduction and passage of the *Trades Disputes Act* of 1906. The completeness with which this measure conformed to Labour's demands aroused surprised comment at the time from many Government supporters. If we compare the situation in 1906 with that of 1871 we shall note some interesting similarities and some significant differences. In the earlier instance we have already seen

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Liberals making a partial and conditional concession to Labour, by the *Trade Union Act* of 1871 which provided the unions for the first time with a secure basis in law, while the *Criminal Law Amendment Act* of the same year sought to destroy them as instruments of working class struggle by making it almost impossible for them to strike. In 1906, at a more advanced stage of development, the Trades Disputes Act was designed to undo, from the Liberal point of view, some of the damage done by the Taff Vale Judgment. It was this event that had turned the unions towards the Labour Representation Committee; if this could be undone, though it might be too late to prevent the emergence of an independent party of the trade unions, it should still be possible to see that the party was kept away from the Socialist leadership which men like Hardie were only too anxious to give it, and kept as the tame Labour wing of the Liberal Party. The Act of 1906 was one of a series of social reforms passed by this government at a time when rising prices, approaching war and the rise of a militant spirit among the workers, made it seem both possible and desirable to buy off the Labour Party (as the Labour Representation Committee came to be called in 1906).

Syndicalism before the First World War

So far as the Parliamentary Labour Party was concerned, these attempts were largely successful. The declining real wages of the workers provoked the rise of a militant trade unionism which, precisely because parliamentary Labour was indistinguishable from parliamentary Liberalism, tended to take non-parliamentary and even anti-parliamentary forms.

Step by step the idea began to gain ground among the more politically conscious trade unionists that, as the Irish Socialist leader, James Connolly, wrote a few years later in his pamphlet *Socialism made Easy*: "Let us be clear as to the function of Industrial Unionism. That function is to build up an industrial republic inside the shell of the political state, in order that when that industrial republic is fully organised it may crack the shell of the political state and step into its shell in the scheme of the universe. . . . The workers in the shops and factories will organise themselves into unions, each union comprising all the workers at a given industry . . . said union will democratically control the work-

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shop life of its own industry." This idea is often loosely referred to as Syndicalism, though at this time the Syndicalist and Marxist trends in the Labour movement had not, so far as the Anglo-Saxon world was concerned, become differentiated. There was at no time in Britain any appreciable support for those who urged the workers to leave the existing unions and to form new, revolutionary unions on strictly industrial lines. In 1905 the American labour leader, Eugene Debs, had bluntly told the workers of New York: "You will sever your relations with the old unions in which you are divided and sub-divided and join the Industrial Workers, in which all are organised and united upon the basis of the class struggle. The Industrial Workers are organised, not to conciliate, but to fight the capitalist class."

In Britain, however, even the most consistent advocates of trade union militancy were realistic enough to oppose the suggestion that they must destroy the old unions in order to build the new. The first number of the *Industrial Syndicalist* which Tom Mann, a leader of the A.S.E., produced (in the form of a monthly pamphlet) from July, 1910, to May, 1911, condemned the policy of starting new industrial unions, and advocated progress through amalgamating and federating the existing craft unions. But there was general agreement among the militants of the time that however industrial unionism was to be built, its purpose could only be the replacement of private by public ownership of industry, transport and mining, through industrial rather than through parliamentary action. There were some differences as to how far it was justifiable or necessary to use the machinery of parliament while building up an, alternative industrial machine, but there was, among the militants, general acceptance of the position laid down by the influential unofficial Reform Committee of the South Wales Miners* Federation in a famous pamphlet—*The Miners' Next Step*, that appeared in 1912; "The co-ordination of **all** industries on a Central Production Board, who, with a statistical department to ascertain the needs of the people, will issue its demands themselves to determine under what conditions and how the work should be done. This would mean real democracy in real life. . . . Any other form of democracy is a delusion and a snare." The pamphlet also advocated that while each appropriate union organisation (such as the proposed South Wales Miners' Industrial Organisation) should have the right to

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appoint representatives to the central legislative body, they should also possess the right to recall unsatisfactory delegates. Nationalisation by the existing state was regarded by these militants as a step backwards. "Nationalisation of Mines . . . does not lead in this direction, but simply makes a National Trust, with all the force of the Government behind it, whose one concern will be, to see that the industry is run in such a way, as to pay the interest on the bonds, with which the Coalowners are paid out, and to extract as much profit as possible, in order to relieve the taxation of other landlords and capitalists."

Such pronouncements as this represented minority left wing opinion among the workers during the years preceding 1914. Majority opinion was probably reflected in the action of the miners' group of M.p.s who had held aloof from the Labour Party but who joined it, following the Osborne Judgment of 1908.

Strikes among the transport workers and miners on an ambitious scale marked the opening years of the century's second decade. In 1913 the Liberal Government which, since the second election of 1910 owed its majority to the Labour Party and the Irish Nationalists, and had to make concessions to both groups, passed the *Trade Union Act* reversing the Osborne Judgment and permitting the trade unions, under stipulated conditions, to use their funds for political purposes. There was a certain amount of opposition from trade unionists like Osborne himself to political action by the unions, and Osborne was particularly emphatic in denouncing what he considered to be the machinations of the Socialist minority inside the unions. In his book, *Sane Trade Unionism*, Osborne wrote: "They (the I.L.P.) kept in touch with the central body and meeting in secret conclave arranged their course of action. They attended regularly, and took a prominent part in the work of the branch, while the ordinary member was often apathetic and irregular in attendance. Resolutions were prepared previous to the meetings, and the supporters were always ready to play their part, so that the organised minority easily outmanoeuvred the unorganised majority." The Socialist minority often instructed its members to conceal their political allegiance with the result that what a later generation might have described as "crypto-socialists" were able to infiltrate and capture key positions. And, what was equally annoying, "Their persistency in forcing this political

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squabble into the branch meetings prevented the unions from fulfilling their proper function."

Meanwhile, from the other extreme, a delegate declared at the 1913 T.U.C., that: "The Labour Party stands for profit and wages just the same as the Liberal Party and Tory Party. . . . What ought to be agitated here is to get the workers organised, so that they can get as much as possible from the bosses, whether they are private or Government bosses." At the same Congress Mr. Arthur Henderson, fraternal delegate from the Labour Party, struck a decidedly defensive note when he declared that while the Labour Party "may not have given entire satisfaction", the failure of trade unionists to affiliate to the Labour Party under the terms of the 1913 Act would not only hit the Labour Party, but would "make practically impossible, so far as the unions are concerned, political action in any shape or form."

At the same conference support for the idea that nationalisation was not necessarily advantageous to the workers came from the Post Office workers (the Fawcett Association), who, perhaps because of their experience of working in a state-owned enterprise, have consistently, down to the present day, advocated a form of workers' control for their own and other nationalised undertakings. It is interesting to note that their resolution at the 1913 Congress that nationalisation would not bring benefits to the workers "unless accompanied by steadily increasing democratic control both by the employees and the representatives of the working class in the House of Commons" was seconded by a spokesman from the Miners' Federation, and carried unanimously by the Conference.

Socialism after the First World War

The view that nationalisation must be accompanied by workers' control if it were not to mean merely exploitation and bureaucracy gained strength during the war, as a result of such struggles as those of the Clyde Workers' Committee and the rise of shop stewards in engineering, aircraft and munitions factories. The year 1918 saw the Labour Party "captured" by the Socialists, in the sense that its new Constitution, drafted by Sydney Webb, included for the first time the demand for public ownership of the means of production, distribution and exchange among the Party's objectives.

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Ideas of Guild Socialism — national ownership of industry but control by producers' guilds—attracted a certain following in some of the unions, persuasively advocated by G. D. H. Cole, William Mellor and others. The National Guilds League published a good deal of material, including a series of pamphlets by Cole on methods of workers' control in such spheres as mining, engineering and shipbuilding. In spite of the intellectual ability that went into the formulation of these schemes, and though a Producers' Guild existed for a time in the building trade, the ideas of the Guild Socialists did not make a permanent impression on the movement. Part of the reason for this is the fact that "official" Fabian opinion tended as always to favour the state department or the public corporation as the most suitable alternative to private capitalist ownership, while left wing opinion, in the wage struggles following the end of the war, was more concerned with pursuing a militant industrial policy than with elaborating schemes for the control of industries whose public ownership seemed at the time to be fairly remote. Trade union opinion, following the end of the war, is well illustrated in the memorandum presented by the trade union representatives to the Joint Committee which was set up under official auspices, to enquire into the causes of industrial unrest. The trade unionists bluntly described the profit system as the cause of the unrest, because the worker realised that he was being exploited and treated as a bit of replaceable machinery. The Whitley Council had "done little or nothing to satisfy" his demands for an improved status in industry, the motive of public service must replace that of private profit, and the "widest possible extension of public ownership and democratic control of industry" must be seen as the first essential for allaying discontent.

This coupling of public ownership with democratic control has usually, since then, been a feature of trade union, though by no means of Labour Party, propaganda in the political field. At the Hull Conference of the T.U.C. in 1924 the new Standing Orders adopted included an Industrial Workers* Charter, point one of which dealt with nationalisation and demanded "proper provision for the adequate participation of the workers in the control and management of public services and industries." In the following year, at Scarborough, which Allen Hutt has described as "The highest expression of the leftward move in the trade unions", a resolution proposed

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by E. Joseph of the Tailors and Garment Workers and seconded by Harry Pollitt of the Boiler Makers committed the trade union movement "in conjunction with the party of the workers to struggle for the overthrow of capitalism" with shop-committees representing the workers organised at the point of production as the basis of the revolutionary movement. The resolution was passed by 2,500,000 votes to 1,200,000 and the Conference also condemned the Dawes Plan—which opened up Germany and Central Europe as fields of investment for American capital—and expressed complete opposition to imperialism. The Scarborough Conference took place during a decade (1916-26) in which more working days were lost through strikes than during any comparable period before or since, and in which class tension was reaching unusual intensity due to culminate in the General Strike of 1926.

The Mond-Turner Phase

Following the defeat of that strike, the trade union movement underwent a very considerable swing to the right, in which ideas of workers' participation in the control of industry as partners of the employers, rather than as their successors, began to be voiced and practised by the trade union leadership. At the Edinburgh (1927) Conference of the T.U.C., George Hicks, the Chairman, had spoken of a new spirit which he could discern in British industrial relations, and he hinted at the need for an industrial peace conference between the two sides. The hint was soon taken up, and on November 23rd Sir A. Mond (later Lord Melchett), wrote to the General Council on behalf of a group of employers suggesting a joint conference. Less than a month later the General Council accepted, with Arthur Cook, the miners' leader, as the sole dissident. Early in the following year Ben Tillett (*Daily Herald*, 15/2/28), announced that "A new era had arrived, and while industrialists had organised themselves against competition within their ranks in British trade, they had now to organise British trade on a competitive basis against the world. This cannot be done without the high intelligence of trade union leadership." Will Thorne endorsed the new line, and it is interesting to note that of the three main surviving pioneers of the "new unionism" of the late 1880s, Tillett, Thorne and Mann, only Mann denounced the new policy as "class collaboration" and as a sell-out of the workers' interests.

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Among the newer leaders Arthur Cook was prominent in denouncing what he called the "Mond Moonshine", asserting that the "attempt to re-establish British capitalism to its former place as the workshop of the world is futile and hopeless" because the emergence of the U.S.A. and developments within the British Empire had ended for all time Britain's industrial monopoly. It might have been well enough, he felt, for British Labour and Capital to join forces in the nineteenth century for the joint exploitation of this world monopoly, but under existing conditions "industrial peace" and "rationalisation" (the two favourite slogans of the "Mondists") were more likely to result in speed up, sweated labour and competitive wage cutting in a futile attempt to offset a declining share of a declining world market.

In 1929, just before the onset of the world crisis, Walter Citrine, announced at the T.U.C. summer school that the new policy was the inevitable product of technical developments in the modern world. Like Karl Marx more than sixty years before him, Citrine laid stress on the growth of concentrated ownership and centralised direction of modern industry, but whereas Marx had predicted that these developments would lead to growing crises and more intense class struggles, Citrine felt rather that they must lead inevitably, to greater trade union participation in control on the basis of full partnership with the employers.

Along with the new approach to industrial relations there developed the theoretical approach to economics which later became associated with the name of Keynes. As early as 1926, at the Annual Conference of the T.U.C., it was asserted in the Presidential Address: "An expanding literature is concerned with the causes and consequences of the trade cycle and its correlative problems of unemployment and wage fluctuations. It is being seriously asked whether the existing system provides the right mechanism for the determination of what proportion of the proceeds of industry shall be distributed as spending power." It is not surprising to find the President of the Congress calling at the same time for a scientific wage policy to be adopted by the trade unions. This approach, which as we shall see, underlies much trade union thought on economic questions at the present time, can be summarised as follows: there is a defect in the way in which income is distributed, which leads periodically to too little money being left in the

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hands of consumers, with resulting crises of over-production; to remedy this defect, the nationalisation of some basic industries, a "scientific" wages policy and some government control of investment and of the rate of interest have become essential; in the operation of such a planned and scientific economic policy, the trade unions can co-operate fully with government and employers, since what is in question is not the end of Capitalism, but the end of *laissez-faire*. The "Keynesian" approach dictates, or at least justifies, a policy of co-operation between trade unions and "enlightened" employers. The alternative, Marxist, approach attributes the causes of crises not to some technical defect in the economic system which can be removed by planning, but to a fundamental contradiction between the vast scale on which modern, mass producing industry operates, and private ownership with production for profit, which continually acts to limit and disorganise the market for the products of industry. This contradiction cannot be removed while private ownership and production for profit remain the bases of the social system; the workers must consequently resist all attempts that will be made to solve crises at the expense of their living standards, while strengthening their organisations for the final replacement of the Capitalist system itself. The official policy of the Labour Government in Britain, in its industrial as well as in its political sections, has been based on the rejection of Marxism in favour of Fabian planning and Keynesian economics.

Nationalisation and Workers' Control

A clear statement of the official position, on the subject of nationalisation, was given in the General Council's *Report on Public Ownership*, presented to the Annual Conference in 1932. In this document it was asserted that *laissez-faire* had broken down and Keynes' work *The End of laissez-faire* was quoted in favour of public control in any industry or service which might be important as a "source of demand for new capital", so that government investment in such an industry could be used to offset a crisis resulting from declining investment in privately owned enterprises. Nothing in this significant Report suggests that there might be any conflict of interest between Labour and Capital. Such conflict as might exist is rather between industry as a whole and finance.

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"The feeling of industry that it has been badly treated by the banking world is merely one example illustrating an industrial point of view. Whether the main industries are privately owned, publicly owned, or a combination of the two, this general interest of the producers of goods and services will exist. . . ."

"The general direction of industry as a whole should be the responsibility of a 'National Industrial Council' constituted in accordance with the recommendations of the Melchett-T.U.C. conference or on some other basis, which should be established for the discussion of the general problems of industry."

On the Governing Boards of nationalised industries should sit "persons appointed by the Government solely on the ground of their fitness for the positions, not excluding persons from any class but selected as representing particular interests. Advisory Committees should be constituted to represent particular interests, including trade unionism." In the same document is to be found in rudimentary form what came subsequently to be known as the theory of managerial revolution. "As the industrial system has developed the traditional combination of control with ownership has become progressively weaker", hence the growth in importance of a managerial class with outlook and interests distinct from both capitalist and worker.

Subsequent to the issue of this Report there was considerable criticism from both trade union and Labour Party members of the abandonment of workers' control and the proposal to replace private ownership by public boards which would be as alien to the workers in outlook and sympathy as the previous boards of directors—especially if they should prove to be the same individuals in a new guise. Discussion of the Report at the 1932 T.U.C. brought out all the arguments that have been used subsequently (up to and including the 1948 Conference at Margate) about the role of the workers on the boards of nationalised industries. The objection to having representatives of the trade union concerned (e.g. mine-workers* representatives on a National Coal Board) was simply that of dual loyalty; trade unions would still negotiate with the boards over wages, hours and the conditions of their members, and, at least in form, the employer-employee relationship would persist. The position of trade union repre-

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sentatives on such a board would clearly be an embarrassment to all concerned. It was generally agreed, by the opponents of "workers' control" that, though there should be, of course, men chosen from the labour movement to sit on the boards, they should be appointed as individuals, not as the representatives of a trade union organisation. This has, in fact, been the procedure, since 1945, with regard to the nationalised mines and railways. The arguments in favour of the course that has been taken are partly based on the lack of technical qualifications of the workers for the task of directing industry.

On the other hand, a case for a form of workers' control can be developed along the following lines. The traditional defender of Capitalism asserts that only the men who have invested their money in an industry and stand to lose by it if the industry is badly run, will have the necessary incentive to see that it is run properly and that its organisation is continually improved. If the control of industry should pass to government departments or public corporations, the men taking the key policy decisions will have no particular incentive to enterprise, and will normally only stand to lose their jobs if things go drastically wrong. The temptation to play safe to the detriment of enterprise, therefore, proves overwhelming in all state-run concerns. This argument sounds unconvincing today, when the scale of production has become so vast that a considerable amount of bureaucracy enters into all large concerns, whether they are state or privately owned. But if, in socialised industries, workers are assured of wage increases as production rises or as performance improves, and if they are then given some say in the management of the industry, at every level from factory to national, this will provide a spur to progress that will counteract tendencies to bureaucracy which may arise.

The advocates of workers' control today, however, usually go further than to support it as an aid to greater efficiency *in* production. They regard Capitalism as a system in which the worker is exploited, and "nationalisation" of industries by the state as a change in the form of exploitation rather than its abolition. They want to speed up the replacement of Capitalism private or state, by Socialism, in which the means of production will be collectively owned and operated, and in which both exploitation and economic crises can be abolished. They wish, therefore, to see a majority, at least, of such bodies as the National Coal Board, the Railway Executive, and the

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Transport Commission appointed from among the members of the Labour movement. To the objection that few of such members have the necessary technical qualifications it could be argued that few War Ministers had a background of staff colleges and parade grounds, and few Ministers of Health have had practical experience or specialised training in medicine or the building trade. It is fundamental to a democratic system of government that the basic policy decisions should be taken by popular representatives in the light of the underlying political objectives of the government for which the electorate voted.

The role of technicians and experts is that of advising the policy makers, and operating their decisions. To give one hypothetical example, it might well be that a Coal Board drawn from former coal-owners, discussing methods of increasing output, would place considerable emphasis on increasing the intensity of work and on taking disciplinary measures against absentees, while a Coal Board representing the Labour movement in general (including some, though not necessarily or preferably a majority of miners' representatives) might put more stress on mechanisation, safety precautions and improved welfare amenities as means to increase productivity and stimulate recruiting. It might also be contended that in so far as, in mining or in other industries, greater intensity of work was needed, it would more likely be forthcoming from the workers if called for by a board which contains a majority of their own men. If the average miner were asked today: "Have you come to regard the mines as 'your own show' since they were nationalised?" his answer would provide a clue as to whether or not workers' control is needed in a nationalised industry.

Objections quite reasonably based on the dual role of trade union representatives on nationalised boards could be surmounted if a majority of the board consisted of members of the Labour movement not necessarily drawn from the industry concerned, while one or two members would be there as representatives of the union, responsible for presenting the views of the workers in the industry, and recallable by the union at any time. Workers' control does not mean syndicalism; the mines, in fact, would be run by workers' representatives, though not by the miners, so that their running would be subordinate to the interests of the economy as a whole,

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with proper but not undue representation of those most directly concerned. Such arguments as have been levelled up to now against workers' control in this sense, could be used with equal strength against democracy, and sometimes they are.

The case for "workers' control" in this sense, however, has failed to win the General Council or the majority of the trade union movement. The case against such methods of control in nationalised industries was summarised in Paragraph 288 of the General Councils' *Report to the 1948 T.U.C.*: "Trade unionists elected or appointed to serve on a Public Board, but still owing ultimate responsibility to the union, would be in an embarrassing position, unsatisfactory to themselves, to the Board, and to the workpeople concerned" since the appointment of trade union representatives, as such, to the boards of nationalised industries "would be destructive of the independence of the trade unions from the executive authority of the nationalised industries, and the unions would be compromised in their relationship with both the Public Boards and with their own members . . ." "Moreover, persons appointed by a union to the board of a nationalised industry would not be entirely responsible to the Minister or to Parliament. Nor would it be right to assume that the qualifications which befit a person for office in the trade union movement or commend him for election by his fellow workers are always the same as the qualifications appropriate to a person holding a position of executive responsibility in an industrial undertaking."

The way towards giving the workers more share in the running of nationalised industries was rather, in the General Council's view, the provision of adequate educational opportunities within industry to help workers to qualify themselves for executive and managerial posts.

Here the matter rests for the moment. Behind the differences between the supporters and opponents of the Government's nationalisation policy lie fundamental differences of theory. Is the way forward for Britain's Labour movement to be via the *End of laissez-faire* or via the end of private property in the means of production? The answer to this as to other theoretical questions, however, will lie largely in the realm of practice—in the success or otherwise of the Government's economic policy.

CHAPTER 5

INTERNATIONAL TRADE UNIONISM

Before the First World War

TRADITIONS of the international solidarity of labour are as old as trade unionism itself. When Marx wrote, in 1847, "Workers of all lands, unite!" he was not preaching a new idea so much as appealing to an old one. One of the greatest achievements of the First International, during its effective life of nine years, was that it inspired and organised many actions of solidarity. The Minutes of the General Council of the International contain many entries like the following: "1866 . . . On March 27 a report was made on the strike of the Tailors in London and that in London they now intended to get men from the continent to supplant those on strike. The General Council decided that the Continental Secretaries be informed, with the view to keep continental workmen away from London during the struggle. On April 4, 1866, a delegate from the wire-makers thanked the Council for its attempts to prevent the employers from getting workers from the Continent to take the place of the strikers." These attempts to prevent international blacklegging met with considerable success, and in the following year Marx was able to claim a success on behalf of the French workers when, in a letter to Engels, he wrote: "Our International has celebrated a great victory. We secured monetary aid for the striking bronze workers of Paris from the British trade unions. As soon as the bosses saw this they gave in. This business has caused a great deal of noise in the French papers, and we are now an established force in Europe."¹

In Britain the most spectacular and successful achievement of the International in this sphere was its participation in the strike of the North-East Coast Engineers, in 1871, for the nine-hour day. Mr. Cohn, Secretary of its Danish Section, was active in both Brussels and Newcastle persuading foreign workers (Belgian and German) not to leave for England, or to return home if they had already reached Newcastle. The employers' attempt to break the strike with foreign labour failed, and the nine-hour day was won for the north east coast engineers.

¹ A. Lozovsky: *Marx and the Trade Unions*, pp. 123, 125.

INTERNATIONAL TRADE UNIONISM

The First International ceased to exist, for all practical purposes, after 1872, but traditions of international trade union solidarity remained very much alive. The great dockers' strike of 1889 evoked an unprecedented response from unions overseas, in which the Australians were particularly prominent. The year 1889 saw also the birth of the Second International, one of whose main immediate aims was to unite the workers internationally to win the legal eight-hour day.

Trade unions throughout Europe and the U.S.A. sent delegates to congresses called by the Second International and there was also set up, in 1902, the International Secretariat of Trade Unions, which usually held conferences in connection with those of the International. The Secretariat was, however, never intended to co-ordinate policy or action, but was rather an international information and statistical service for the national sections. Quite apart from this body there also grew up, in the years before 1914, separate International Trade Secretariats amongst textile workers, metal workers, woodworkers and about twenty other trades. These bodies were also rather modest in their aims, and there is no record, in the years before the war, of their having organised any action in support of an industrial dispute. The years from 1896 to 1914 were, on the whole, years of expanding trade, rising prices and low unemployment. Within the European Socialist Movement, though lip service was always paid to the doctrines of Marx, it was in fact the "gradualist", "evolutionary**" ideas of Bernstein that gained ground, and while both socialist parties and trade unions were making considerable progress numerically, and while continual reference was made at congresses to the common interests of labour throughout the world, in practice the Labour movement, at least in Western Europe, became increasingly nationalist and even imperialist in outlook, as was to become quite apparent on the outbreak of war in 1914. Then, as the former anarchist and anti-militarist Hervé was to write: "The workers, caught up by the iron hand of war, lifted into the air and thrown by his powerful hand on to the earth, felt first of all their native earth; every worker thrown into this hurricane of events felt on his own motherland's earth."

Post-War Developments

Trade unions in all the belligerent countries emerged after the war with greatly increased strength. Trade union member-

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ship grew, in Britain, from just over 4 million in 1914 to more than 8 million in 1920. German membership rose from nearly 3 million to nearly 9 million. In the U.S.A. the increase was from 2½ million to nearly 5 million and in France from 1 million to 2½ million. Even more noteworthy was the fact that for the first time trade unionism began to take root in the colonial and semi-colonial countries of Asia, simultaneously with the rise of strong movements for national independence.

In many countries the trade unions were split between Social-Democratic, Communist, Anarchist, Catholic and Protestant centres, carrying on vigorous rivalry with each other. International centres of these movements were set up—the International Federation of Trade Unions, the Red International of Labour Unions, the International Workingmen's Association (reviving the official title of the First International) under Anarcho-Syndicalist leadership and a Catholic Workers' International. The two last organisations, however, were ineffective and short lived.

International Federation of Trade Unions

A conference in Amsterdam, in July, 1919, inaugurated the I.F.T.U., popularly known as the Amsterdam International. The new Federation included representatives from the main belligerent countries, and this foundation Congress was marred by some squabbling between the Anglo-French and Austro-German delegations over the question of war guilt. The German representative, Sassenbach, strongly resented this being ascribed entirely to the Central Powers, and he also disliked the suggestion that the German trade unions had failed in their duty towards the workers of occupied Belgium. He was supported by Hueber, the Austrian delegate, who said: "Together with the German comrades we have suffered up to now, let us continue to suffer together." All of which served to demonstrate the extent to which the national trade union leaderships, on both sides, continued to identify themselves with the policies their respective Governments had pursued during the war. In the following year, in London, the second Congress included representatives from Britain, France, Germany, Italy, Spain, Belgium, Czecho-Slovakia, Scandinavia, Luxembourg, Switzerland and Canada. The I.F.T.U. was thus,

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from its inception as also throughout the whole of its subsequent history, a federation of unions from Western and Central Europe; it did not represent workers from the U.S.S.R., from the colonial territories in Asia and Africa, and until 1937 from the U.S.A. (The A.F.L. only affiliated in that year—the C.I.O. not at all).

From this Congress there emerged a call for the eight hour day, a declaration of support for the I.L.O. and a demand for the abolition of all war debts, together with a resolution on the need for Socialism. The slight unpleasantness that had arisen over the question of war-guilt had by this time cleared up, and the rivalry between the I.F.T.U. and the Red International now occupied the centre of attention. At this time the national centres affiliated to I.F.T.U. had memberships totalling 23,000,000.

The decision to found an independent Communist-led centre of trade union activity was taken during the Second Congress of the Communist International, in 1920, and an "International Council of Trade and Industrial Unions" was set up as an international propaganda centre. In the following year, in Moscow, there was held as a result of its activities an international Congress to which "all revolutionary trade unions" throughout the world were invited. It was at this Congress that the decision was taken to set up a Red International of Labour Unions. Although this Congress represented Anarcho-Syndicalist as well as Communist-led unions, a decision was taken to work in close collaboration with the newly formed Third (Communist) International. Policies of class struggle, industrial unionism and the principle of organising workers at the point of production were agreed upon, and, unlike the I.F.T.U., the Red Unions gave special attention to the building of trade unions in the colonial countries.

The Red International of Labour Unions

As might have been expected, relations between the two international bodies were not harmonious. Though the Red International had quite soon approached the I.F.T.U. with proposals for a united front agreement, all such approaches were rejected by Amsterdam, which maintained its position that not only should there be only one world trade union centre, but that within that centre there would be room for only

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one trade union movement from each country to be affiliated. Thus, from its point of view, unity could only be achieved on the basis of dissolving the Red International and the Communist-led unions in countries such as France and Czecho-Slovakia where they were organised in opposition to the Amsterdam unions. In 1924 the Red International of Labour Unions claimed that there were affiliated to it the entire trade union movements in Russia, Bulgaria, Greece, Egypt, Persia and Esthonia; in addition there were "national trade union . . . centres existing parallel with reformist centres" and in which the Red Unions were stronger, such as France, Czecho-Slovakia, Yugoslavia and Java; and small trade union centres in Holland, Belgium Germany and the United States. There were also affiliations from bodies such as the Minority Movement in Britain which, while not constituting independent centres, sought to organise left wing opinion within the official trade union movement. Thus there were in some cases unions affiliated (in such countries as Britain, U.S.A., Spain, Austria, Argentine and Mexico) through their national centres to Amsterdam, and through participation in minority movements to Moscow, Affiliated exclusively to R.L.L.U. in 1924 were about 6,500,000 members in Russia and 1,000,000 outside.

An independent Anarcho-Syndicalist trade union international arose at the end of 1921, and had at various times some support in Spain, France, and through the I.W.W. in America.

In 1924, with Fred Bramley as General Secretary, the T.U.C. in Britain tried hard to heal the split in the world trade union movement by arranging a meeting between the Russian Unions and the I.F.T.U. The I.F.T.U. was prepared to accept Russian affiliation, but it was not prepared to discuss, with the Russians or anyone else, the alteration of its rules and statutes. The Russians wanted a conference at which, on the basis of joint discussion, new statutes for a new world trade union centre could be drawn up, but they would not consider adhering to the I.F.T.U. on the basis of accepting a constitution, in the framing of which they had had no part. Consequently, the efforts of the British T.U.C. came to nothing, though in 1925 (April) an Anglo-Russian Joint Advisory Council was set up to represent the trade union centres of both countries. It is worth noting that the decision to set up this committee was endorsed unanimously at the Scarborough T.U.C. (1925); shortly after Scarborough, Bramley died, and

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after Citrine had succeeded him in the post of General Secretary and, a little later the general strike had been defeated, British trade unionism swung heavily to the right, and all prospects of international unity were for the time being at an end.

International Trade Unionism after 1918

Whoever may have been chiefly to blame for perpetuating disunity, there can be no doubt at all about the tragic character of the results. In 1921 more than 1,000,000 British miners struck work in an attempt to defeat an attack on their wages. This was, as it turned out, a critical fight, affecting the entire working class of Britain. In the Autumn of 1920 the post-war replacement boom came to an end, to be followed by a severe slump. The employers, internationally, tried to cope with the situation by attacks on wages. Heavy unemployment had already appeared in the pits, and the miners were selected for the first attack. The Triple Alliance of miners, railwaymen and transport workers, pledged to act together in industrial disputes, fell apart on "Black Friday", April 15th, 1921, and the miners were left isolated.

The miners were not only isolated nationally, but internationally. About two and a half million miners throughout Europe were united in the Mineworkers' International Trade Secretariat, associated with the I.F.T.U. Nothing was done to help the British miners by this International, and after thirteen weeks' struggle the miners acknowledged defeat. Imported coal from Germany, Belgium and the U.S.A. had seriously weakened their position. Inevitably, the defeat of the miners was followed by cuts in wages of engineers, shipyard workers, builders, seamen and cotton operatives, in each case successfully imposed.

In a sense, the miners were able to take their "revenge" in the following year, when imports of British coal helped to defeat a strike by half a million miners in America. A strike of German miners in 1924 was similarly defeated, as also was a strike of the Belgian miners. United action by the miners of Britain, France, Belgium and Germany, all organised in the Miners' International, would have stood an excellent chance of success, and a victory for the miners in 1921 could have altered the whole course of the post-war fight over wages, and much else besides.

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That international working class action was possible, and that it could be successful, had been shown by the experience of 1920, when action by the British unions had prevented a war against Russia. This degree of international solidarity was not, however, maintained. After 1926 a period of worsening relations between Russia and the western powers coincided with the phase of "Mond-Turnerism" in Britain, when relations between the T.U.C., the Government and the employers were closer than they had ever been. The T.U.C., now under a leadership prepared to say, in the words of J. H. Thomas, "Never again!" to any talk of another general strike, and bitterly attacked by the Communists, was less inclined than ever to press for closer relations with the Soviet trade unions.

The rise of Fascism in the 1930s and the destruction of the trade union movement in Germany and Austria, considerably reduced the strength of the I.F.T.U. From a total of 23,000,000 in 1920 the membership declined to a little over 8,000,000 in 1935. The Fascist offensive was met by a consolidation of forces which, in some countries, took the form of a Popular Front uniting Liberals, Social-Democrats, Communists and those adhering to no party but who wished to oppose Fascism. In Spain and in France the Popular Front met with a good deal of success, and governments of the left came into being. In these countries there was also, as a result, increasingly close co-operation between Social-Democratic and Communist trade unionists. Within the I.F.T.U. the trade union movements of France and Spain began to press for a way to be found to build trade union unity on a world scale. This time the role of the British unions was reversed; the T.U.C., operating Circulars 16 and 17 against the Communists, which excluded them from election as delegates to Trades Councils and discouraged their election as trade union officials, was in no mood to co-operate abroad with the Soviet trade unions. In 1935 a proposal from the R.I.L.U. to the I.F.T.U. for a joint meeting was rejected, and for the remainder of the pre-war period the British position was consistently maintained. Some advances towards unity were nevertheless made, most notably in France, where the Communist led C.G.T.U. merged with the C.G.T.; in Canada, where the Workers' Unity League, a section of the R.I.L.U., transferred its 40,000 members to I.F.T.U. affiliates; and in Scotland where the "Red" United Mine-

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workers of Scotland rejoined the Scottish Miners' Union, thus healing a split that dated from 1927. In general, following the Seventh World Congress of the Communist International, held in 1935, the Communists were more ready, on a world scale, to make heavy concessions in the interests of securing unity against Fascism. But despite some progress, the main split in the movement remained. The Soviet trade unions remained outside the I.F.T.U., and when in 1937, peace talks between the C.I.O. Unions and the A.F.L. broke down, less than half of the unions of the U.S.A. were affiliated.

The Second World War

By the time war broke out in 1939 it was a somewhat shrunken and dispirited I.F.T.U. that was called upon to cope with unprecedented problems. Neither the I.F.T.U. nor the associated International Trade Secretariats (numbering 29 on the outbreak of war, the most important being the miners, transport and metal workers) were able to function effectively during the war. By 1945 the I.F.T.U. numbers had risen to nearly 18,000,000 but of these the 4,000,000 members of the French C.G.T. were dissatisfied and prepared to withdraw, and there was widespread feeling in favour of world unity transcending the limitations of the International Federation. Outside the ranks of the I.F.T.U. at that time were the 27,000,000 members of the Soviet unions, the 6,000,000 members of the C.I.O., 800,000 members of the American Railroad Brotherhoods and 500,000 members of the United Mine-workers of America, 4,000,000 members of the C.T.A.L. (Latin America), 1,000,000 members of the Australasian Council of Trade Unions and 350,000 members of the Canadian Congress of Labour. All told, less than a third of the total organised throughout the world were in the I.F.T.U. Besides this, developments during the war had prepared opinion to welcome a renewed attempt at world trade union unity,¹

Growth of Unity During the Second World War

When, as a result of the Nazi attack in June, 1941, the U.S.S.R. became our ally, there grew up among British workers a demand for closer relations with the Soviet trade unions, a demand to which the General Council of the T.U.C. was at that time ready to accede. At the Edinburgh

¹ See Betty Wallace: *World Labour Comes of Age, Part II.*

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T.U.C. in September, 1941, the General Council submitted a resolution proposing the establishment of an Anglo-Russian Trade Union Committee, consisting of an equal number of representatives from each country. Then followed what must surely be an all time record for speed in international negotiations. The General Council's resolution was submitted on September 1st, and unanimously endorsed by Congress. M.N. Schvernik, then Secretary of the Ali-Union Central Council of Trade Unions of the U.S.S.R. (now President of the U.S.S.R.) replied, enthusiastically accepting, on September 13th and proposing September 25th as the date for the first meeting of the Anglo-Russian Committee. This turned out to be a little optimistic, but the first meeting took place in Moscow in the Palace of Labour on October 15th. Following this conference at which agreement was reached for full co-operation against the Nazis, and a common programme regarding production, supplies to Russia and the mutual exchange of information was agreed to, thirteen representatives of the Soviet unions arrived in Britain on December 15th 1941. Valuable personal contacts were established and during the stay of the Russian representatives, three further meetings of the Anglo-Soviet Committee were held.

It was Sir Walter Citrine who took the initiative in seeking to extend trade union unity to include the Americans. Speaking to the A.F.L. in May, 1942 he said: ". . . such association would not mean the endorsement of the ideologies of any country, whether political, social or economic, but would be solely for the purpose of concerting the war efforts of the respective movements. . . . It would also pave the way for collaboration in the post-war reconstruction period." The A.F.L. objected to co-operating with the C.I.O., the Railroad Brotherhoods or the Soviet trade unions on the grounds that the latter were not free and the two former not in the A.F.L. In view of the fifty-year-old association of the T.U.C. with the A.F.L., Sir Walter Citrine and the General Council felt disinclined to make an issue out of the A.F.L.'s intransigence, and reached an arrangement by which the T.U.C. retained the Anglo-Soviet Committee but did not invite the C.L.O. to participate, for fear of alienating the A.F.L. In the meantime, another Committee was set up, representing the the T.U.C. and the A.F.L. with the object of co-ordinating the war effort of the British and American trade unions.

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This arrangement was clumsy, and there grew up, among the rank and file of the British trade unionists, a strong demand for something more comprehensive. At the 1943 Southport Conference of the T.U.C., an emergency resolution was passed asking the General Council "to give immediate attention to the possibility of convoking a World Conference of the representatives of the organised workers of all countries as soon as war conditions permit, with the object of considering the most pressing problems both of policy and organisation affecting the interests of the working people, and thereby to promote the widest possible unity, in aim and action, of the International Trade Union Movement." Acting on this resolution the General Council sent out in November, 1943, invitations to a world trade union conference which was to meet in London in June, 1944. The preliminary notices were cautiously worded and special emphasis was laid on the exploratory and consultative character of the conference. There was no intention, it was stressed, of taking decisions which would be binding on any national unions participating, unless these decisions were subsequently ratified by the unions themselves. The conference scheduled to take place in June, 1944, had to be postponed as a result of the opening of the Second Front, and it was decided to hold it as early as possible in 1945. At the end of 1944 a Preparatory Committee assembled in London to prepare the agenda and to finalise arrangements. It represented the Soviet unions, the British T.U.C., and from America, the C.I.O.—the A.F.L. had refused its invitation, and the Railroad Brotherhood, while accepting the invitation in principle, had not been able to send anyone.

The World Trade Union Conference

When the preliminary Conference assembled in February, 1945, the British hosts made it clear that they did not wish to rush developments, and that they regarded the Conference rather as an occasion for sounding trade union opinion, with a view to action some time in the future, than as a business meeting, starting at once to lay the basis for once world trade union movement. But the strong British delegation at the Conference (including, besides Citrine, who had been General Secretary of the T.U.C. since 1926 and President of the I.F.T.U. since 1928, George Isanacs and Arthur Dealin)

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bowed to the feeling expressed by nearly all the other delegations that, with the end of the war approaching, it was essential that the voice of world labour should be heard in the framing both of the peace settlement and of plans for post-war reconstruction. World labour, therefore, needed an authoritative organ, and its representatives were not disposed either to accept the I.F.T.U. as satisfactory, or to wait indefinitely for its replacement.

It was the continued existence of the I.F.T.U. that gave rise to doubts within the British delegation as to the best course to pursue. Citrine, Isaacs and Deakin would certainly have preferred to improve and extend the I.F.T.U., if possible, rather than scrap it and construct an entirely new organisation. It was hard to see how this could be done, since it was known that the A.F.L. would not co-operate with the Soviet trade unions, with the C.L.O., with the C.T.A.L., or, for that matter with the C.G.T. of France or the C.G.I.L. of Italy. The British delegates would not wish to drive the A.F.L. from the international federation and so they were faced for the moment with a dilemma in view of which they preferred to talk and wait. They finally gave way to overwhelming pressure from delegates, and a decision was taken to convene in Paris, in October of the same year, the Inaugural Congress of a new World Federation of Trade Unions. The two outstanding difficulties were provided by the I.F.T.U. and by its associated Trade Secretariats, and they were dealt with by granting the I.F.T.U. representation on the continuation committee which would prepare the ground for the Paris Conference, and by leaving over for further negotiation the question of integrating the Secretariats in the new International. Since the R.I.L.U. had not existed for some years and, after the dissolution of the Communist International in 1943, was not likely to be revived, there was no other organisational obstacle in the path of the new Federation.

Besides laying the foundation for the World Federation of Trade Unions—which was duly inaugurated in Paris in October—the London Conference achieved a remarkable degree of agreement on a wide range of social and economic questions. It was, in itself, the most representative gathering of trade unionists that had ever been held. There were at the Conference 204 delegates representing over 60,000,000 trade unionists in 42 countries spread over all five continents.

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On the approaching peace settlement, the London Conference agreed on a programme which included the total destruction of Fascism in both Germany and Japan. Regarding these two countries there was a special resolution declaring: "... the forces of reaction do not want to see the German and Japanese war potentials utterly destroyed and Fascism extirpated. World Labour must take action to guarantee that these forces shall not prevail." On Japan, a resolution insisted that the Mikado should not be allowed to escape his share of responsibility through hiding behind the legend of divine aloofness from politics—Japan should become a democratic republic. All war criminals should be punished in exemplary fashion, and reparations should be paid from Germany to mitigate the suffering she had inflicted on her victims. Outside the two major aggressors, diplomatic recognition should be withheld from *all* Fascist states and Fascism and its fifth column should be uprooted everywhere. Support should be given to the new international organisation that had been agreed to at the Dumbarton Oaks Conference (1944) with full trade union participation in both the Security Council and the Social and Economic Council of the projected United Nations. This was a new and extremely sound principle—that the maintenance of peace should be recognised to be the concern not only of Governments but, more directly, of peoples participating in the conduct of world affairs through their own organisations. Conference also resolved that the causes of war should be removed — "The Trade Union Movement cannot forget that one of the basic causes of war is the scramble for markets by monopolising interests."

With regard to post-war reconstruction the Conference reached unanimous agreement that there should be an expansion of U.N.R.R.A. to cope with post-war dislocation, and that there should be full trade union participation in the administration of relief and no discrimination between recipients of relief on grounds of the political complexion of their governments. (When as a result of subsequent developments U.N.R.R.A. was abolished, to be replaced by the European Recovery Programme, with Communist-led Governments explicitly excluded from relief, the original unanimity within the world trade union movement was broken, and serious splits began to threaten the future of the World Federation.) It was also resolved that monopolies should

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be nationalised or brought under state control, since their retention in private hands made for restricted output and the excessive exploitation of workers and other consumers. Social security, the forty-hour week and the maintenance of full employment were also laid down as main objectives for the movement in the post-war world. Bearing in mind the experiences of the inter-war years the Conference resolved that: "... taking account of the economic and social problems that will confront all the nations when the war is won" it "considered the measures that must be taken to avert a post-war economic crisis which would place the world's peace again in jeopardy", and recommended the planned industrial development of backward countries and the maintenance of full employment in advanced ones as the two main objectives of international economic policy. And since Imperialism tends to impede the industrial development of colonial territories, Conference further asserted that it was necessary "to bring to an end the system of Colonies, Dependencies and Subject Countries as spheres of economic exploitation" and speed up the development of free trade unions in such territories, though the demand from the Nigerian delegate for a time limit to be set for the achievement of independence was not accepted.

Considering the number and diversity of the unions represented at this Conference, the degree of agreement reached was remarkable and augured well for the future. The only serious source of disagreement was the question of the admission of delegations from ex-enemy countries and from Poland, but with the exception of the Polish dispute, which was the occasion of bitter argument between the Soviet delegation and the British (which was inclined to support the representative of the London Poles and to doubt the bona fides of those from Warsaw) these disputes were resolved by a sensible working compromise.

Foundation of the W.F.T.U.

The World Federation of Trade Unions was duly constituted at the Paris Conference in October, 1945. A constitution was drawn up, providing for a World Congress to meet once every two years, to be the supreme organ of the Federation. In between Congresses the General Council was to meet at least annually, being elected by the World Congress. A smaller

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Executive Committee, consisting of twenty-six members with the members distributed on a geographical basis, was to meet "at least twice a year/' In control of the day to day activities of the Federation was to be the Executive Bureau, meeting between sessions of the Executive Committee—that is to say, in principle, once every three months—and consisting of the General Secretary, the Chairman and seven Vice-Chairmen. The first General Secretary to be appointed was Louis Saillant, of the French C.G.T., who had been Chairman of the French National Council of Resistance during the war. The General Secretary was elected and removable by the Executive Committee.

In the preamble to the Constitution adopted in Paris, the W.F.T.U. declared that among its "prime purposes" was the task of carrying on "the struggle for the extermination of all Fascist forms of government and every manifestation of Fascism under whatever form it operates and by whatever name it may be known."

Of interest, too, is the attention given to trade union education at the Paris Conference, which resolved that "The World Trade Union Conference is of the opinion that the promotion of culture and education among the members of trade unions is one of their most important tasks. The keynote of this work should be to imbue the working people with the spirit of international solidarity and labour unity in the struggle for the speediest and most complete eradication of the remnants of Fascism, for the complete democratisation of social and political life, and for the successful achievement of the tasks connected with the social and economic reconstruction of the world."

The Split in the World Federation

The activities of the World Federation of Trade Unions, the growing rift within it and the eventual secession of the trade union movements of Britain, the U.S.A. and Holland constitute a story too complex and too recent to permit of an adequately dispassionate treatment in a book of this character. It must suffice to say that the World Federation arose out of conditions of war-time "Big-Three" co-operation and that in its original form, it did not long survive the breakdown of that co-operation.

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However the final responsibility for the breakdown is allocated, the W.F.T.U., during the first three years of its existence and while it included every important trade union centre except the A.F.L., amply justified its existence. By March, 1948, it claimed an affiliated membership of well over 70,000,000, representing the trade union movements of over 60 countries—the largest labour organisation in the history of the world, and the most representative. Among its most important activities have been the steps taken to encourage trade union organisation and assist it to take firm hold in backward and in ex-enemy countries. In addition to sending delegations to assist the trade union movement in Greece, and making protests which have sometimes availed to save the lives of trade unionists in that country, and besides the help given to the trade union movement in Germany, Japan and Korea, representatives of the W.F.T.U. have visited such countries as Iran, where intervention was made on behalf of trade union victims of government persecution. The W.F.T.U. showed great concern for trade union organisation among colonial and semi-colonial peoples. In April, 1947, for instance, a conference was held at Dakar for African trade unionists; the agenda included such questions as the legal status and rights of trade unions in African territories; African standards of living and labour legislation, and the problems of organising African labour.

The W.F.T.U., on the strength of its being at the time the authoritative representative of world labour, secured representation in a consultative capacity on the Social and Economic Council of the United Nations, and also on the Food and Agricultural Organisation and the International Health Organisation. Agreement was reached for a workers' representative to sit on the governing body of the World Bank, to be appointed jointly by the W.F.T.U. and the International Labour Office. The W.F.T.U. has used its position at the United Nations to defend the legal rights of trade unions in countries where these are still threatened and to press for such social reforms as equal pay for women.

So much for the undoubted positive achievements of the organisation. There were, however, in the opinion of the representatives of the T.U.C., the C.I.O. and the N.V.V. (of Holland) important negative features which eventually made the continuance of unity impossible. In a statement issued

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by the representative of these organisations who formally withdrew from the Executive Bureau of the W.F.T.U. on January 19th, 1949, and which was printed in full in the Woodworkers' Journal of June, 1949, the fundamental reason lay in the divergence between the Communist and non-Communist sections of the world movement. Between 1917 and 1941 these differences had given rise to unavoidable division in the working class movement, but the unity in action achieved between the years 1941 and 1945 held out the promise that the split might be healed. Hence the formation of the W.F.T.U. From the first, however, misgivings arose from the fact that "a stream of newly created organisations in economically backward countries, which used to count membership in tens of thousands, were announcing membership figures, which there were no means of checking, in the million mark*" thus threatening to submerge older well established trade union movements. This made it all the more essential for the inclusion of "regular long established units" such as the International Trade Secretariats as integral parts of the World Federation. Prolonged negotiations failed to achieve this, principally because of obstruction from the Soviet trade unions. Even more serious was the campaign, initiated by the Soviet trade union journal, *Trud*, and later taken up by the official bulletin of the W.F.T.U., against the "Reformist" trade union leaders within the Federation. "Tense struggles" had occurred within the W.F.T.U. delegations to Germany, Iran and Japan, because the Communist members wished to make these delegations' reports into Communist propaganda screeds. Communist hostility to the Marshall Plan frustrated all attempts to get co-ordinated activities on E.R.P. *within* the World Federation; such co-ordination had consequently to be obtained *outside* its organisation. Finally, the representatives concerned "sought a recommendation to national centres in favour of a suspension of activities (*on the part of the W.F.T.U.*) which would give time for wiser counsels to prevail" in a last attempt to save the unity of the organisation. But this, too, was of no avail and inevitably the breakdown occurred.

The case for the W.F.T.U., containing a rather different version of the events leading up to the withdrawal, is contained in a pamphlet entitled *Free Trade Unions Remain in the W.F.T.U.* published by the World Federation. Briefly, in

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this version the leading bodies of the W.F.T.U., while containing Communist majorities, had never sought to impose views on the minority, but ensured that decisions had "almost invariably been taken unanimously and after full consideration of all points of view expressed." On the contrary, it was the representatives of the minority that had tried to impose their policies on the world movement, in particular over the Marshall Plan. Quite extraordinary manoeuvres had been executed to prevent an accredited representative of the W.F.T.U. from attending the Margate (1948) Congress of the T.U.C. Over the issue of the Trade Secretariats Mr. Deakin had stated, as late as November, 1947: "I am of the opinion that we have now done everything in our power to give satisfaction to the Trade Secretariats . . . If the Trade Secretariats say: 'No, we do not want to come into the W.F.T.U.' my opinion would be to say 'so much the worse.' I do not see what more we can do than we have done up to now." And that finally the withdrawal of the British, American and Dutch representatives was done at the instigation of the American and British Governments, the pretexts being clumsily manufactured after the decision to leave had been taken.

On this melancholy note, we shall have to conclude our survey of international trade unionism. At the time of writing, an International Confederation of Free Trade Unions has been set up (December 7, 1949) representing 46,380,000 workers. Five months earlier, in July, the second biennial World Congress of the W.F.T.U. had been held, representing 71,786,515 workers. Nearly 120 million organised workers, therefore, are divided between the two world centres. Under other conditions attempts will perhaps be made to re-establish world trade union unity. For the moment the split is definite.

CHAPTER 6

TRADE UNION STRUCTURE

WE have examined some of the problems confronting trade unionism to-day in the light of its history and of the functions it has now to perform. We have seen it operating in its *external* relations—to the State, to the national economy, to the employers and to the trade union movements in other lands. What of its *internal* organisation? How has it emerged in its present form and how far is that form adequate to cope with the problems of today?

The structure of the British trade union movement is not based, as is well known, on logical principles. This is because it has emerged out of a long process of unplanned historical development, in which adaptations in structure have been made infrequently and reluctantly to deal with particular crises as they arose, and not in conformity with a set of clearly worked out principles. Throughout most of Europe the trade unions are organised logically along industrial lines, with a clearly defined and authoritative centre for the entire movement. In comparison, the British trade unions seem to show up to considerable disadvantage; yet it must not be forgotten that in many European countries the legal trade unions were smashed by the Nazis, and were rebuilt on fresh foundations after the liberation. They have therefore had every opportunity of being rebuilt in the light of experience and theory accumulated in the course of a century. The task in Britain is rather to consider how the existing movement, with all its drawbacks, may be adapted to present needs than to draw up blue-prints for an ideal structure.

Main Types of Union

British trade unions are conventionally divided into three categories—general, craft and industrial. Historically the first trade union established on a nation-wide scale was a general union, the Grand National Consolidated Trades Union of Robert Owen, open to all workers irrespective of their craft or of the industry in which they worked. Its spectacular rise in the first half of 1834 and its equally spectacular

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collapse in August of the same year, left a lasting impression in the minds of British workers, and subsequent attempts at trade union organisation were more limited and more practical. During the 1850s and 1860s there arose the "new model" craft unions among engineers, carpenters, bricklayers **and** others, organising skilled men According to their craft **and** irrespective of the industry in which they might work. Many trade unionists who had been caught up in the Owenite movement of the 'thirties and who had lived through its hopes and **dis**appointments must have concluded, on the basis of **their experiences,** that the unskilled labourers were unorganisable **and** that to retain even the craftsmen in permanent, stable organisations, something more tangible than an abstract social ideal would be required. Hence the main characteristics of the "new model" unions—their craft exclusiveness, high membership fees, emphasis on friendly benefits and neglect of the problem of organising their unskilled fellow workers. Yet despite, or more probably because of their substantial limitations, the men of the "new model" unions established in Britain the first stable, well organised and lasting trade unions, laying down a firm basis on which future expansion could take place.

Following the great dock strike of 1889 there came the burst of organisation among the unskilled and poorly paid workers. For the first time stable organisations were formed among gas workers, railwaymen¹ and agricultural workers. The Miners' Federation of Great Britain had been formed or* industrial lines (uniting workers on the basis of the industry in which they worked and irrespective of craft) in 1888 even before the dock strike, and following that strike appeared the nucleus of new general unions which subsequently became the Transport and General Workers' Union (including the dockers) and the National Union of General and Municipal Workers (including the gas workers). Today all three types of union **are** with us, and as we shall see, a very large number of unions **not** fitting exactly into any of these categories, but combining features of two or even of all three types of union.

It is of interest to notice, in passing, that in outline the history of American trade unions follows a similar pattern.

¹ The Amalgamated Society of Railway Servants had been formed as early as 1871, but as a "new model"* craft union. The General Railway Workers' Union formed after the dock strike catered for all grades.

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In 1869 the Knights of Labour was formed in Philadelphia, having many of the characteristics of Robert Owen's Grand National; it was open to workers of every trade and, at least in its early days, it worked for the revolutionary transformation of society as the culmination of trade union struggles. In 1886 the American Federation of Labour was set up, under the leadership of Samuel Gompers, based almost entirely on craft unions. The struggle between the principle of craft and industrial unionism did not develop in the U.S.A. until the nineteen-thirties, about forty years after it began in Britain.¹ It culminated, in 1937, in the separation of the C.I.O. from the A.F.L., an occurrence finding no parallel in British history, since the General Council of the T.U.C. has not, up to now, sought to impose the same degree of discipline on its affiliated unions as did the Executive Council of the A.F.L.

Already in the eighteen-nineties Tom Mann had led a successful struggle, within the Amalgamated Society of Engineers, against the craft exclusiveness of that body and had induced a delegate meeting in Leeds in 1892 to change the rules so as to allow the admission of certain categories of semi-skilled men. There were also, throughout the 'nineties, severe clashes between adherents of the "old" and the "new" unionism at the annual Trades Union Congresses. The issue flared up again before, and particularly during the first world war when the supporters of craft unionism came under heavy fire. From July, 1910 to May, 1911, Tom Mann had published a monthly pamphlet *The Industrial Syndicalist*, to advocate the principles of industrial unionism as a vehicle for social revolution, though Tom Mann was never so doctrinaire as to demand, like the followers of De Leon, a complete organisational break with the old unions and the foundation of brand new, pure industrial unions. He wanted rather to see the progressive amalgamation of craft unions to form industrial unions, and recommended the separation of friendly from strike benefit funds to facilitate amalgamation.

Craft and Industrial Unions

The general lines along which the adherents of industrial unionism criticised the craft unions are now fairly familiar. Organisation of workers by craft had become obsolete, it was

¹ In both countries the drive to break from a craft basis came after many years of severe depression.

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claimed since modern machinery was increasingly sub-dividing processes so that one job which could previously be done only by a highly skilled craftsman could, at a later date, be broken down into a number of simpler processes, each capable of being performed by a semi-skilled man. Just as trade unions themselves had been the historical product of the disappearance of the independent artisan craftsman and his replacement by the craftsman employee (no longer owning his own means of production but exploited by a capitalist) so, with the further development of technique, the earlier craft unions must give way to industrial organisations which would be the prelude to the ending of capitalism.

The other major criticism made at this time against the old unions, was that their craft structure lent itself to prolific demarcation disputes, which necessarily weakened the working class in the face of employers, who were each year becoming more integrated and class conscious. Between 1865 and 1917 there had been thirteen disputes in the engineering trade alone. In the former years there had been a dispute between the boilermakers' union and the A.S.E. because A.S.E. members had been doing the work appropriate to angle-iron smiths.. In 1889 the A.S.E. membership blacklegged during a strike at Silver's works in Silvertown, which was conducted by unionists who were members of craft unions other than the A.S.E. In 1897, on the other hand, the A.S.E. called a strike for the eight hour day which was at first supported by most of the craft unions in the engineering trade, Subsequently the boilermakers, smiths and iron moulders broke away, the boilermakers' decision being, it was said, influenced by the fact that their society had money invested in Armstrong Whitworths. The A.S.E. and its remaining allies went down in hopeless defeat after nine months' struggle, having lost a total of over £600;000. Similar examples could be cited from a variety of other occupations, including the printing and book-binding and the building trades.

The movement for closer trade union unity gained ground in the course of the first world war, and especially in the early post-war years. For this, the experiences of the railway strike of 1919 were to some extent responsible. W. Milne-Bailey has pointed out that attempts to co-ordinate trade union forces in support of the strikers "led the Trade Union world to consider seriously the greater consolidation of its forces

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and the establishment of a central executive body for the whole of organised Labour. This latter project was realised in 1920-21 by the formation of a General Council for the Trades Union Congress, which has been the body recognised as empowered to speak for the whole trade union movement. From that time, too, the process of amalgamation of separate trade unions has gone on at a more rapid rate, stimulated by the General Council of the Trades Union Congress."¹

Amalgamations took place which brought into being a number of new unions important among which were the Transport and General Workers' Union, the National Union of General and Municipal Workers, the Amalgamated Engineering Union, the Amalgamated Society of Woodworkers, the National Union of Foundry Workers and the National Union of Distributive and Allied Workers. Remaining discontent with the structure of the movement came to a head in 1924, when the annual Conference of the T.U.C. resolved: "(a) That the time has arrived when the number of trade unions should be reduced to an absolute minimum, (b) That the aim should be as far as possible organisation by industry, with every worker a member of the appropriate organisation, (c) That it is essential that a united front be formed for improving the standards of life of the workers." The General Council was accordingly instructed to draw up a plan for the reorganisation of the entire movement along industrial lines. The investigation which followed from the resolution took three years to complete, and when a report was issued in 1927 it was declared that the principles underlying the 1924 (Hull) Resolution were not capable of realisation without splitting the movement into fragments as a result of the bitter resistance of the existing craft unions. The way forward was rather for the T.U.C. to encourage amalgamations of unions and federations, in which they could unite for certain purposes without giving up their autonomy. Since the outbreak of the second world war a number of important amalgamations have occurred, most notably the National Union of Mineworkers, which was formed in 1944 out of the earlier, looser federation of districts brought about in 1888 as the Miners' Federation of Great Britain; the Union of Shop, Distributive and Allied Workers, which unites workers in the distributive trades who were previously split between two unions, one

¹ W. Milne-Bailey: *Trade Unions and the State*, p. 54

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consisting of co-operative employees. Examples of federation are the National Federation of Building Trade Operatives, which combines such bodies as the Amalgamated Union of Building Trade Workers, which has the big majority of its members in the building trade (a few are in quarrying) and the Amalgamated Society of Woodworkers, which has only a minority of its members in building. The extent to which unions entering a federation, delegate power to it, naturally varies considerably. The N.F.B.T.O., for example, is unusual in being a federation possessing the right to call a strike. Along much more usual lines is the Confederation of Engineering and Shipbuilding Unions (recently strengthened by the adhesion of the A.E.U.); this can not call strikes but it co-ordinates policy for over three million workers and, during the second world war, produced the *Engineering and Joint Trades Memorandum*, with its realistic and radical programme for post-war reorganisation of the engineering industry.

The Report which the T.U.C. issued in 1944—*Trade Union Structure and Closer Unity*—registers no alteration in policy. Industrial unionism is still recognised as a desirable ideal, but an ideal to be approached with a great deal of patience and caution.

Though the craft unions can not be replaced over-night by industrial unions, they can progressively modify their structure and their rules so as to keep in step with technical and industrial developments. An example of this is the A.E.U. When it was first formed, as the Amalgamated Society of Engineers, in 1851, it was a highly exclusive union. When the electricians applied for admission they were refused, the A.S.E. condescending to send them, however, a copy of its rule book. The offer was gratefully accepted, so that the structure and rules of the Electrical Trades Union were originally modelled on those of the A.S.E.

The experiences of the First World War, however, impressed on the A.S.E. the need to adapt its structure to the changing conditions in the engineering industry, and in 1920 it amalgamated with nine other "amalgamated societies" catering for engineers to form the Amalgamated Engineering Union. Ironically, the ballot in the E.T.U. failed to secure the necessary majority for amalgamation with the A.E.U. The A.E.U. has shown itself prepared to adapt its structure, opening an

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"industrial section" in 1927, while still preserving craft sections. Its structure is to some extent a compromise. Those members of the A.E.U. in Grade 1 (possessors of the coveted green card denoting the highest degree of craftsmanship), are sometimes inclined to complain that the wage structure of the industry is changing in favour of the semi-skilled man and to the detriment of the craftsman, and that, in its modern form, the A.E.U., having become itself "diluted" by the semi-skilled, no longer adequately caters for the craftsman's interests. This is exactly what members of craft unions tend to fear from the development of industrial unionism, and helps to explain why they often cling so tenaciously to the older principle of organisation.

On the other hand, demands have for a number of years been made by members of the National Union of Vehicle Builders for the formation, in the engineering industry, of one industrial union with craft sections; the Vehicle Builders would be, in that case, a craft section of the A.E.U. It is interesting to contrast this attitude on the part of Vehicle Builders with the very bitter opposition on the part of the craft Associated Society of Locomotive Engineers and Firemen to industrial unionism on the railways (exemplified by the industrial National Union of Railwaymen).

Yet, whatever difficulties may arise, and whatever friction may be caused by attempting such adaptations as the A.E.U. has undergone, it is surely better to incur them than to experience the continued friction with rival craft unions, including frequent demarcation disputes and consequent helplessness in face of the employer. An extremely successful example of craft unions that have merged to form an Industrial union is to be seen in the foundrymen. The Amalgamated Union of Foundry Workers emerged from a number of craft unions which came together in 1920 and established the National Union of Foundry Workers, open to all sections of workers in the founding industry. This was further broadened through subsequent amalgamations, so that the A.U.F.W. is today open to all men and women working in any capacity in the industry. Not all those eligible, however, are in fact members, since there are still one or two very small trade unions with a foundry membership while the large general unions still have an interest in the unskilled and, to a lesser degree, the semi-skilled workers employed in the foundry.

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Just as some unions which originated as craft unions have broadened their structure so as to approximate to industrial unions, so other craft unions can have features which are generally associated with the big general unions. The formation of trade groups within one union enables the Transport and General Workers' Union to include busmen, clerks and farm workers, but it is also possible for a mainly craft union like the Electrical Trades Union to form trade groups—in fact such a step is now under discussion. The Association of Scientific Workers, which, in so far as it can be classified, approximates to a craft union, includes research chemists and economists in its ranks, and is also considering setting up trade groups so as to rationalise its structure.

In recent years the term "occupational union" has come to be used to denote a union which, like the Confederation of Health Service Employees, the Clerical and Administrative Workers' Union, and the Association of Supervisory Staffs Executives and Technicians, organise workers on the basis of "occupation" not confined to a single industry. In this respect they resemble craft unions, but differ from them in not requiring specific "craft" qualifications as a condition of membership.

In fact we must conclude that exhaustive classification of unions into types is impossible, and that progress towards a more rational trade union structure may be expected to be slow.

Comparison with European Unions

One reason for this, of course, is that the General Council of the T.U.C., which came into existence in 1920 to replace the old and fairly ineffective Parliamentary Committee, while^{*} having the function of providing the whole movement with a co-ordinated lead, has no executive power. It can do no more than advise unions regarding such questions as amalgamation, or give a policy lead on such questions as wages and nationalisation, which constituent unions may, and sometimes do, disregard.

¹ The recent growth of staff unions affiliated to the T.U.C. reflects a significant change in the attitude of the lower ranks of management, technicians and professional workers.

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Many European trade union movements having, for historical reasons, a more logical structure, have a central committee which can speak effectively for the entire movement and issue, where necessary, directions to constituent bodies. In Poland, for instance, there are no trade union branches. The organisation is based on factory councils and shop councils, which elect representatives to Provincial and District Congresses. These in turn elect the higher executive bodies, including the central executive. In Czecho-Slovakia the structure is similar, though Czecho-Slovak unions have local branches as well as factory councils. In France, the trade union organisation is based on the "syndicat," which is "a grouping of workers of the same trade in the same locality."¹ Each "syndicat" "belongs at the same time to its federation and to its departmental union." The "departmental union" corresponds to what we should call a trades council, but the C.G.T. is based equally on the national federations (such as miners, transport workers, metal workers, etc.) and on the departmental unions, which unite all workers in the same district irrespective of trade. Both departmental unions and trade federations are represented on the C.G.T. according to their affiliated memberships.

Trades Councils

By contrast, the position of the trades councils in Britain is highly anomalous. They have not, since 1895, been represented with voting rights at an annual Congress of the T.U.C., the argument being that to give representation to trades councils would give a double representation to those union branches which were affiliated to trades councils—they would thus be represented through the trades council and through the union of which they formed part. In fact the decision to exclude trades councils from the T.U.C. came at a time when, as we have seen, the leadership of the T.U.C. was counter-attacking with some success against the militant and Socialist elements which were strongly represented in the trades councils. Then as now the trades councils tended to represent the most politically conscious sections of the movement. The Scottish T.U.C, which is usually to the left of the British T.U.C, represents Scottish trade unions and trades

¹ *L'Organisation de la C.G.T. et du Mouvement Syndicate*, by R. Bothercau.

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councils. (Nearly all the unions affiliated to the Scottish T.U.C. are at the same time affiliated to the British T.U.C.).

It frequently happens that a branch affiliates to a trades council on less than its full membership. For example, a branch may originally affiliate on the basis of its full membership of 200. The membership may increase to 500, while the branch remains affiliated on the basis of the original membership. Alternatively, there may be a proportion of the branch membership in arrears with its contributions at the time that the branch affiliates, and then the branch may affiliate on the basis of its paid-up membership only. Since affiliation fees are usually of the order of 2d. per member, it will be understood that the activities of trades councils are too often curtailed through lack of cash. Very few trades councils—five or six out of more than five hundred—can afford to pay a full-time secretary.

There are today, about five hundred trades councils in England and Wales which function under the auspices of the T.U.C. They are grouped into twenty-three Regional Federations whose boundaries are "finally defined by the T.U.C. and are not necessarily based on county boundaries. (The Tees-side Federation, for example, covers part of the North Riding and South Durham)."¹ Since 1895 the trades councils have not been at all well integrated into the rest of the machinery of trade unionism. There is no contact, for instance, between the trades councils and the T.U.C., apart from the Trades Councils' Joint Consultative Committee, which was established in 1925 and consists of six members of the T.U.C. General Council who are elected at the annual Congress and six elected representatives of the trades councils. This committee serves to maintain contact between the trades councils and the General Council; in addition it elects a fraternal delegate to the annual Congress.

Trades councils have been on many occasions the spearhead of the trade union movement in the localities. They were at the forefront in the campaign in 1920 to prevent the outbreak of war between Britain and Russia; in 1926 at the time of the general strike; during the hunger march campaigns of the unemployed in the 1930s and particularly in the campaign to win trade union and public support for Republican Spain between 1936 and 1939. Partly for this reason the more staid members of the trade union leadership sometimes look

¹ *Trades Councils Guide. T.U.C., p. 15.*

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askance at the trades councils. In 1934 the trades councils were instructed by circular from the T.U.C. not to accept delegates from "Communist or Fascist" organisations, but in 1943, when the effects of the Russian alliance were beginning to be felt, the circular was withdrawn. It was never particularly popular and was in some cases defied.

As the only organisations which can co-ordinate the trade union movement in the localities, trades councils are clearly of immense importance, and it might well prove beneficial if a way were found to integrate them into the structure of the movement. At present they can launch general trade union recruiting campaigns in the localities, provide authoritative information on T.U.C. policy and give assistance to new branches in the areas under their control. They also represent the trade union movement on local education committees, food control committees, health committees and the like. If (as a result of a drive by the trades councils backed by the authority of the General Council) all, or nearly all, branches of unions affiliated to the T.U.C. could be persuaded to affiliate on their full memberships to their appropriate trades council (at 2d. per member per year the financial burden on the branch would be small) there would be no serious objection to restoring trades council representation at Trades Union Congresses on the basis of affiliated membership. The T.U.C.'s structure would then, in this respect, resemble that of the French C.G.T. in that every member of an affiliated union would be represented twice at Congress; once, let us say, as a Londoner or a Tynesider, and once as a furniture worker or as an engineer.

The Bloc Vote and Election of the General Council

If this reform were achieved—and such a reform is quite conceivable, though it is unlikely to come all at once—it would be less easy for issues at Congress, including elections to the General Council, to be manipulated by the bloc votes of a small number of powerful unions. The bloc vote is often denounced as an undemocratic device, though at first sight nothing could seem fairer than that the voting power of each union should be in proportion to its numerical strength and should be cast as determined by the majority of the delegation elected at the annual Congress. But it sometimes happens

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that in, for instance, the miners' delegation, opinion is nearly equally divided, and that the entire bloc vote is determined by a majority of two to three within the delegation. This is even harder to defend in the case of a composite general union like the T. Sc G.W.U., in which the agricultural workers may have decided views, but whose vote must be cast as part of the total union vote as decided by the majority. This objection would clearly be weakened, and more representative votes achieved, if a branch could vote in proportion to its membership as part of a district federation of unions as well as through the national unit to which it belonged. It would also make harder the discreditable backstairs bargains to which the present arrangement lends itself; as things are, it is possible for a few influential figures in the delegation of union *A' to promise the bloc vote of their union to union 'B', in return for corresponding concessions from union 'B'. Another alternative, which would certainly ensure more representative voting figures at Congress, would be to split the bloc vote in accordance with opinion within a delegation, so that, say, delegates representing a third of the membership of their union could vote against a motion which the majority of the delegation supported. There seems no particular virtue in a procedure which compels the whole of a union's delegation to vote in the same way over issues on which opinion is deeply and fairly evenly divided.

No one would claim that the General Council of the T.U.C., as it is elected at present, is fully representative of the movement. The most that can be said is, in the words of the General Secretary at the Margate Congress, 1948: "anomalies are bound to arise on an arithmetical basis . . . the General Council have not been able to discover a solution to the problem . . . the General Council are giving continuous attention to this matter." The General Council, which is elected at each year's Conference, consists of 33 elected members. All the unions affiliated to the T.U.C. are divided among 18 groups (e.g. mining, railways, transport, civil service, non-manual, general, etc.) each group returning from 1 to 3 members. Each group nominates its own candidates for the General Council, but the General Council is elected by ballot of the entire Conference. There is an additional group—women workers—from whom two representatives are elected by Conference to the General Council.

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It was pointed out at the Margate Conference (1948) by the General Secretary of the Civil Service Clerical Association, that "in the Transport Group, with well over 1,000,000 members, there are only 3 seats, whereas in the Railway group, with half that number of members, there are equally 3 seats. Then the existence of some of these groups is itself very dubious. If there is a Transport group, what is the case for not having the Railways in that Transport group? Again, coming to the Non-Manual Workers' group, it will be found that there are Unions in that group who represent workers who can only work with their hands, because there is no brain work to do in the jobs they have." Another delegate pointed out that Group 13, (Glass, Pottery, Food and Chemical Workers),¹ with a total membership of over half a million, returns 1 member to the General Council while group 6 (Iron and Steel) and group 9 (Cotton) have each less than 200,000 members but return 2 members each to the General Council. To these, and similar criticisms, Mr. Tewson, the General Secretary, replied that any attempt to remove existing anomalies in a movement with a structure as complicated as that of the T.U.C. might always result in the creation of new and worse anomalies, and that one had to proceed cautiously—an argument which carried the majority of the Conference.

Powers of the General Council

To some extent, anomalies in the election of the General Council are less important than they might be, because of the very limited powers of that body. Any proposal at present to increase these powers would encounter insuperable opposition from the constituent unions, which are about as jealous of their autonomy as were the framers of the American Constitution of state rights. The General Council can make recommendations and give a lead in policy which may or may not be followed. It will be a long time before the General Council is allowed to interfere with individual unions to the extent, for instance, of directing amalgamations or ordering the inclusion of unions in a federation—quite apart from the existing legal obstacles to amalgamation.

It has been suggested that, even with its existing limited powers, the General Council could give more effective

¹ See Appendix I.

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leadership if at least some of its members were made full-time. The objection that the General Council is not an executive but a policy-making body and that there is a tendency for any full-time officials to get out of touch with opinion inside the movement, is a formidable one, though on the present General Council (1950) all members except one are full-time officials of their respective unions. If, out of the 33 members of the General Council, there could be elected a cabinet of 6 full-time officials to co-ordinate the day-to-day work of the movement in accordance with policies laid down, and if this cabinet or secretariat of 6 were subject to removal or re-election by the General Council, then existing objections might be met. The administrative and political advantages of having a full-time secretariat sitting with the General Secretary as the authoritative representative of the entire movement, between the monthly meetings of the General Council, would be considerable.

Union Constitutions and Election of Officials

One of the difficulties in the way of closer unity within the movement, which is very often overlooked, is the really tremendous discrepancies that exist in the constitutions of the various unions. In some unions the rank and file has a great deal of direct control over the executive. In the A.E.U., for example, the controlling body is the National Committee, which is elected yearly by the membership, on the basis of two representatives from each of the twenty-six divisional committees, and which controls policy and closely reviews the work of the Executive, itself elected by the membership, divided for this purpose into seven divisions. At the other extreme, we find the British Iron, Steel and Kindred Trades Association, whose Executive Council is elected by the membership for three years (one third of the E.C. retiring annually) and which directs the policy of the union, unchecked in any way by the rank and file. A delegate assembly, directly elected from the membership, may be called by the E.C. at its discretion, but the delegate assembly has only advisory powers and is, in fact, rarely called.

The Amalgamated Society of Woodworkers has, since 1948, an annual congress of delegates which only possesses advisory powers and exercises no sort of control over the General Council. The Transport and General Workers' Union, on the other

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hand, has a delegate conference meeting once every two years which has supreme power, including the power of revising the rules. As in the case of the French C.G.T., the member of the T. & G.W.U. is represented on the central controlling body both through his trade group and through his area organisation. Every trade group and every group of the T. & G.W.U. is represented on the basis of one delegate for every thousand members, at the biennial delegate conference.

Every bit as various are the status and methods of appointment of trade union officials. In some cases—the Electrical Trades Union, the National Union of Railwaymen and the National Union of Boot and Shoe Operatives, for example—all officials are directly elected by the membership. In others, such as the Transport and General Workers' Union and the Union of Shop, Distributive and Allied Workers, they are chosen by the Executive, sometimes on the basis of a competitive examination which may or may not include a personal interview. The Amalgamated Society of Woodworkers employs a competitive examination (including an interview) to weed out applicants for posts as officials, and then hands back a considerably reduced list to the membership from which a final choice may be made by election.

On the face of it, it might seem that all the arguments favoured the more democratic procedure of the election of union officials by the membership. The objection most commonly made is that the job of a union official today is a highly technical one, frequently (as in the case of the textile unions) involving the intricate calculation of piece rates and always involving the ability to interpret, as well as to negotiate, complex agreements with the employers. A system of election, it is said, does not lend itself to the best choice of officials under these conditions; moreover, the need to submit periodically to re-election implies an insecurity of tenure not conducive to securing the best men for the job. Yet it could be answered that a trade union official's job can only be learned by doing it. Whenever a certain minimum of technical knowledge is indispensable the passing of an examination can always, as with the woodworkers, be made a condition of being allowed to stand for election, but that is not the same thing as filling union posts on the results of an examination. It is not essential for an official, even in textiles (where the tendency now is for agreements to become simpler) to carry in his head all the details of

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every agreement, providing he has the common sense to know where the details can be found. But it is necessary for the official to be sufficiently one of the rank and file to want to fight tenaciously for their interests. Insecurity of tenure may be an advantage in an official. The man who comes from the bench, serves a term as an official and then goes back to the bench, may well be preferable to the full-time career official, however technically proficient. And the final, overwhelming argument for the election of officials, is that only when the members feel that they can effectively control the work of their union is there the remotest chance of getting the rank and file to take an active interest in the union's affairs, and to cease leaving things to the officials, while confining their own activity to dues paying and the luxury of an occasional grumble when things seem to be going wrong.

Shop Stewards

Finally, whilst, as we have seen, there is unlikely to be for a long time in Britain a trade union movement organised on an exclusively industrial basis, it is indispensable that wherever possible the shop stewards, who represent the workers at the point of production, should receive the fullest recognition and integration into the trade union machinery. There is a tendency for those elements in the trade union leadership who dislike trades councils to dislike shop stewards, and for the same reason. Some unions, such as the T. & G.W.U., the A.E.U., the E.T.U. and the National Union of Sheet Metal Workers, make special provision for shop stewards in their rule books, though the majority of unions do not. Fears that shop stewards, by organising workers at the point of production, may cut across branch organisation, usually based on place of residence, have usually proved ill founded. On the contrary, by providing the worker with the means of rapidly reporting workshop grievances and having them promptly attended to, the shop stewards may well enhance the trade union consciousness of members with resulting growth in attendance at meetings. Shop stewards are more likely to strengthen the branch machinery than to weaken it; the element of rivalry should not arise, for the workshop cannot, as things stand, replace the branch as the basis of union organisation. One of the main obstacles in the way of efficient and freely functioning shop stewards, is

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the hostility of some managements to them on principle, and the resulting fear of victimisation. A very large proportion of the unofficial strikes that have broken out since the war have arisen out of the dismissal of shop stewards, who tend to be among the first victims of "redundancy." Trade unions can help here by insisting on the legitimate functions of shop stewards being clearly written into agreements with the employers and by insisting that men are not laid off without prior consultation with the unions.

It is unfortunate that the engineering and allied employers still refuse to recognise the joint shop stewards' committees now officially provided for by the Confederation of Shipbuilding and Engineering Unions. In shops with workers belonging to various unions the stewards form such committees, the chairmen and secretaries of which attend quarterly meetings convened by the C.S.E.U. at district level. They also have direct contact with the District Secretary of the C.S.E.U. The employers, however, while recognising and negotiating with C.S.E.U. officials refuse all recognition of Confederation shop stewards despite pressure from the Confederation itself.

Conclusions

While the structure of British trade unionism is bound to remain for a long time untidy, illogical and sometimes confusing and lending itself to inefficiency, the general line of advance seems reasonably clear. Amalgamation where possible; federation where amalgamation would be premature; the democratisation of union rules so as to increase the control of the membership over officials and executive; removal of the more outstanding anomalies in the election of the General Council; and finally, branch organisation supplemented by organisation, through shop stewards, at the point of production, all these can contribute towards enabling the movement to cope adequately with tasks the scale and complexity of which are increasing, as the power of organised labour grows.

APPENDIX 1

THE TRADES UNION CONGRESS

The Trades Union Congress is composed of 187 affiliated unions representing a membership of 7,936,600 as at the 31st December, 1948. The 187 unions are divided into Industrial Groups on the following basis :

<i>Trade Group</i>	<i>No. of Unions</i>	<i>Membership</i>	<i>Representatives on General Council</i>
1. Mining & Quarrying ..	4	644,767	3
2. Railways	3	620,844	3
3. Transport (other than Railways)	10	1,383,177	3
4. Shipbuilding	4	122,810	1
5. Engineering, Founding & Vehicle Building	27	1,250,034	3
6. Iron, Steel & Minor Metal Trades	20	193,275	2
7. Building, Woodworking & Furnishing	20	592,737	2
8. Printing & Paper	14	251,991	1
9. Cotton	8	158,029	2
10. Textiles (other than cotton) ..	23	111,751	1
11. Clothing	5	172,473	1
12. Leather, boot & shoe.. ..	6	115,898	1
13. Glass, Pottery, Food, Chemicals, etc.	15	479,883	1
14. Agriculture	1	135,000	1
15. Public Employees	4	225,017	1
16. Civil Service	7	429,211	1
17. Non-manual	12	225,740	1
18. General Workers	4	823,963	3
19. Women Workers	—	—	2
<i>Total number of Unions affiliated to the T.U.C.</i>			187
<i>Total Membership :</i>		Men ..	6,699,947
		Women ..	1,236,653
			<u>7,936,600</u>

TRADE UNIONS TODAY

The T.U.C. holds an Annual Conference in September of each year. It is usually attended by 800 to 860 delegates. These are elected on the basis of one delegate for every 5,000 members, or fraction thereof. There might, therefore, be about 1,500 delegates to the Conference, but most unions do not elect or appoint their full quota.

The Annual Conference determines the policy of the movement for the ensuing twelve months, though there is no obligation on affiliated unions to observe Conference decisions. Individual unions submit resolutions, up to a maximum of 3, or amendments to resolutions, up to a maximum of 3. The General Council promotes discussion at Conference on the bases of policy reports and a general statement covering the work of the previous year.

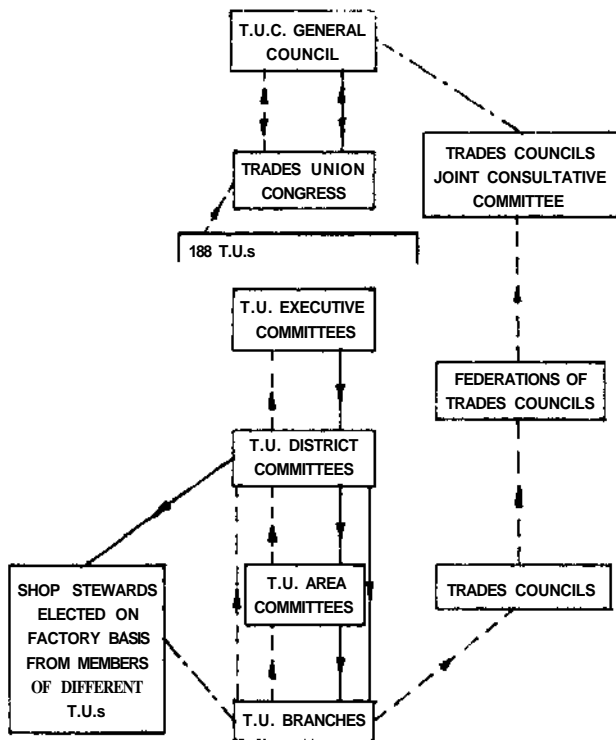
The General Council consists of 33 members. It is elected by ballot at each Annual Conference. The nominees for the 18 groups detailed above are made from the unions within each group, but balloted upon by the whole of the unions attending the Conference, the method of bloc voting being employed. The nominees for a nineteenth group (**women** workers) are made from any union containing women, and balloted upon by the whole of the unions attending the Conference.

The General Council meets once each month and such other times as may be required; it elects its own Chairman (usually on the basis of seniority of service) and carries out the policy of the Annual Conference.

The General Council—subject to the approval of the Annual Conference—appoints a General Secretary, an Assistant General Secretary and an Assistant Secretary, who attend meetings of the General Council *ex officio*. It also elects Secretaries of the following departments : Finance, Organisation, International, Wages Council, Education, Research and Economic, Social Insurance, Publicity, Legal and Women's.

APENDIX II
COMPARATIVE T.U. STRUCTURE

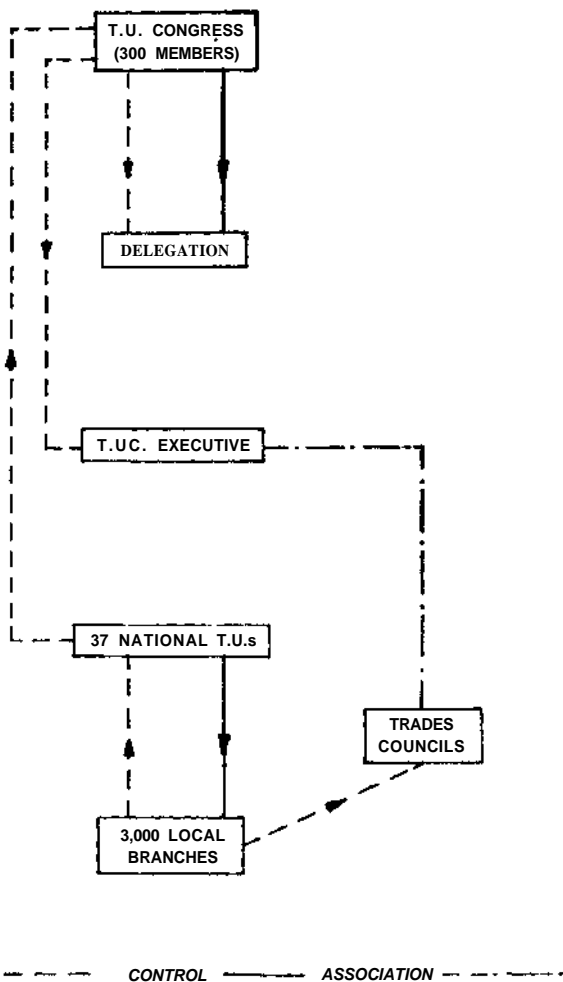
GREAT BRITAIN



ELECTION --- . . . CONTROL ——— ASSOCIATION --- . . .

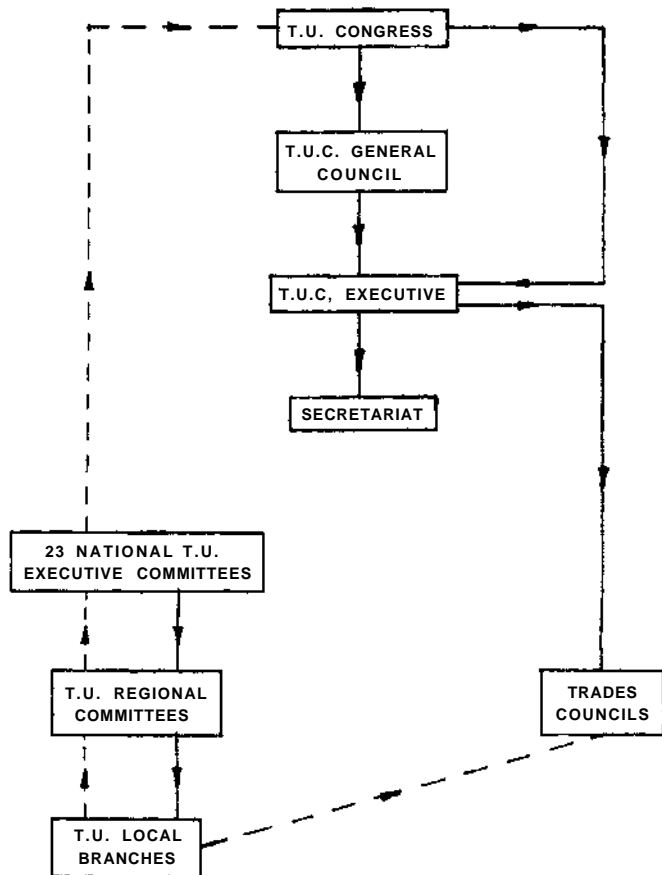
TRADE UNIONS TODAY

FINLAND



APPENDIX II

BELGIUM

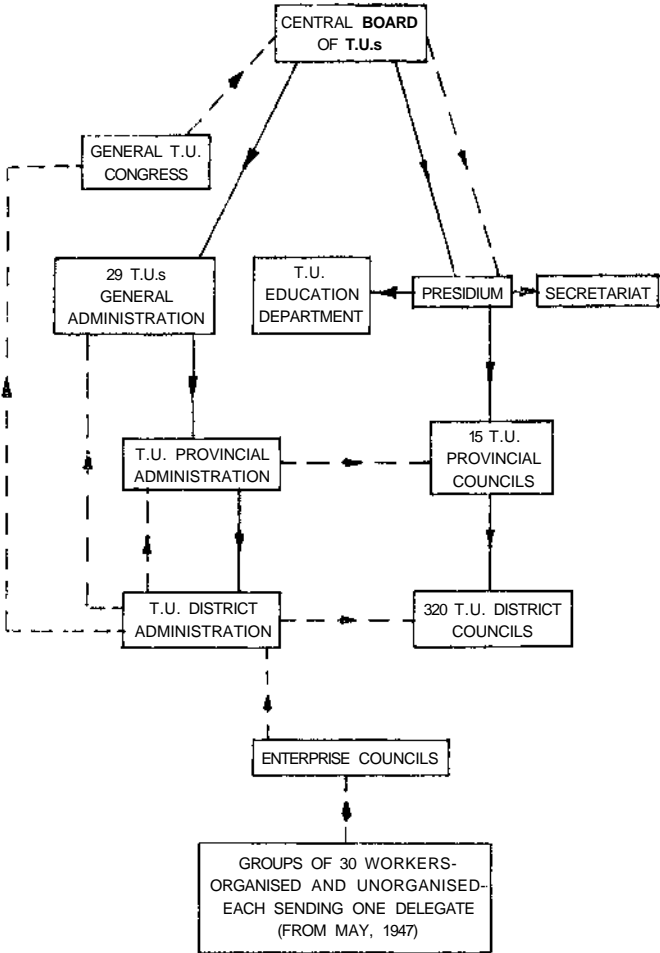


ELECTION - - - - -

CONTROL —————

APPENDIX II

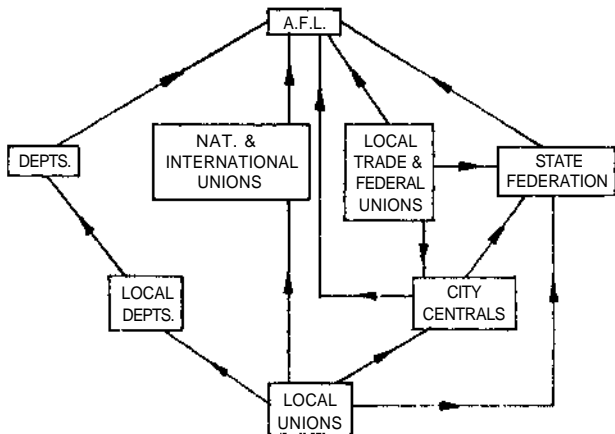
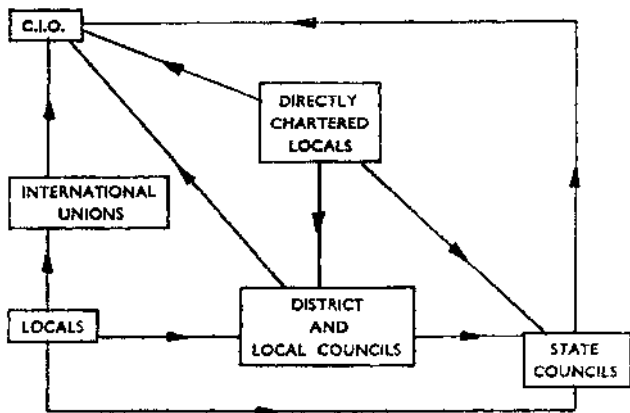
POLAND



ELECTION — — — — — CONTROL — — — — —

TRADE UNIONS TODAY

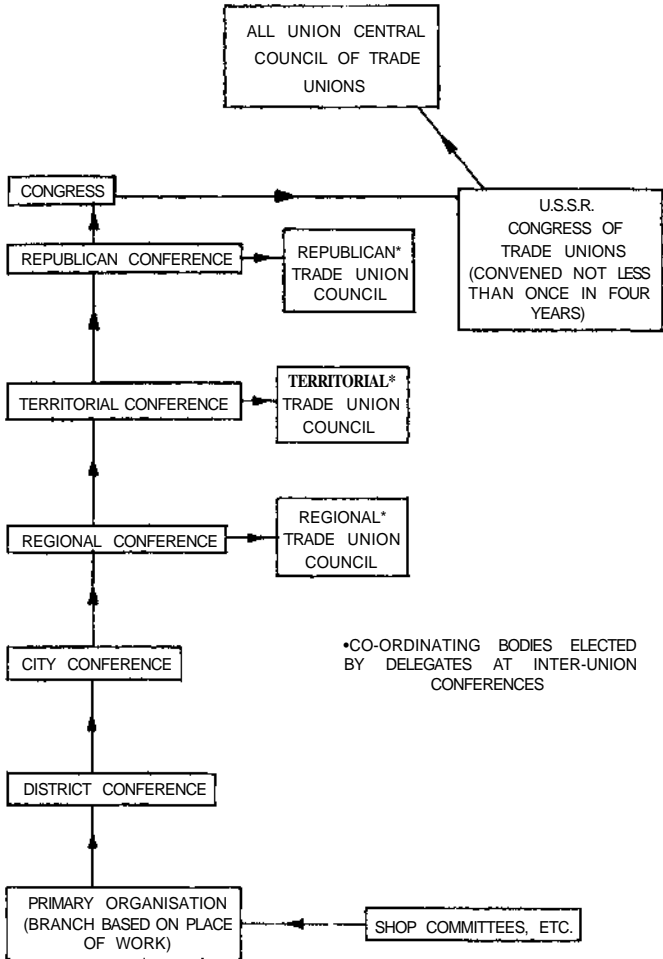
U.S.A.



Notes :

1. *international unions* have affiliates in Canada and/or Mexico.
2. *Local unions* affiliate directly to the central body, which helps to build them until they can join up with larger bodies.

U.S.S.R.



•CO-ORDINATING BODIES ELECTED
BY DELEGATES AT INTER-UNION
CONFERENCES

APPENDIX III

Summary of the Provisions in the York Memorandum dealing with Avoiding Disputes

(See A.E.U. Handbook : *National Agreements with the Engineering and Allied Employers' National Federation*. October, 1948. pp. 161-8).

The procedure applies to three questions :

1. General alterations in wages.
2. Alterations in working conditions, which are the subject of agreement officially entered into.
3. Alterations in the general working week.

None of these can be confirmed however, until the necessary procedure has been exhausted between the Federation and the Trade Union.

UNTIL THESE STAGES OF PROCEDURE HAVE BEEN CARRIED OUT THERE SHALL BE NO STOPPAGE OF A PARTIAL OR GENERAL CHARACTER.

The procedure may be summed up as follows:

STAGE 1 : A complaint must be laid by the workman or workmen concerned to the person directly in charge of him or them, i.e. Rate-fixer, Chargehand or Foreman.

This is a rigid form insofar as the workman or workmen are concerned. In some shops the Rate-fixer states a time or price for a given operation or article and is in charge of the work, in others the Chargehand or Foreman is responsible. Whatever the name or classification of the person in charge of the work or shop, the workman or workmen must place the complaint before him in the first place. (Clause 7, Section *a*).

STAGE 2 : Failing satisfaction the workman or workmen must appeal to the Shop Steward who, after serious consideration of the complaint, should then approach the head foreman or manager of the shop or department. (Clause 7, Section *b*).

STAGE 3 : Should the head foreman or manager disagree with the Shop Steward on the validity of the complaint, it is then

TRADE UNIONS TODAY

the Steward's duty to proceed to lay the complaint before the Shop or Works Committee, failing the existence of such a Committee then the complaint should be laid before the District Committee. (Clause 7, Section c).

STAGE 4 : When agreement cannot be reached with the Shop or Works Committee, or the Management do not agree with the District Committee, it is then competent for either party to request a Local Conference. (Clause 2, Sections *b & c*).

STAGE 5: *Local Conference*. If agreement is not reached at the local Conference either party may refer the complaint to the next meeting of the Central Conference. (Clause 2, Section *d*).

STAGE 6 : *Central Conference*. This is the final stage of the procedure, and here one of the following decisions may be reached.

- a. Granting of the request.
- b. Failure to agree.
- c. Retained in the hands of Central Authorities.
- d. Referred back for further consideration locally.
- e. Referred back for final settlement locally.

EXPLANATION OF THE TERMS USED.

1. *Shop Steward* : A worker in the Shop, elected in the shop or department where employed, for a period of twelve months and subject to re-election, and authorised to act by the District Committee.

2. *Works or Shop Committee* : Consist of not more than seven representatives of the management and seven representatives of the men, i.e. Shop Stewards, elected to the Committee by ballot vote of the members employed in the various departments for a period of twelve months, subject to re-election. A Divisional Organiser may be present at this meeting, in which case a representative of the Employers' Association shall also be present.

3. *Local Conference* : This is a meeting between the representatives of the Local Employers' Association and representatives of the Trade Union, Divisional Organiser and representatives

APPENDIX III

of District Committee, who attempt to seek a solution to the difficulty away from the factory. A Local Conference must be convened within seven working days, unless otherwise mutually agreed upon, by notice from either party.

4. *Central Conference* : This is a meeting of National Representatives of the Engineering and Allied Employers' National Federation, and the Executive Officers of the Trade Union.

Thus, as the case was taken from the factory by a Local Conference so it is now taken away from Local influence. The case is presented by the National Representatives, but the Local Officials and/or representatives of the Local Employers' Association and the Trade Union are in attendance in order to provide the information necessary for the question to be discussed.

Managerial Functions

The position of the engineering employers is still in accordance with the settlement imposed on the workers in 1922 (see p. 43). The employers insist that any changes shall be operated by the workers while negotiations are proceeding. This causes frustration and a good many unofficial stoppages. For some time past the workers' side have pressed for an arrangement which will preserve the *status quo ante* until the change has been agreed to. The Engineering and Allied Employers' National Federation, however, continue to resist attempts made by the Confederation of Shipbuilding and Engineering Unions to alter the present negotiating machinery.

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