

# The Movement and the Commission

## Delusions about Donovan

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THE controversy around the Donovan report is starting in the working class movement in Britain with a majority of the Labour Members of Parliament contributing to the debate favourably disposed towards the report. Those groups believe that the Tory offensive against the unions has been circumvented and that, if a few minor items are eliminated, the report can be a fitting basis for legislation reforming the British trade union movement in a progressive way. We believe that this is profoundly mistaken and that the implementation of the central features of this report will effectively undermine the chief progressive features of British trade unionism as it exists today to the detriment of the workers' standard of life and the growth of the trade union movement.

### Why the Commission?

The Royal Commission, in the main, is a product of the Tory onslaught against the trade unions which began to develop in the late 1950's. It had long been understood by the Tories that skilful press misrepresentation could make the unions unpopular and that some of this unpopularity could rub off on the Labour Party. The Labour Right Wing feared this too and were eager to restrain the unions particularly before a General Election. The main complaint of the Tories concerned the prevalence of "unofficial and unconstitutional strikes," i.e. strikes which had not the backing of a trade union executive. The description is a complete misnomer. In Britain all workers, whether trade unionists or not, have a right to withdraw their labour. There is nothing in British trade union law to prevent them doing so, and for good or evil Britain has no written constitution which prevents them from doing so.

There are a few laws relating to public services like gas and water which can be used against trade unionists who successfully hold up these services, but these apply whether the strike is sanctioned by the union executive or not. In fact these laws have seldom been applied and have to do with the

character of the public service in which the strike is taking place, and not to whether or not it has the sanction of the union executive.

An unofficial strike is simply one that is not sanctioned by the union executive and in which strike pay is not given. In quite a number of cases, it is not forbidden by the executive. It is simply not positively supported. It is therefore a pure trick to pretend that such strikes are violations of some law or constitution and are therefore, as far as strikes go, unusually wicked. Yet this is a major argument of the Tories.

### The Tory Proposals

The other complaint of the Tories is that collective agreements between unions and employers are not usually drawn up in the form of a commercial contract, and unions or groups of workers cannot be made liable for breach of contract, simply because their members have unofficially gone on strike.

The Royal Commission clarified the law somewhat when it pointed out that if employers and unions having signed a trade union agreement, wanted it to be made a contract, with penalties for infringement, there is nothing to stop them from doing so.

What the Tories clearly want is something different. They want *all* trade union agreements to be imposed on workers as a commercial contract, even when the workers do not want it.

Further the Tories complained of trade union executives' injustices vis-à-vis their members, and suggested that the latter needed more legal protection.

What the Tories clearly want is not to induce employers and unions to make a trade union agreement a collective contract by mutual consent. What they want is for the State to make all union agreements contracts in spite of the opposition of the unions to this procedure.

The Tory spokesman on Trade Union affairs, Mr. R. H. Carr (Mitcham) said in the Commons Debate on July 16th:

“Experience in practice in other countries shows that, on the contrary it [legislation against the unions on Tory lines] strengthens responsible trade union authority. The majority of trade union leaders in other countries will confirm that this had been their experience, even though, as for example in Sweden and the United States, they feared and fought bitterly against the introduction of the legislation in the first place. They may even now wish to see it changed in points of detail, but in principle they accept and support the system because they have found, in practice, that it has enabled them to win better conditions for their members than they otherwise would have been able to do.”

This is breath-bereaving. The American unions have never ceased to protest against the imposition of the notorious Taft-Hartley Act and to demand its repeal. It does not occur to Mr. Carr to indicate that trade union membership in the United States as a proportion of the total labour force is shrinking as a result of this Act. Evidently that is what the Tories want to see here.

The Donovan Commission has therefore won a great deal of goodwill in rejecting the Tory ideas of the type of legislation required to shackle the trade unions. This could create the impression that this report is in the main on correct progressive lines and should, with a few minor amendments, be strongly supported. We believe that this is entirely wrong. The proposals of the report are more subtle than those of the Tories but are none the less reactionary.

### Donovan's Basic Proposals

The basic proposition of the report is that full employment, or near full employment, has enormously strengthened the power of the unions, particularly of their shop stewards organisations and that it is necessary for the state to intervene as a countervailing power, otherwise the power of the unions in the economy will grow to an excessive extent:

“Sooner or later full employment leads to incomes policy. Rising or full employment is almost always accompanied by increases in pay which outstrip any rise in productivity and therefore leads to higher costs and higher prices. At the same time demands for goods and services rise and imports go up. This leads to difficulties at home, and even more abroad. Not only do we import more goods than we otherwise should but if our prices rise faster than those of other countries with which we compete our earnings from exports suffer; and a balance of payments crisis follows. In Britain we have a series of incomes policies since 1948, when the post-war Labour Government called for a period of wage restraint, most of them concerned almost exclusively with restricting the rate of increase of

wage and salary rates. Experience over the last three years has demonstrated that restricting rates is not enough. Earnings rise faster than rates, so that policy makers have become increasingly concerned with the agreements and methods of payment in the factory.”

This is the only thing resembling an analysis in the entire report. And it puts the major responsibility for Britain's economic plight on payments by results agreements in the factory. Although most other people who analyse Britain's balance of payments problem stress such negative factors as excessive overseas military expenditure, and excessive export of capital, Donovan pins it all on the British system of collective bargaining, particularly that on the factory floor. It is imperative, he and his colleagues believe, that this must be weakened.

Above all the report heartily dislikes those situations where there is close co-operation between the official district machinery of the unions and the shop stewards. Listen to this tearful complaint:

“The significance of this can be illustrated by reference to a feature of the British Trade Union Movement, which many managers consider to be one of the greatest obstacles to reform in industrial relations—the powers exercised by district committees of the Amalgamated Engineering Union. These powers come from two sources: the tradition of regulating working practices on a district basis, and the constitution of a district committee, which tends to make it a coalition of representatives of the most powerful groups of stewards in the district. Accordingly the committee's writ runs through the district without the leave of the employers and is admirably placed to resist change. There is little hope that this situation can be changed by amending the union rules for district committee representatives are firmly entrenched in the rule-making body and in the union's Final Appeal Court. However the unusual powers of the district committee are largely due to its ability to operate outside collective bargaining or on the margins.”

Note the ingrained bias against the District Committee. Of course such close links between the committee and the shop stewards make it a body “admirably placed to resist change” when it is considered to be against the interests of the workers, but it is equally admirably placed to promote change when it is in the interests of the workers. However the Commission is clearly interested in reducing the power of the shop stewards and the district committees in the Engineering Industry.

### Industrial Relations Commission

However the Commission thinks that changes might be brought about if the bosses in the large firms would promote productivity agreements in the factories. This might change the character of the

district committees. Instead of shop stewards negotiating sectional [fragmented] agreements in factories from time to time, they should be induced to conclude comprehensive factory agreements, covering everything going on in the factory. "Of course the transformation would not take place if the [district] committees refused to have anything to do with comprehensive factory agreements, but the experience of productivity bargaining suggests that most of them will not do so."

Though the employers are expected to take the initiative to promote this type of productivity bargaining the Donovan Commission thinks that this must be assisted by legislation in the form of an Industrial Relations Act, setting up an Industrial Relations Commission. This Commission will be charged with the promotion of factory or company productivity agreements, which it is believed will form the basis of a complete change in British industry, and will make possible an entirely new system of industrial relations.

The main bodies initiating these changes are expected to be the top managements in the largest factories in Britain. Unless they can be induced to sponsor the necessary changes the scheme cannot get off the ground. They must however be strongly supported by the state, which will work (with all the State's coercive powers in the background) to remove all the obstacles to the scheme. The trade unions will be expected to co-operate. They will have representation on the proposed Industrial Relations Commission but it is very clear that in the opening stages the prime movers in this undertaking will be the top managements and the State organisations, particularly the new Industrial Relations Commission. The Industrial Relations Commission will have a full-time Chairman and other full-time and part-time members, "who should include persons with practical experience in industrial relations, and [have] power to appoint its own administrative and research staff. Amongst its duties the Commission will be expected, on a reference from the Secretary of State for Employment and Productivity, to investigate and report upon cases and problems arising out of the registration of agreements."

An early step to be undertaken is for the larger companies, 221 in number, each of which employ 5,000 workers or more, to register their collective agreements with the Department of Employment and Productivity. In most cases only a minority of companies will have fully comprehensive factory or company agreements, covering all the major questions, arising within the factory. If companies do not have any agreements, excepting those which are concluded nationally, they will be expected to conclude factory or company agree-

ments which cover a number of points, not usually contained in national agreements. These will include:

- Comprehensive and authoritative collective bargaining machinery for negotiations at a factory or company level.
- Procedures for the "rapid and equitable settlement of grievances".
- Agreements with regard to the functions of shop stewards.
- Agreements on redundancy.
- Rules governing disciplinary matters, including dismissals and protection for appeals.
- Regular safety discussions.

The above include a number of questions, which are still not negotiable in many factories and at first sight it may appear as if vast concessions to the trade union movement are being proposed. In fact, the concessions are contingent on the trade unions agreeing to be put in a very restrictive strait-jacket indeed.

The large companies will then register their agreements with the Department of Employment and Productivity which will then proceed to examine whether they cover all the points that a model factory agreement should and draw the companies attention to whatever is lacking. It could very well arise however that some group of workers in a company is resisting the conclusion of such an agreement. They may prefer to adhere to their existing systems of payment by results, rather than change them by a factory-wide collective agreement based on measured day work, involving the abolition of tea-breaks, the re-grading of groups of workers, the general intensification of labour, due to the removal of shop steward controls, on the pace of equipment etc. They may think that the long run effect of such systems will be enormously to increase the power of the management and to weaken the power of the workers' representatives.

### **The Drive for Factory Agreements**

The company may then inform the Ministry of Employment and Productivity that because of this resistance it is unable to include a comprehensive agreement of the kind suggested and the Ministry will then inform the Industrial Relations Commission which will then persuade or pressurise the reluctant workers to abandon their resistance, so that the comprehensive agreement can be concluded.

In a further paragraph the report says: "If the reform was largely successful, so that the relations of most companies of any size were carried on within the framework of clear and effective agreements, and yet stoppages in breach of these agreements remained a common occurrence, it would be possible to consider enacting such penalty

against trade unions or workers responsible for such stoppages (and of course against managers and employers where they are responsible)."

This must be seen in relation to the drive in factory and company agreements to get rid of conventional piece-work in favour of various forms of measured day work which involve the intensification of labour. There can be a considerable resistance to this. Anyone trying to sweep the current system of P.B.R. aside must expect resistance. They were not achieved in a day and they will not be demolished in a day, if at all. Those seeking to achieve this very questionable change must expect to encounter resistance and clearly the Industrial Relations Commission is given powers to break this resistance by state coercion.

### Devious Tactics

This is quite clearly a repetition of the devious tactics adopted in relation to the Incomes Policy. It was first proclaimed that it was a purely voluntary policy, based on a declaration of intent agreed to by Government, employers and trade unions, then it was said that there must be some state compulsion held in reserve only to be used if a tiny minority of people of ill will refused to co-operate, and then the voluntary aspects of the policy faded away, and compulsion became the rule. Ministers lecture the workers who want better terms than they are being offered, blaming them for undermining the country.

In the Industrial Relations Commission all appears voluntary at first but the whole structure proposed could be given compulsory backing in the twinkling of any eye.

The incomes policy has to a considerable extent been evaded by the existence of workshop bargaining. The Confederation of British Industry in its evidence doubted the wisdom of plant bargaining. "If widely resorted to," it complains, "it makes impossible any national planning with regard to incomes; that in conditions of full employment [it] cannot be other than inflationary; that it encourages instability in the labour force (through the "bidding up" for labour to which it gives rise); that it increases the scope for unofficial strikes and other forms of industrial action; and that it is calculated to weaken the organisation of trade unions and employers organisations, to the ultimate detriment of both workers and management, and of the economy."

The Donovan Commission pooh-poohs this. What the Confederation of British Industry fears is happening now and the comprehensive factory or company bargains, which the Commission is proposing, is the way to stop it. What the Confederation is describing is the consequence of collective

bargaining as it is now, practised with the continuous shift from industry-wide decision making to workshop arrangements, understandings, and practices. That state of affairs weakens unions and employers associations, promotes unofficial strikes, and "bidding up" is inflationary and undermines incomes policy.

Nothing could be clearer. The power of trade union workshop organisation is growing because in a society which is fairly rapidly changing, it is only in the work place that workers standards can be protected. So far from the Commission regarding this as a good thing, it regards this as an unmitigated horror, which has to be brought to an end. The comprehensive factory and company agreements would bring the "bidding up" of labour into the open and thus render it susceptible to control. Finally they would assist the planning of incomes. "Incomes policy must continue a lame and halting exercise so long as it consists in the planning of industry-wide agreements most of which exercise an inadequate control over pay."

### Aubrey for Bureaucracy

Thus the outcome of the three years investigation of the Commission is that the incomes policy must be given more teeth, particularly in relation to negotiations on the workshop floor. With hundreds of sectional agreements in a large factory, the bureaucratic apparatus of the Prices and Incomes Board is helpless. But with one plant agreement, covering everything, Mr. Aubrey Jones' bureaucratic apparatus has something to grasp. The factory agreement can be made to conform to the "nil norm" for increases or whatever nostrum is in vogue at the PIB at any particular movement, and the bureaucratic power to regulate earnings will be enormously increased. The power of the workshop organisation of the unions is to be sharply diminished. The power of the management supported by the state is to be sharply increased. None of the apparently "progressive" features of the report should be allowed to obscure this fact.

The famous Brookings Institution Report on Britain's Economic Prospects<sup>1</sup> contrasts the British piece-work systems, with those (usually some form of measured day work) operating in the USA. In the UK, according to one British manager giving evidence to the Royal Commission, "Management must be prepared to negotiate every time it wishes to make a change. The result is we tend to bargain under pressure all the time." In America, according to this manager, it is quite otherwise. "Not only can they in the USA invest more but they can get

<sup>1</sup> *Britain's Economic Prospects*, Brookings Institution (U.S.A.), Allen & Unwin, 72s.

maximum use as quickly as possible. Cutting in changes in the USA is a much quicker process than in the UK." This gives a somewhat exaggerated view of the restrictions of British managements vis-à-vis shop stewards and trade unions. But it is broadly true that shop stewards in many cases can negotiate on the terms in which new techniques can be introduced prior to its installation. In the American system, which Brookings praises to the skies, the will of the management (the so-called managerial functions) prevails.

Now this is exactly what most factory or company productivity agreements aim to do—enormously to increase the powers of the management and enormously to reduce the powers of the shop stewards.

Surely this is one of the most brazen developments in British industrial history. A Royal Commission is appointed to consider the functioning of trade unions and employers association and its main recommendation is that the British system of workshop negotiations shall be completely wiped out and shall be replaced by an American system of factory and company bargaining which reinforces the autocratic power of management and reduces the power of the workers representatives. Relations between management and workers on the factory floor have to be completely changed to the detriment of the unions. All this is to be done quite frivolously without any attempt to assess its effect on British industry or the economy taken as a whole. And this change was, during the three years life of the Royal Commission, never discussed in depth with the trade union witnesses who appeared before it.

### Against Dismissals

The Commission appears to attach such an importance to negotiations at the workshop level that one is naturally interested in what it says about "safeguards for employees against unfair dismissals." Where it deals with factories in any detail the report takes as its examples exceedingly well organised factories in the engineering industry where the shop stewards are supported by a resolute district committee. This situation is by no means typical of the engineering industry as a whole, not to speak of those poorly organised factories in many poorly organised industries where the unions are often unable to maintain a moderately effective cadre of shop stewards. To protect shop stewards from arbitrary managements in such factories is the only guarantee of reasonable negotiations and the development of trade unionism.

The Commission naturally devotes a great deal of attention to the relation between such dismissals and unofficial strikes.

"From the point of view of industrial peace, it is plain also that the present situation leaves much to be desired. In the period 1964-66 some 276 unofficial strikes took place each year on average as a result of disputes about whether individuals should or should not be employed, suspended or dismissed. The committee on dismissals analysed stoppages—whether official or unofficial—arising out of dismissals other than redundancies over this period and found that there were on an average 203 a year. It can be argued that the right to secure a speedy and impartial decision on the justification for a dismissal might have averted many of these stoppages, though some cases would no doubt have occurred, where workers were taking spontaneous action to prevent a dismissal taking effect."

So the Commission recommends two things, that there should be an immediate programme not only to encourage the development and extension of satisfactory voluntary procedure, but also the adoption of legislation to set up statutory machinery to hear appeals against dismissals.

Now unofficial strikes against dismissals often take place, not because there is not, in quite a number of cases, voluntary machinery for appeals, but because once a worker is outside the factory gate, he is seldom reinstated. The only way a really influential shop steward can be protected is to prevent the management from excluding him from the factory, by a swift and effective unofficial strike. It is the fear of this action on the part of managements that keeps shop stewards in every industry from victimisation.

The Royal Commission argues that such action in the future will be totally unnecessary and proposes to set up a labour tribunal to try all complaints against unfair dismissals and proposes remedies. The labour tribunal has not the right, however, to propose that a dismissed worker be reinstated but only that he be compensated. But it is precisely the arbitrary dismissal of trusted shop stewards which has provoked some of the most bitter unofficial strikes. Here are some of the Commission's arguments on why a worker who is judged by the labour tribunal to have been victimised cannot be reinstated:

"While a claim by a dismissed employee is pending, what is his position to be? It has been suggested that until the matter is decided the effect of the dismissal should be suspended since the carrying out of the dismissal before then would amount to allowing 'punishment' to precede 'trial'. We see the force of this view but in our opinion it would be highly undesirable to deprive the employer of the power to dismiss without notice for misconduct, and it follows that termination without due notice must also be allowed.

"It would be more in accordance with reality, and in our view therefore preferable, to lay down

an order for compensation as a primary relief with the order lapsing only in the event of *both* parties exercising the option of reinstatement within a brief time limit."

So unless the employer voluntarily agrees to reinstatement the only thing the tribunal can do is to award monetary compensation to a worker judged to be unfairly dismissed. The Commission has the audacity to expect the workers to give up the right to strike to protect say a convenor of shop stewards from being victimised in return for taking the case before a labour tribunal (the worker remaining dismissed meantime), a tribunal which will not be able to order reinstatement, but only compensation, if the worker's appeal is upheld. This gives even less protection from dismissal than many shop stewards have under existing arrangements and in well organised factories the workers are likely to oppose it utterly.

### Recognising Unions

The Commission also refuses to pressurise managements to recognise trade unions.

A number of witnesses before the Royal Commission recommended that managements everywhere be compelled to recognise trade unions. The Commission declares "that collective bargaining is the best method of conducting industrial relations. There is therefore wider scope in Britain for extending both the subject matter of collective bargaining and the number of workers covered by collective agreements."

It also declares against the proposition supported by many employers organisations that white collared workers should not be organised in trade unions. Yet when it comes to the point it refuses to support the proposition that all employers should be compelled to recognise trade unions, this despite the fact that it admits that "many witnesses have made suggestions for new machinery to deal with disputed claims by trade unions for recognition." It vigorously refuses any suggestions for making this compulsory on two contradictory grounds. To proposals that a union should be recognised if a certain percentage of its employees are organised in a trade union, it says that any percentage fixed might be too high. It might prevent a union from getting recognition in some other way, which would enable it successfully to organise a majority of a given firm. The Royal Commission then swings round and argues that if trade unions were given a right to recognition in all firms this might be a stimulus to "certain mushroom organisations" (not specified) to attempt to organise workers. So after pussyfooting around the problems arising, the Royal Commission comes to the conclusion that the question of whether trade unions should

be recognised in any specific case should be dealt with by the Industrial Relations Commission (excuse the plethora of commissions dear reader). But when the Industrial Relations Commission has dealt with a particular case, and thinks that there ought to be recognition, it has no means of enforcing this decision. It has only the right to recommend and the employer has equally the right to reject. "We propose no penalties on companies which refuse to recognise trade unions." (Page 51) The Royal Commission runs away from the problem and yet its attitude on this question is being presented as one of the good things in its report.

### Penalties against Strikers

When it comes to unofficial strikes however the Royal Commission shows no reluctance to employ legal sanctions. Its main contention is that the fundamental remedy for unofficial strikes is the gradual creation of a new system of industrial relations—through the agency of the Industrial Relations Commission. It does not propose however to allow its favourite remedy time to work but immediately proceeds to advocate an alteration in the law which will allow action against unofficial strikers. Hitherto the exercise of the strike weapon has been legal to all groups of workers whether they are organised in a trade union or not. In non-legal language it is the worker and not merely the trade union who has the right to strike. Spontaneous strikes or strikes led by unofficial bodies like the Joint Building Sites Committee or the Docks Liaison Committee are perfectly legal. That is why the term "unconstitutional" strike is such misleading nonsense. A majority of the Royal Commission now proposes, in effect, that the right to strike be retained only by trade unions and that unofficial strikers be exposed to court actions for "civil conspiracy."

A minority of the Commission (George Woodcock, Eric Wigham, Lord Collison, Professor Kahn-Freund and Professor Clegg) strongly resist this threatened victimisation of unofficial strikers, and claim that it is necessary to remove the causes of unofficial strikes and to refrain from punishing unofficial strikers. The unions will no doubt strongly resist this change in the law. It would be a mistake to believe however, if this proposed change in the law were dropped, a really significant change in the character of the Donovan Report would be achieved.

### The Crux of the Report

The key section of the Report on which everything else turns is the proposal for the Industrial Relations Act setting up the Industrial Relations Commission. It is on the real menace of this body

that the attention of the movement should be largely concentrated.

A notable feature in the House of Commons debate was the lack of sharp opposition to the setting up of this body. The three parties seemed to favour something of this nature.

The TUC information broadsheet *Labour* quoted George Woodcock as saying on the day the Commission's Report was published—"Industrial relations are continuous relations. You don't improve them by giving one side power to break the other." The Report's central argument is that Britain's formal system of relations at national level is often at odds with the informal bargaining system set up at factory or local level. This was strongly supported by the TUC General Secretary. And he agreed that it was the root cause of conflict in industry:

"Given the task of encouraging the changes which will shift formal industrial relations procedure to company level is the Industrial Relations Commission.

"Looking ahead, Mr. Woodcock hoped that it would be given the broadest terms of reference. Equally he hoped it would be without compulsory powers. It is important to do things without threats of legal sanctions he declared.

"People have to want to do things not to be told."

It is clear that the General Secretary of the Trades Union Congress already accepts the Industrial Relations Commission as certain to be set up and is in favour of this.

Ten papers are being prepared for the Finance and General Purposes Committee of the TUC with regard to the recommendation of the Report.

Two of them will deal with the scope of industry-wide agreements and of company and factory agreements and their relation one to another. The development of the new relationships between full-time officers and shop stewards, and what this entails in terms of finance and training.

### Misconceptions Galore

Finally the Prices and Incomes Board is prepared to welcome the Industrial Relations Commission, provided a proper demarcation agreement between it and the Commission is drawn up. There is therefore a danger that the general line of the Royal Commission will be accepted without examination in depth. Already superficial arguments in favour of its acceptance are beginning to spread.

Unless the central purpose of this Royal Commission Report is grasped the movement could be convinced that it is a good thing, that with some small modifications ought to be supported and that the Labour movement must be prepared wholeheartedly to co-operate with the Industrial Relations Commission. There is the same attitude of credulity

in many circles that was previously adopted to incomes policy, "the planned growth of wages" in the early stages. What's wrong with productivity bargaining, it is naively asked. "Some productivity bargains are not too bad."

Those who argue thus are deliberately ignoring what the report says about its object being to control the rise in factory earnings as obtained under the prevailing systems of payment by results and to substitute it with a factory or company wide collective agreement that can be made to conform with current prices and incomes policy. It is to make factory agreements and factory earnings subject to the bureaucratic and rigid control of the Prices and Incomes Board that this change is proposed. It is said quite openly that "drift", the rise in factory earnings through shop steward pressure must be stopped.

Under existing circumstances in the average factory whenever a new set of processes are introduced, there is a re-negotiation of prices and bonus times and some increase in earnings results. Most existing new style productivity agreements do not contain such provision. New equipment and its accompanying speed-up can go on for a long time before there is any new negotiations leading to an increase in wages at all.

Existing shop stewards powers are constantly growing as a result of shop floor pressure establishing new forms of "custom and practice." The Royal Commission proposes that future shop stewards powers will be part of the new written factory-wide collective agreements and in nearly all cases there will be attempts to restrict some of the powers at present exercised.

The general powers of the existing body of shop stewards will be diminished. Their right to negotiate on productive changes on the factory floor will be taken away from them. A lot of their power will pass to a restricted body of shop stewards plus some full-time officials designated to co-operate with the management with regard to the long term factory bargaining.

The one thing that trade unionists must be clear on is that the factory-wide agreement is aimed to strip the shop stewards in most factories of their existing powers of negotiation, to lower the ceiling of earnings that can be achieved in the factory, to reduce or abolish the right to question managerial decisions, and to put the shop stewards in a very tight constitutional strait-jacket.

### National Agreements

It has been suggested that opposition to factory wide trade union agreements springs from a desire to reduce bargaining power on the factory floor and strengthen it in relation to national agreements.

This is not true. Factory floor negotiations (though not in the form now proposed) are absolutely essential, but so are national agreements establishing basic minima on wages, conditions and all kinds of fringe benefits.

A trade union is an organisation of working class power and must be prepared when necessary to use that power throughout the entire industry or group of industries. That is why it must never renounce its power to struggle against the employers and government as a whole. To abolish national agreements is to abolish the concept of solidarity. That must never be done. No factory agreement can prevent the rise of situations where the trade union can be called upon to exert its powers as a whole, against the employers in a given industry.

There could be no greater delusion than to believe that the Royal Commission is trying to reduce or abolish national agreements in order to increase the power of the unions in the factories. Of course it is out to weaken national agreements but it is equally concerned to reduce the power of the shop stewards in the factory by putting them into the strait-jacket of a restrictive factory or company wide agreement.

### National or Local?

The relations between the national agreement and factory bargaining are a constant problem. Because some favourable results have been obtained by factory bargaining in the past, the workers in the better organised factories tend to be indifferent to the results of national negotiations and be relatively indifferent to trades union branch life as a whole. So the mass pressure behind the national claim tends to be much weaker than it need be. In the past when workers were thwarted with regard to the achievement of a national claim they consoled themselves with the thought that they would make it up with extra pressure in the workshop. In relation to the Prices and Incomes Policy they succeeded in quite a number of cases.

It is therefore imperative to recognise that the Government is now striving to rapidly change this situation. If the Royal Commission's policy succeeds the workers will not be able to make up by pressure on the shop floor for what they have failed to get elsewhere. For they will now be tied up in a factory agreement, timed to last for a given time, which absolutely forbids the groups and sectional pressures which achieved results in the past. There is therefore quite a danger of a cleavage between the best paid and the lowest paid workers in the same industry—a cleavage which is not based on the skill of the workers concerned but on their relative strength of organisation and the relative profitability of the firm. To preserve

industry-wide and nation-wide solidarity, the union must exert pressure to reduce this disparity, whether the Government or the Prices and Incomes Board like it or not.

### The National Struggle

A nation-wide industrial struggle such as those of the seamen, the railwaymen and the dockers and busmen, at once exerts terrific economic pressure on the employing class and the Government and creates the most favourable conditions for obtaining concessions. A strike around a factory or company agreement does not exert a comparable pressure. It might stop Vauxhall motors while the other motor firms continue working. There is no pressure on the industry as a whole and less anxiety on the part of the Government. The workers in the striking firm demand "Why are we called out while the others are allowed to work and undermine our strike?"

Some features of the US strike situations could be repeated here. Company-wide strikes could be more brutal and prolonged and the gains less in proportion to the companies profitability and productivity very much less than they are in national strikes elsewhere. Those in the unions who are enamoured with this change must be prepared to spend a great deal more on *official* strikes, and the Government must face the possibility of a sharp increase in days lost per annum in such cases. This in turn could give them an excuse for legislation against *official* strikes.

### New Type of Agreement

The new type of all embracing factory or company agreement (as distinct from sectional and PBR agreements) will be more difficult to frame and in the Royal Commission's opinion will require the services of more full time officers. This will probably be necessary whatever kind of factory bargaining is adopted, but the dangers of lop-sided attention to those factories where gains are easiest to get, and neglect of the more difficult factories, is obviously to be watched. Union Executives must be aware of the long term effects of some of the new type agreements which are meant to increase the full time officers role in negotiating the agreements and reduce the shop stewards role in continuously supervising all developments inside the factories. The ideal factory agreement in the eyes of the modern boss is one which emphasises the right of managements to manage and which reduces the shop stewards supervisory role and power.

It is essential that the workers and their unions should resist such agreements. Not the restriction but the growth of shop steward power in the workshop is essential to the growth of trade unionism.

### Trade Union Education

It is essential in the eyes of the Royal Commission that the trade union cadres should be re-educated or if you like brainwashed:

"The need for shop steward training is immense. There are about 175,000 shop stewards, of whom more than two-thirds have received no training of any kind, and turnover runs at the rate of 15 per cent per year. . . . Among the various means of providing training, day release course appear to offer the best prospects of adequate training on a considerable scale. Day release courses involve absence from work (on full pay) for a day a week over period of 12 or more weeks, and the employers co-operation is therefore needed."

It is of course true that many shop stewards have not received formal training. They have however picked up elements of militant trade unionist thought in the workshop and have watched existing shop stewards at work. In the course of their development they have acquired a Socialist bias, not always clearly defined, but at least recognising that monopoly capitalist society is an exploiting society which the workers must in some way change. Their strategy is therefore to resist all policies aiming at the utmost intensification of the workers labour, to obtain as much as possible from factory bargaining without giving away vital principles, and to work for the replacement of state monopoly capitalism by Socialism.

There is however an opposing philosophy increasingly in vogue at business schools. It is that present day society is based on the fruitful co-operation of labour and management. Both must co-operate to modernise it and make it more efficient so that it can divide the fruits of this efficiency between higher wages for the workers and higher profits for the firm. In this view class conflict is dreadfully old fashioned. Class co-operation in modernisation is the best thing. Many shop stewards courses direct the thinking of the workers in this direction. That is why we need trade union courses which start from the basis of the workers advancing to challenge monopoly capitalist society and not in

learning to conform to it. These can only be conducted by trade unions and working class political parties.

In its promised White Paper the Government will doubtless seek to break up the Donovan Report into a number of separate aspects. It is practically certain to co-operate with those elements in the Trades Union Congress who favour the setting up of an Industrial Relations Commission, despite all the restrictive measures it will seek to impose on the unions in the interest of the monopolies.

This would be a mistake infinitely more lethal than the disastrous acceptance of incomes policy which has so adversely affected trade union membership. The operations of the Industrial Relations Commission could virtually wreck the trade union movement. All union members must work to keep the trade unions clear of this strait-jacket, so that the powers of their organisations in the factories and in industry can be built up to wage the most effective struggle to win concessions now, while co-operating with all other progressive organisations completely to challenge the rule of monopoly capitalism.

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