

Richardson, M. and Stewart, Paul and Danford, A. (2011) Shop-floor bargaining and the struggle for job control in the British automobile and aerospace industries 1950-1982. In: Business and Labour History: Case Studies. Bristol University Press.

<http://strathprints.strath.ac.uk/28095/>

This is an author produced version of a chapter published in Business and Labour History: Case Studies. Bristol University Press. This version has been peer-reviewed but does not include the final publisher proof corrections, published layout or pagination.

Strathprints is designed to allow users to access the research output of the University of Strathclyde. Copyright © and Moral Rights for the papers on this site are retained by the individual authors and/or other copyright owners. You may not engage in further distribution of the material for any profitmaking activities or any commercial gain. You may freely distribute both the url (<http://strathprints.strath.ac.uk>) and the content of this paper for research or study, educational, or not-for-profit purposes without prior permission or charge. You may freely distribute the url (<http://strathprints.strath.ac.uk>) of the Strathprints website.

Any correspondence concerning this service should be sent to The Strathprints Administrator: [eprints@cis.strath.ac.uk](mailto:eprints@cis.strath.ac.uk)

## **Chapter**

# **Shop-floor bargaining and the struggle for job control in the British automobile and aerospace industries 1950—1982**

Mike Richardson, Paul Stewart and Andy Danford#

# The material in this chapter consists of some new data but draws mainly on material previously published by the authors: ‘The Legacy of Trade Union Power’ in Andy Danford, Mike Richardson, Paul Stewart, Stephanie Tailby & Martin Upchurch, *Partnership and the High Performance Workplace: Work and Employment Relations in the Aerospace Industry*, Palgrave Macmillan, 2005; Paul Stewart, Mike Richardson, Andy Danford, Ken Murphy, Tony Richardson and Vicki Wass, *We Sell Our Time No More: workers’ struggles against lean production in the British car industry*, Pluto, 2009.

## Chapter

# **Shop-floor bargaining and the struggle for job control in the British automobile and aerospace industries 1950—1982**

### **Introduction**

In the UK automobile and aerospace industries, the struggle over job control and rewards for labour expended in the production process was particularly intense in the period of steady economic growth, high and stable employment, and low inflation, following the Second World War. This struggle reached its zenith during a phase of increasing output in the 1950s and early 1960s. By the late 1960s, however, as wages and unemployment began to rise and the rate of growth slowed there was a discernible shift in management industrial relations strategy and efforts by government to curb the authority and influence of shop-stewards. Despite disparities both between and within these respective industries, particularly the higher skill levels required by the aerospace sector, common experiences of the transformation of labour conditions of work are noticeable. In mapping some key historical struggles of automobile and aerospace workers against management forms of authority and control, it should be possible to distinguish the critical dynamics prevalent in both industries. Knowledge of the trajectory of labour relations and the pattern and character of conflict is critical to understanding and accounting for continuity and change in the social relations of production.

What interests us here is the differing form and content of the antagonistic relationship between capital and labour at particular times in order to enhance our understanding of specific processes of change. These are necessarily bounded by prevailing geographical, social, economic, and political climatic factors as well as industry specific characteristics, such as skill levels; the latter impacting on unions' ability to hold some leverage over the regulation of labour supply. Although much has been written on industrial relations in the UK motor industry, to shed more light on the dynamics of shop-floor bargaining between 1950 and 1982 comparisons are made with experiences in the aerospace industry, which has received little academic attention. This chapter, therefore, seeks to highlight the similarities and differences in these two industries in the shift from the predominance of piecework in the post-war

period - characterised by the growth of shop-floor organisation that strengthened workers' bargaining position over piece-rates ensuring mutuality was real rather than theoretical - to a regime of direct control as witnessed by the implementation of measured day work (MDW). Moreover, while this period in general terms can be characterised in two phases (from mutuality to increasing managerial control) this trajectory was uneven and by no means unambiguous. Even with the introduction of MDW across the sectors worker resistance was still evident.

The critical issues here are to link the various phases of the tensions, conflicts and accommodations over the capital-labour relationship in two emblematic sectors – one characterised by British-owned motor companies' pursuit of Fordist ideals<sup>1</sup> and the other characterised by high skill and heavy reliance on the state in financing research and development and in awarding government contracts for aircraft and weapons for Britain's military.<sup>2</sup> While all these issues cannot be covered in full here this chapter attempts to begin to highlight the contours of change, stressing the divergent as well as the related experiences between the two industries.

### **Informality and localism: regulation and control on the shop-floor**

By the late 1950s there emerged two principle characteristics, informality and localism, in the automobile and aerospace industries that, in combination, came to determine management-labour relations throughout the 1960s and most of the 1970s. The effect of this development of informality and localism, bargaining processes that had broken free of the formal industry-wide negotiating arrangements, was to weaken the influence of and central role played by the trade unions' national organisations. Moreover, this development could be seen to occur not just at plant level but also inside the plants themselves.<sup>3</sup> Since shop stewards depended upon area support within a particular plant improving the remuneration and situation of workers in a specific area often led to individual stewards holding differing attitudes which at times placed them at odds with leading shop stewards.<sup>4</sup> This was particularly the case in the motor industry and led to considerable conflict over wage levels both within and between plants and across companies, where national agreements were either ignored or seen to be ineffectual in their implementation. Localism was also apparent in the aerospace industry:

The workers in the aircraft industry have built up a good trade union organisation which produces useful shop-floor representation on questions of wages, work allocation, labour load etc.

To the extent that

[T]he management have to consult and co-operate with the shop-floor workers in order to maintain production.<sup>5</sup>

The result of informality and localism was that for all intents and purposes the management of discontent was appropriated from national union officialdom, which is reflected in the increase in unofficial strikes in both the automobile and aerospace industries.

The Labour government that came to power in 1964 set its store in modernising British industry. Part of this process included the attempt to improve industrial relations. Concerned about the increase in unofficial strikes and restrictive practices, the government set up a Royal Commission under the direction of Lord Donovan to 'examine the relationships between management and employees, and the work of employers' associations.'<sup>6</sup> To better understand the causes of strikes in manufacturing, the Commission decided to examine the automobile industry in more depth because of its strike-proneness. As a result of this examination the Commission pronounced that:

We attach more importance to the industry's wage structure as a cause of strikes. It is plain that employees' actual earnings are not determined by the negotiations conducted at industry level.... Two major manufacturers (Ford and Vauxhall) are not in any case in the Engineering Employers' Federation, which is one of the parties to such negotiations. In the other remaining companies earnings are a long way in advance of the rates so settled at industry level, and a crucial part is therefore played by workplace negotiations.<sup>7</sup>

That the workplace was the site of real industry negotiations reflected the strength of the power-base built by shop stewards and the readiness of workers to take industrial action in the favourable economic climate of the early 1960s. As Donovan noted, this informal domain, where actual decision-making occurred, was inherently unstable, deriving from a highly competitive pattern of remuneration. Yet this competitive facet of the employment relationship reinforced steward power within, and between,

plants and different companies.<sup>8</sup> How was it possible for stewards to attain such a high degree of knowledge of the micro conditions of other plants not just within their own companies, but those of other firms as well? This became possible as a result of the growth of what were known as ‘Combine Committees’ or ‘parallel unionism’.<sup>9</sup> These materialised in the automobile industry in the post war era as organised labour was much strengthened by the war-time accommodation between trade unions and government. In the aircraft industry these first emerged as a *tour de force* in 1935 when union activists formed the Aircraft Shop Stewards National Council to co-ordinate solidarity work.<sup>10</sup> Combine committees were effectively an unrecognised system of union organisation running parallel to the recognised one as defined by the Donovan Commission. Despite being frowned upon by trade union centres, the emergence of these shop-floor networks (the Combine committees) between shop stewards in different plants allowed stewards to get to grips with the minutiae of the industry, probably making them better informed, and usually more articulate about processes, than plant management.

While a sector combine committee was stymied in the automobile industry, they nevertheless flourished for a considerable period within companies, despite the downturn in the economy that began in the late 1960s and continued throughout most of the 1970s. In aerospace, combine committees continued to thrive both within and across manufacturing plants and companies throughout the period. For instance at Bristol Aircraft Corporation (BAC) Guided Weapons division in the late 1960s the plant’s Electrical, Electronic, Telecommunications and Plumbing Union (EEPTU) shop steward recalled ‘we had our own shop stewards committee with the fitters, the coppersmiths and the transport and general, which was about 18 stewards at Dynamics [BAC Guided Weapons].’<sup>11</sup> Eventually, in the early 1970s, BAC Guided Weapons set up their own shop stewards committee: ‘so we had a few disputes and sit-ins and we ended up with our own autonomy where we negotiated for Dynamics [BAC Guided Weapons] and they negotiated for the rest of aerospace, although we did work closely together.’<sup>12</sup>

In the post war period it was axiomatic that whoever ‘called’ local agreements determined local power.<sup>13</sup> In this situation while industry wide agreements existed they were only ever as good as the local industrial relations environments in which

they were introduced. A well-organised plant could, and often did, secure significant advances on national agreements.<sup>14</sup> Piecework, which served employers so well in the inter-war years, when trade union organisation was weak, provided shop stewards in the post-war years with the means to bargain effectively. In the post-war boom, union membership increased and shop stewards were able to take advantage of the drive for increased production, and a tight labour market, to demand higher piece-rates knowing that employers were under pressure to keep their plants running for fear of losing business to their rivals.

This was the view of the Donovan Commission, which famously attributed the absence of national level control over workplace institutions as the prime cause for the inchoate nature of industrial relations in the auto industry and elsewhere.<sup>15</sup> The consequent fragmentation of bargaining which allowed, in the view of the Commission, undue scope for local determination of, *inter alia*, pay and conditions, was the principal reason for the high level of disputes over pay related issues.<sup>16</sup> Yet informality was crucial for managers who needed to resolve local difficulties speedily, and crucial for stewards who needed to hold the line against management in defence of the ‘gang’, or work group in their shop-floor area.<sup>17</sup> The Donovan Commission lamented the demise in the influence of full-time union officials:

There is no doubt in our view, that the unions have not had sufficient influence on the workplace situation. There are a number of reasons for this, one of which is the readiness of management to deal directly with shop stewards to the exclusion of full-time officials.<sup>18</sup>

With the growing importance of local bargaining the ambiguity of the informal system emerged. On the one hand, the establishment of local bargaining units provided shop stewards with the mechanism to resist or challenge managerial authority. This enabled them to take advantage, in those plants that operated piecework payment systems, to negotiate increases in the wages of pieceworkers. This resulted in rapidly increasing wages and wage drift.

On the other hand, the ability to generalise this local power along national lines proved largely elusive. For instance, at this time unions in the Coventry car industry ‘appear not to have developed a company or even plant wide view of industrial

relations'.<sup>19</sup> Stewards, however, had to prove themselves by providing leadership and addressing the concerns of their members. This was not easy. For example, in 1951, at the Rolls-Royce aero-engine plant in Hillington, Glasgow, shop stewards complained that their members frequently took unauthorised action to bring about a resolution of their grievances, which stewards seemed powerless to prevent. Department identities undermined the stewards' efforts to pursue factory-wide negotiations.<sup>20</sup> Thus localism in union-management orientation inevitably recreated, at the same time as it reinforced, local steward propensity to settle things at source. Inevitably this allowed for competitive wage bargaining, whatever the other disadvantages, labour could be a relatively powerful player. Given that it was the wage and remuneration system which encouraged this process, the following sections looks at some examples to shed some light on its workings.

### **Aerospace Industry: piecework to measured day work (MDW)**

A pieceworker's pay, wholly or in part, is directly linked to work measurement, the time taken to produce work of the appropriate quality. In the aerospace industry of the 1960s and 1970s, in essence the pieceworker's wage comprised a basic rate that varied with skill and an incentive bonus that was usually premised on a standard time allowance to complete a specific job and applied to individuals or groups (gangs) of workers. By contrast, measured day work (MDW) is a payment system that provides a regular weekly wage, negotiated between management and the appropriate union, for which workers are expected to meet standard times for each job set by work study engineers.<sup>21</sup> In the 1950s and 1960s, a period of tight labour markets in engineering, aircraft workers exerted increasing upward pressure on piece rates. Managerial control over piecework systems weakened as workers combined to resist the imposition of demanding time values by rate-fixers. The rate-fixers determined the level of effort required to produce a new or altered job. Ostensibly, piecework wage determination involved a process of continuous bargaining between the rate-fixer and the operator. But 'custom and practice' demanded that once set piece rates could not be altered unless changes occurred in the product or productive method. Defence against rate cutting depended on union strength at the workplace. Organized resistance from gang workers to 'adjust' the effort bargain often occurred if piece rates were deemed to be unfair. Shop stewards, however, were frequently called upon



to act on their members' behalf in respect to individual piecework bargains, a time-consuming process, which gave reason for some shop stewards to favour time-work over piecework.<sup>22</sup> However, one Rolls-Royce (Coventry) convenor representing aircraft workers argued that in well-organized union shop piecework could lead to higher earnings and give workers greater control over the labour process, as the operator had direct control over the pace of production. Moreover:

The continual battle over rates makes the workers very militant, for when the rate-fixer comes out to argue with you, you're immediately faced with the basic element of class struggle: exploitation, potential or actual.<sup>23</sup>

On the deficit side, piecework could generate inequities and weaken shop-floor solidarity based on egalitarian principles.<sup>24</sup> As reported at one Rolls-Royce negotiating committee meeting 'members come into piecework areas and can't get into the "brotherhood" ' <sup>25</sup> which resulted in pay inequality. And differentials between operators on piecework could be substantial; often the cause of much tension among workers because some earned substantially more than others. A retired British Aircraft Corporation (BAC) convenor observed:

I mean say the average was one hundred pounds with shop average, I mean you'd get guys on one hundred and forty, one hundred and fifty pounds.<sup>26</sup>

This convenor recalled how rate-fixing disputes were continuous. Rate fixers were described as some 'of the most obnoxious people you could ever come across'. A retired shop floor worker in the same company likened rate-fixers with the 'Gestapo'.<sup>27</sup> If workers were the least bit timid, some rate-fixers would try to take advantage and cut the rate, and in so doing bring down the shop average. This was important to all concerned because when a job value was in dispute, which was an everyday occurrence, affected workers were paid the average earnings of the shop. So the shop steward's role was to contest those rate-fixer values that fell below that deemed to be fair. The BAC Convenor recalled that on those occasions he would take the case to the senior rate-fixer and either reach a compromise or place the job in dispute. Once in dispute operators, under the national engineering agreement, had to

be given another job until the dispute was resolved. Non-compliance with this agreement resulted in a stoppage of work by the gang or section affected.<sup>28</sup>

These types of disputes were common across the aerospace industry and in some plants were incessant. For instance, at Rolls-Royce Bristol engine plant the frequency of disputes was of serious concern to the company. In 1970, Rolls-Royce management protested: ‘We cannot allow the “argy bargy” of the existing system to carry on where there are daily argument[s] in every detail’.<sup>29</sup>

The following year, 4 February 1971, the company was forced into receivership. The Conservative government bailed out the company by taking it into State ownership with the intention of turning the company around and returning it to the private sector. Nationalisation was not the policy of a Conservative government. State ownership did not bring with it a resolution to labour relations problems. Disputes over piece-rates continued reaching crisis proportions again in 1974. Increasingly concerned by this state of affairs on 29 January 1975, R. Whitfield, Managing Director of Rolls-Royce, wrote to union representatives:

I regret that in 1974 we continued to suffer industrial disputes, each with its own deadly effect on our performance. We have not been free from some form of industrial action on any working day since I was appointed your Managing Director. The vast majority of these industrial disputes involved manual employees at Bristol. It is vitally important for our future that a new wage structure should be agreed for the Bristol factories – one which is felt to be fair, which achieves constructive relationships and working practices and which drastically reduces the amount of industrial action we have suffered.<sup>30</sup>

Although Bristol was opposed to MDW most other plants in the Rolls-Royce Combine Committee had accepted its introduction and Bristol workers found that as a result their wages, relative to other Rolls-Royce workers in the UK, were falling behind. Moreover, the company was preparing the ground for the introduction of MDW without union involvement. Thus the decision was taken ‘to take the bull by the horns and get involved in the new scheme.’ After lengthy negotiations in the spring of 1975 an agreement was reached on a Bristol wage structure that included the replacement of piecework, which directly affected around one sixth of the workforce, with MDW. The new structure comprised six grades of labour with wages ranging

from £40 per week on the lowest grade to £57 on the highest. This lifted Bristol workers back into second place in the wages league behind Coventry.<sup>31</sup>

Around the same time, just before nationalisation of the industry in 1977, an agreement was reached between the engineering unions and management at BAC Guided Weapons in Bristol to abolish piecework. The strong bargaining position of labour on the shop-floor had resulted in wage drift. This was in part a consequence of the rise in ‘non-negotiated’ shop-floor wages, primarily fragmented piecework bargaining.<sup>32</sup> As the plant’s retired EETPU convenor put it: ‘I think the Company had a problem...because the shop-floor wages were escalating out of control really...quality control, the clerical people...the planners and engineers, really were being placed relative to the shop-floor’, whose wages were the highest.<sup>33</sup>

The carrot offered by BAC, to unions and their members, to replace piecework with MDW was full sick pay; increased holidays; improved pension scheme; guaranteed regular and predictable earnings; and the discontinuance of the weekly confrontation with the rate-fixer.<sup>34</sup> Ostensibly, control over the pace of production shifted from mutuality between the rate-fixer and the operator to the foreman. In reality workers were still able to assert some informal control by working at the same pace as before (under the piecework system). Knowledge of production was still to a certain degree in workers’ hands and thus foremen were not always able to fully assert their authority. The retired BAC convenor explained:

Well they put it [control] back to the foremen, but I don’t think the foremen or really the system was adequate. I mean people were so used to working in a certain way by that time that the supervisor would give you a job and the job ensured that you were really working and that was it.<sup>35</sup>

Nonetheless, the replacement of piecework with MDW was a qualitative change in ‘that by separating negotiations over pay and work, change can be introduced with less resistance’.<sup>36</sup> This, together with collapse of the post-war consensus; rising unemployment; nationalisation of BAC in 1977, re-privatisation in 1979; and the emergence of Thatcherism raised the stakes and put increased pressure on shop stewards and convenors. At the once state owned British Aerospace (BAe):

The collective strength of the shop-floor unions was now central to the bargaining machinery and more effectively controlled the rate of exploitation than the traditional control battles between the individual rate fixer and individual operator.<sup>37</sup>

At Westland Helicopters, in 1975, management abolished piecework by decree. This provocative action was met by a strike on 16 May which lasted several weeks. On 23 June, a back-to-work agreement was reached that, except for the pension scheme, secured staff conditions for manual workers, including a new sick pay scheme, and an ex gratia payment of £50 to skilled employees and pro rata payments to other grades in exchange for withdrawing resistance to the introduction of MDW.<sup>38</sup>

At Rolls-Royce, company strategy to eliminate piecework was first initiated in 1968. It took a decade to achieve, and the end was bitter. In 1978, a small pocket of workers employed at Parkside, Coventry, was still paid by the piece. Thus, the elimination of piecework for these remaining 330 manual workers still paid by that system was, in the company's eyes, critical as the Rolls-Royce workforce looked to these pieceworkers 'as the pace-setters for the whole pay structure'.<sup>39</sup> In early April 1978, 2,600 manual workers were suspended without pay after refusing to work 'normally' following the breakdown of pay negotiations. The company demanded that an agreement over the elimination of piecework for the remaining 330 manual workers must be part of any wage settlement. The union insisted that the two issues (wage claim and the elimination of piecework) be dealt with independently citing that: 'every other section of Rolls-Royce Ltd throughout the country has been paid the 10% in full' (Higgs, 1978).<sup>40</sup> Union members started a work-in. The Company cut off the power, so the workers occupied the plant. The occupation lasted four weeks before a settlement was reached that included shop stewards acceding to the elimination of piecework 'provided that they [members] do not lose money from the change over'.<sup>41</sup>

Thus, by the late 1970s, piecework had been vanquished and MDW well established. Yet, despite the establishment of MDW control over the pace of production was still contested. For instance, the launching of the Roll-Royce Bristol Survival Plan in 1982 revealed that restrictive practices were still evident in the company despite the introduction of MDW. This plan set out the problems faced by the organisation,

objectives and scope, and a detailed point by point diagnosis of the effect of restrictive work practices. A remedy or a requirement crowned each point. The problem:

- Excessively high indirect-to direct support in all departments;
- Low overall productivity;
- Poor response to Engineering and Manufacturing Programmes;
- An atmosphere of conflict and narrow-mindedness between groups.<sup>42</sup>

Two examples (from 59) of changes required in working practices are suffice to reveal that the implementation of MDW at Rolls-Royce may have enhanced managerial control but it did not eliminate all forms of shop-floor control and resistance:

**Bristol Survival Plan (1982)**  
**Standby Agreements and other Established Working Practices**  
**Items for Review**

|    | <u>SUBJECT</u>   | <u>AREAS AFFECTED</u> | <u>CURRENT EFFECT</u>  | <u>MANAGEMENT REQUIREMENT</u>                                    |
|----|--|-----------------------|--|--|
| 48 | Toolroom: recognition of estimated time standards          | No. 2 Toolroom        | Refusal to recognise and work estimates times for jobs and to permit monitoring of work to these estimates results in: <ul style="list-style-type: none"> <li>- high tool costs due to excessive time taken.</li> <li>- inability to investigate causes of excess time and hence to eliminate problems faced by the toolmaker.</li> <li>- Difficulties in performance and cost monitoring</li> </ul> | Toolmaker should be accountable for work produced and time taken |
| 49 | Tool manufacture: restriction applied to Planner/Estimator | No. 2 Toolroom        | Refusal to allow Planner/Estimator on the shop-floor to discuss job requirements causes loading of foreman with excessive duties that need not involve him   | Planner/Estimator to discuss job requirement with Toolmaker      |

Clearly, despite the universality of MDW in the early 1980s, at Roll-Royce job times were not always recognised and work-study did not have the run of the factory.

**The automobile industry: piecework to measured day work**

It is important to note that employers adopted piecework to stimulate greater productive effort from their workforce. In many instances, especially where organised labour was weak, workers' experience of piecework was one of self-exploitation as they strove to produce more and more in order to achieve a living wage. The strength of piecework in the post-war boom, however, was that 'negotiations for increases can take place on the time for the job whenever a change takes place in the means, method or material involved.'<sup>43</sup> Eschewing central bargaining arrangements and establishing the dominance of local pay bargaining and job regulation were particularly apparent in the motor industry. The Donovan report was especially concerned to remedy the disorder resulting from conflict between formal and informal systems of industrial relations.

At Morris Motors Ltd., Cowley, for instance, the Council found that in 1965, 256 out of 297 stoppages of work had occurred before the senior shop steward had even a chance to put the grievance into procedure. In the first half of 1966, again 128 stoppages out of 142 took place before the senior shop steward had time to act on them...<sup>44</sup>

In effect the Donovan report saw part of the solution resting on the introduction of factory-wide MDW agreements.<sup>45</sup> The most bitterly fought struggle against the introduction of MDW took place at British-Leyland's Cowley plant in Oxford. Thus, despite many ready examples we have taken this plant as an exemplar of this invariant relationship across the sector in Britain.

The history of the Cowley plant (or complex of plants as it was) is an instructive one. For our purposes we focus upon the reason and consequence of the introduction of MDW in 1971 (although, it did not achieve complete coverage in the British Leyland –BL- until 1975 with nationalisation). Why was the 'piece-rate system' the defining social and political face of industrial relations both at BL and across the automobile industry? And why was its successor, MDW, so central to management between the 1970s to the late 1980s?

By the mid 1960s, the pay of seventy-two per cent of the Cowley workforce was either directly or indirectly based on piecework payment systems.<sup>46</sup> The number of shop stewards had increased by 280 per cent between 1959 and 1966.<sup>47</sup> Originally

piecework, when it was introduced in the 1920s, had been an effective tool of management control in an era of weak trade union organisation. This was the case until the 1950s by which time unions had achieved a strong workplace presence, represented by determined shop stewards, and ‘control’, or at least a significant degree of regulation of the piecework system:

[Management] rightly ... saw piecework as one of the pillars of the shop steward movement in the car industry and they knew that to attack it was to attack the shop stewards.

Our stance [the union, the TGWU, at plant level] was the outright defence of the piecework system despite the fact that the piecework system was originally brought in by [the owner] when his plants were non-union as the most effective way to maximise profitably.<sup>48</sup>

However, Hyman and Elger in recalling this period argued that one should be cautious ‘against over-romantic conceptions of the efficacy of workers’ job controls...Frequently they operated within limits acceptable to employers’.<sup>49</sup> For example piece-rate systems ‘cushioned the company [BMC, Cowley] against production losses, for the basic principle of “no work, no pay” meant that workers, rather than the company, bore the cost of “idle time” or “shut outs”’.<sup>50</sup>

Nonetheless, the description above is really an account of the balance of power in the plant at the level of the assembly track itself. The level of earnings of forty per cent of the workforce ‘was dependent not on their own production but on the earnings of piece-workers’ mainly employed on assembly.<sup>51</sup> Thus, outcomes from the struggle over piecework rates and job controls during this period were fundamental to both the company and its employees. It is clear that by the mid 1960s the piece-rate system had led to the erosion of management control, declining productivity and wage drift.<sup>52</sup> As elsewhere, the Morris management at Cowley, chose to ignore these developments as it was, along with other motor manufacturers, too preoccupied with output while demand for cars was buoyant in the 1950s and early 1960s.<sup>53</sup> Managers of specific work areas were usually quite desperate to forge local deals with the stewards, who were recognised by management as the negotiators on behalf of workers in particular areas. In the 1970s, however, as the market situation further deteriorated, a pattern of increasing management frustration with shop steward autonomy emerged.<sup>54</sup> ‘Once management had lost control of the piecework system, they no longer wanted it, and sought to replace it by an alternative system...’<sup>55</sup>

The alternative system, MDW, was forcibly introduced in December 1971 after a long and bitter struggle. Cowley shop stewards did secure an important concession, however, in that mutual agreement had to be reached before the results of work study could be implemented. In the event of a failure to agree a temporary arrangement to maintain production involving 'fair effort' would operate until a final agreement was concluded.<sup>56</sup> That shop stewards were able to secure a mutuality clause slowed the company's capacity to reassert management control and obtain the full benefit of MDW. However, the company had secured a platform enabling it to move towards intensifying the work effort and reducing comparative wage levels.<sup>57</sup>

The idea behind MDW<sup>58</sup> was to attempt to centralise decision making, first at the factory level and then at the level of the firm. This was why at Cowley, and at BL's other sites, although with varying degrees of conflict, the unions opposed the introduction of MDW. MDW was a means by which management could set wage rates at plant level and later, company level.

The centralising drive behind MDW also goes some way towards accounting for the fact that the union centres (outside the plants and nationally) were lukewarm in opposition. Negotiations and decisions on remuneration would be completely taken out of the plants and out of the hands of the shop stewards. At Cowley, after a six-week strike in 1970, the workforce was forced to accept MDW on the new Marina-model assembly line but without agreement from the local union branch. However, the company was unable to achieve the productivity increases that it required because Cowley workers refused to strike an agreement to allow work study experts on to the production line. The company attempted to force the issue but this prompted a walk-out. Acknowledging the unfavourable climate management decided to bide its time and conceded the principle of mutuality, and an agreement with the unions was struck.<sup>59</sup> This agreement re-introduced an element of *in situ* control by the stewards. Basically 'mutuality' meant that any change to the line speed had to be negotiated with the shop steward in his or her particular area. The 'mutuality' agreement was management's concession to get MDW through. Nevertheless, while the 'mutuality' deal returned a significant element of steward negotiating power the beginning of the end for shop-floor autonomy had been signalled with the introduction of MDW.



In 1974, the company attempted to circumvent the mutuality agreement by imposing new schedules on the Marina line without union agreement. A full-scale stoppage in April followed. A letter was sent by the plant director to striking workers demanding that they work the Marina line under new conditions without union agreement:

...report for work, tell your foreman you will give your assignment a fair effort at a line-speed of 30 per hour. To those who refuse, I must ask the question – do you wish to remain in our employment? If you won't work we must assume you wish to leave us and we will respond accordingly.<sup>60</sup>

Three days after this letter was sent the workers voted to accept the company's terms and return to work. 'Management opened the plant the following day and the industrial engineers commenced their studies on their own terms.'<sup>61</sup> The company finally accomplished what it had set out to do in 1971.

The period after this was marked by the corporatist engagement between the unions and the Labour government and the establishment of the National Enterprise Board (NEB) — a vehicle for holding controlling stakes in manufacturing firms 'as a way of injecting public money into private companies, and exercising some control over the use of the funds, while encouraging competition'.<sup>62</sup> This Government control was exercised to encourage company restructuring and rationalisation, as British Leyland workers experienced after the NEB took over the company helm in 1975. This is crucial for making sense of the historical import of MDW. The automotive industry was but one of a number of sectors where the labour government and official unions struggled to contain shop-floor power. While often exaggerated, on sporadic occasions this local strength, nonetheless, significantly undermined national trade union and labour government industrial and economic strategy. The introduction of MDW (1970-1973) at British Leyland Motor Company (BLMC), followed by the formation in 1975 of British Leyland under State control, may have cleared the way for the Company to bring about the centralisation of bargaining on remuneration and other conditions 'but it was to prove a long-drawn-out and conflict-prone operation'.<sup>63</sup> This was both cause and effect of the diminution of shop steward

power, a long sought goal of both trade unions outside both plant and firm, and of government, as codified in the Donovan Commission from as early as 1965-1968.

This diminution of shop steward power was reflected in the unions' acceptance of the Ryder plan which included the approval of the executive 'right to manage' without union interference and endorsement of a worker participation scheme. Leading Communist Party convenors, Derek Robinson, Peter Nicholas and Tom Steward gave credence to the scheme by enthusiastically taking up places on the BL Cars Council. Together with other council members, and union national secretaries Jack Jones (TGWU) and Hugh Scanlon (AUEW), they supported a strategy of company survival at all costs even though this meant accepting redundancies, plant closures and opposing strikes.<sup>64</sup> Senior stewards became 'dangerously detached from their membership'.<sup>65</sup> Their actions, however unwittingly, paved the way for the appointment of Michael Edwardes as Chair of British Leyland (1977-1982) who was to preside over reducing the workforce by half, significantly intensifying the pace of production, cutting real wages and sacking leading shop stewards, including Derek Robinson.

Edwardes, by jettisoning recent commitments to worker participation, as defined by the Ryder plan, was able to break union solidarity on the basis that it had no alternative strategy. As Edwardes himself put it, his aim was to 're-establish management authority'.<sup>66</sup> According to him, the Ryder report reinforced bureaucratic decision making. It would have to go. It was, 'a bureaucratic paper chase dissipating management resources and effort. Some management decisions were delayed by months while the joint consultative machinery tried unsuccessfully to grind out a consensus.'<sup>67</sup>

Edwardes' hard line approach was signalled by his determination to tear up existing agreements and sweep away the remnants of mutuality. His aim was essentially to destroy traditional job controls and rationalise production. Plant closures followed, first the Speke Triumph TR7 factory and then plants at Canley, Abingdon, Castle Bromwich, Liverpool and Park Royal in London. Edwardes' final triumph came, in November 1981, when the T&GWU acceded to take international levels of competition as 'the bench mark for all future negotiations on pay, conditions and

manning.’ Automotive workers across the globe were increasingly subjected to ‘chasing each other’s effort under the watchful eye of bankers and managers intent only on the preservation of their profits and the capitalist system’ (Rudder, 1983: 45).<sup>68</sup>

## **Conclusion**

In the 1950s and 60s, informal localised bargaining came to characterise union-management negotiations in both the automobile and aerospace industries. The importance of shop stewards directly representing their members in these industries, as indeed elsewhere in manufacturing, increased to the extent that this development became the subject of a major inquiry, the Donovan Commission. By the time the Donovan report was published, however, the intensification of international competition had already compelled car producers to put in place plans to reassert management authority; piecework was to be eliminated and replaced by MDW. The ending of piecework was strenuously opposed and took over a decade to achieve. Only management concessions such as ex gratia payments and the shift to harmonisation in the conditions of employment in aerospace and mutuality in automobiles, in conjunction with an increasingly hostile economic climate, cleared the way for employers to establish MDW. This major reform was buttressed by State intervention, particularly in the automobile industry. By taking control of British Leyland the State set in train an extensive restructuring and rationalisation programme in the context of increasing international competition and a history of low capital investment. That this was undertaken under a Labour administration served to heighten expectations among union leaders and most, but not all, leading shop stewards that this was to be the salvation for the company and indeed the British car industry. Instead it opened the door for Edwardes, on his appointment as Chair of British Leyland, to carry out a further rationalisation of the company and reassert managerial authority.

The reassertion of managerial authority did not happen to the same degree in the aerospace industry. Unlike the car industry, aerospace, at least the military arm, had access to a captive market, the State. While this point should not be exaggerated, as increasingly during this period the industry became dependent on export-related

products, it should not be ignored (Lovering, 1986: 20).<sup>69</sup> Another important difference between the industries, as highlighted in the introduction, is that aerospace products are not mass produced and require more highly skilled workers than the car industry. Therefore the influence of craft unions has been greater and employers' dependence on skills more which has enabled stewards to sustain influence at the workplace to a greater extent than their counterparts in the car industry.

- <sup>1</sup> Mair A., 'From British Leyland Motor Corporation to Rover Group: The Search for a Viable British Model' in Freyssenet, M., Mair, A., Shimizu, K., and Volpato, G. (eds), *One Best Way? Trajectories and Industrial Models of the World's Automobile Producers*, Oxford: Oxford University Press (1998), p. 399.
- <sup>2</sup> See Rooney, A. 'The Aircraft Industry' in K. Coates (ed) *Can the workers run industry?* The Institute for Workers' Control: Speare Books, (1968); Lovering, J. (1990) 'Military expenditure and the restructuring of capitalism: the military industry in Britain', *Cambridge Journal of Economics*, 14 (1990) pp. 453-467.
- <sup>3</sup> See Rooney, 'The Aircraft Industry', and Turner, H.A., Clack, G., and Roberts, G, *Labour Relations in the Motor Industry*, London: George Allen and Unwin (1967).
- <sup>4</sup> Turner et al *Labour Relations in the Motor Industry*, p. 222.
- <sup>5</sup> Rooney, 'The Aircraft Industry', p. 209.
- <sup>6</sup> *Royal Commission on Trade Unions and Employers' Associations 1965-1968* (Donovan), Report, Cmnd 3623, London: HMSO (1968), p. 6.
- <sup>7</sup> *Ibid.*, p. 104.
- <sup>8</sup> Turner et al *Labour Relations in the Motor Industry*.
- <sup>9</sup> *Ibid.*, pp. 216-223.
- <sup>10</sup> Fishman, N. *The British Communist Party and the Trade Unions, 1933-45*, Aldershot: Scholar Press, (1995).
- <sup>11</sup> Frank Tamlyn, retired BAC (EEPTU) shop steward, interview, November, 2003.
- <sup>12</sup> *Ibid.*
- <sup>13</sup> Turner et al *Labour Relations in the Motor Industry*; Higgs, P. 'The Convenor' in R. Fraser (ed) *Work "": Twenty Personal Accounts*, Penguin, (1969); Friedman, A. *Industry and Labour. Class Struggle at Work and Monopoly Capitalism*, London: Macmillan, (1977); Church, R. *The Rise and Decline of the British Motor Industry*, London: Macmillan, (1994).
- <sup>14</sup> Higgs, P. 'The Convenor', p. 124.
- <sup>15</sup> *Royal Commission on Trade Unions and Employers' Associations 1965-1968*.
- <sup>16</sup> Notably the government was not convinced that formalisation of industrial relations as recommended by Donovan was enough. While Barbara Castle, Secretary of State at the Department of Employment and Productivity (after April 1968), was concerned about the increase in unofficial strikes she was not convinced that to proceduralise industrial relations at company and plant level would resolve this problem. The Ford Motor Company, for instance, had procedural agreements in place and eschewed piecework but was still far from strike free (Croucher, R, 'The Coventry Toolroom Agreement, 1941-1972, Part 2: abolition', *Historical Studies in Industrial Relations* 9 (Spring 2000: 38) pp. 37-71).
- <sup>17</sup> Donnelly, T. And Thoms, D. 'Trade Unions, Management and the search for production in the Coventry Motor Car Industry', *Business History* 31(2) (1989), pp. 98-113.
- <sup>18</sup> *Royal Commission on Trade Unions and Employers' Associations 1965-1968*, p. 104.
- <sup>19</sup> Donnelly, T. And Thoms, D. 'Trade Unions, Management and the search for production in the Coventry Motor Car Industry', p. 107.
- <sup>20</sup> McKinlay, A. And Melling, J. 'The shop floor politics of productivity: work, power and authority relations in British Engineering, c. 1945-57', in Campell, A., Fishman, N. And Mcilroy, J. (eds), *British Trade Unions and Industrial Politics, Volume One: The Post-War Compromise, 1945-64*, Aldershot: Ashgate (1999), p. 234. For similar examples in the automobile industry see Lyddon, D. 'The Car Industry, 1945-79: Shop Stewards and Workplace Unionism' in Wrigley, C. (ed), *A History of British Industrial Relations 1939-1979: Industrial Relations in a Declining Economy*, Cheltenham: Edward Elgar (1996) pp. 203-204.
- <sup>21</sup> Lupton, T. and Gowler, D. 'Selecting a Wage Payment System' in Lupton T. (ed) *Payment Systems*, Harmondsworth: Penguin, (1969), pp. 239-277.
- <sup>22</sup> Brown, B. *Piecework Bargaining*, London: Heinemann, (1973), p. 125.
- <sup>23</sup> Higgs, P. 'The Convenor', p. 163.
- <sup>24</sup> Brown, B. *Piecework Bargaining*, p. 147.
- <sup>25</sup> Rolls-Royce Negotiating Committee, Modern Record Centre, University of Warwick (MRC), MSS 390/1/1/2, 12 December 1969.
- <sup>26</sup> Frank Tamlyn, interview.
- <sup>27</sup> Bert Yeandle, retired BAC employee, interview November 2002.
- <sup>28</sup> Frank Tamlyn, interview.
- <sup>29</sup> Rolls-Royce Negotiating Committee , MRC, MSS 390/1/1/3, 15 July 1970.

- <sup>30</sup> Parkside Bulletin (Rolls-Royce) Issue 58, Feb/March 1975, MRC, MSS 390/4/1/48.
- <sup>31</sup> Blackley, J., AUEW, Convenor Rolls-Royce 'Rolls-Royce new pay structure' in *Bristol Socialist*, July/August 1975; Parkside Bulletin (Rolls-Royce) Issue 60 April/May 1975, MRC, MSS 390/4/1/50.
- <sup>32</sup> Brown, B. *Piecework Bargaining*, p. 26.
- <sup>33</sup> Frank Tamlyn, interview.
- <sup>34</sup> Ibid.
- <sup>35</sup> Ibid.
- <sup>36</sup> Flanders, A. 'Measured Daywork and Collective Bargaining', *British Journal of Industrial Relations*, Vol. 11:3: (1973) p. 388.
- <sup>37</sup> Smith, C. *Technical Workers: Class, Labour and Trade Unionism*, Basingstoke: Macmillan, (1987), p.133.
- <sup>38</sup> National Union of Sheet Metal Workers, Coppersmiths, Heating and Domestic Engineers, Minutes of the No. 6 District Committee, 30 August 1975.
- <sup>39</sup> *Financial Times*, 27 April 1978.
- <sup>40</sup> Higgs, P., Union Convenor, 'Why you should reject the company's offer', Bulletin sent to union members at Rolls- Royce, Parkside, Coventry, on behalf of the Parkside Negotiating Committee, 30 March, 1978.
- <sup>41</sup> *Coventry Evening Telegraph*, 29 April, 1978.
- <sup>42</sup> Bristol Survival Plan, Rolls Royce Ltd., 1982..
- <sup>43</sup> Franks, B. *The Measured Day Work and Productivity Deal Swindle: How it works and how to fight it*, All Trades Unions Alliance pamphlet, Workers Press, November 1970, p. 21.
- <sup>44</sup> *Royal Commission on Trade Unions and Employers' Associations 1965-1968*, p. 106.
- <sup>45</sup> Ibid., p. 262.
- <sup>46</sup> Bowden, S., Foreman-Peck, J. and Richardson, T., 'The Post-War Productivity Failure: Insights from Oxford (Cowley)', *Business History*, Vol. 43:3, (2001) p. 59.
- <sup>47</sup> Ibid., p. 67.
- <sup>48</sup> Thornett, A., *From Militancy to Marxism: a personal and political account of organising car workers*, Oxford: Left View Books (1987), p.107.
- <sup>49</sup> Hyman, R. and Elger, T. 'Job Controls, the Employers Offensive and Alternative Strategies', *Capital & Class*, Issue 15, Autumn 1981, p. 116.
- <sup>50</sup> Bowden, S., Foreman-Peck, J. and Richardson, T., 'The Post-War Productivity Failure', p. 64.
- <sup>51</sup> Ibid., p. 59.
- <sup>52</sup> Ibid., pp. 60-63.
- <sup>53</sup> Hyman, R. and Elger, T. 'Job Controls, the Employers Offensive and Alternative Strategies', p. 134.
- <sup>54</sup> Willman, P. and Winch, G., *Innovation and Management Control: Labour Relations at BL Cars*: Cambridge CUP, (1985), pp. 65-84.
- <sup>55</sup> Thornett, A., *From Militancy to Marxism*, p. 108.
- <sup>56</sup> Ibid., p. 210.
- <sup>57</sup> Johns, S. *Victimization at Cowley*, London: Workers Revolutionary Party, (1975), p. 24.
- <sup>58</sup> According to Willman and Winch, *Innovation and Management Control*, (p.66), Measured Day Work received a mixed response with some "commentators" feeling that "the scheme created considerable problems, and contributed to the reduction of productivity observed throughout the industry in the early 1970s."
- <sup>59</sup> Johns, S. *Victimization at Cowley*, p. 39; Thornett, A., *From Militancy to Marxism*, pp. 209-210.
- <sup>60</sup> Johns, S. *Victimization at Cowley*, pp. 41-42; Thornett, A., *Inside Cowley: Trade union struggle in the 1970s: who really opened the door to the Tory onslaught?*. London: Porcupine Press, (1998), p. 27.
- <sup>61</sup> Thornett, A., *Inside Cowley*, p. 28.
- <sup>62</sup> Barratt Brown, M. and Coates, K., *The Blair Revelation: Deliverance for whom?* Nottingham: Spokesman, (1996), p. 61.
- <sup>63</sup> Willman, P. and Winch, G., *Innovation and Management Control*, p.65.
- <sup>64</sup> McIlroy, J. 'Notes on the Communist Party and Industrial Politics' in J. McIlroy, N. Fishman, A. Campbell (eds.) *British Trade Unions and Industrial politics: Volume Two The High Tide of Trade Unionism, 1964-79*, Aldershot: Ashgate, (1999), p. 240.
- <sup>65</sup> Hyman, R. and Elger, T. 'Job Controls, the Employers Offensive and Alternative Strategies', p. 139.
- <sup>66</sup> Edwardes, M *Back from the Brink*, London: Collins, (1983), p. 74.
- <sup>67</sup> Ibid., p. 37.
- <sup>68</sup> Rudder, B. 'The inside story at Toyota and BL' Book Review, *Labour Review*, August 1983: Vol 1:7, p. 45.

---

<sup>69</sup> Lovering, J. 'The Restructuring of the Defence Industries and the Role of the State', Working Paper 59, University of Bristol, School for Advanced Urban Studies, (1986), p. 20.