

John McIlroy

Anatomy of a redundancy struggle

The pattern of defeats continues. Are the odds insuperable?



One thing stands out clearly from the long list of strikes and occupations against closures and redundancies which stud the long three years of Margaret Thatcher's government: in only a handful of cases have workers been able to resist the rising tide of unemployment at the factory gate. Even where some sort of success has been achieved it has tended to be either a limited compromise or of short term significance.

Despite efforts by sections of the Left to turn the Labour Party outwards to link up with industrial struggles, the attempt to provide a more generalised response to unemployment through the Labour Party-TUC demonstrations, and the enthusiasm generated by the Peoples' March, the fightback against the impact of the Government's economic policies in the workplaces has remained isolated and unsuccessful. No dispute has provided a focus for opposition in the way UCS did a decade ago.

There is no dearth of explanations: the unfavourable economic situation, the lure of redundancy payments, the new aggressive management style, lack of support from union leaders and other groups of workers for those willing to make a stand — all are cited. The fight against closure at Laurence Scott and Electromotors, Openshaw Manchester, lasted for almost a year. A look at its origins, development and defeat may provide us with a concrete case study of some of the barriers and obstacles to success that workers face today when they are willing to resist closure.

Why resist?

LS&E was part of the Laurence Scott Group which has plants at Norwich, Blantyre, Aylesbury and Wolverhampton. The Openshaw factory making electric motors for the NCB and the Ministry of Defence employed 650 workers. In May 1980 the Doncaster

Management removing goods by helicopter from the Openshaw premises with the full support of the Manchester police, November 1981.

based Mining Supplies Group bought 30% of Scott's shares in a dawn raid and in September of that year secured control of the company valued by Extel at over £18m for a knockdown £6.5m.

Despite a promise to maintain existing conditions, the new management swiftly made use of the Temporary Short Time Work Compensation Scheme to introduce a three-day week. In early February 1981 because of cut-backs in orders from the NCB the Manchester management were given the surprising news that their plant would close down in two months time. Strict secrecy was observed and it was only on April 8 that the closure decision was made public. As Mining Supplies Chairman, Arthur Snipe, cynically remarked, 'Factories close every day'. This was certainly true in Manchester. In late 1980 the redundancy roll call contained such well known local engineering firms as Mirlees Blackstone, Francis Shaw, Renolds Chain and Fairey Engineering. But why should this particular group of workers decide to resist what had apparently become inevitable?

A strong swell of anger, a deep seated feeling of injustice could be sensed throughout the workforce. The factory, they knew, had been in profit for the last three years. The short time working they had accepted as a genuine contribution to maintaining jobs they now perceived as a tactical 'run-in' towards redundancy. There was outrage at the broken promises of the management, their lack of consultation, their casual attitude towards the closure. The view that they had been 'played for mugs' found focus on the larger than life figure of Arthur Snipe, soon to be described by the *Daily Mirror* as 'Britain's toughest boss'.

Master of the Hunt, racehorse owner and Lord of the Manor at

Barnby near Newark, Snipe was in many ways a caricature of Thatcher's New Britain. His flamboyance and heavy handed methods fuelled antagonisms more sophisticated management may have defused. The sense of grievance was in no way lessened by the offer of minimum redundancy payments in harsh local labour markets.

More detailed views as to the viability of the factory and more sophisticated economic justifications for its continued operation were not a mainspring for the occupation. For even embryonic alternative plans to flourish, roots must generally have been sunk well before a dispute begins. The LS&E shop stewards were not, for example, active in outside union bodies or political parties. While Broad Left-Communist Party organisation and ideas were weak in Scott's compared with nearby factories such as GEC or Francis Shaw.

As the dispute developed there was some discussion of the widely publicised financial affairs of the LS&E combine and the AUEW Manchester North District Committee passed a resolution urging the nationalisation of suppliers under the NCB structure. Nonetheless it remains a fact that alternative economic strategies did not play an igniting role. The sense that the plant had been profitable and therefore should remain open was not developed further. The basic reaction of most workers was summed up by Steve Longshawe, AUEW Deputy Convenor: 'We felt that we were unfairly singled out. We wanted to show that bastard management what we were made of. It was better to have a go rather than throw in the towel and spend years on the dole'.

The workers were a tightly knit community. Entire families had worked at the factory for over 40 years. They identified with the company and saw themselves as a distinctive group. Once feelings crystallised that outside asset strippers had unfairly taken away their livelihoods when there was a case for keeping the factory open, they quickly became a strong, sustaining and reinforcing influence on the dispute.

Moreover, the workers had a model of resistance to redundancy close at hand. In late 1980 an occupation by workers at the Gardner's plant in Eccles had led to the company withdrawing plans for compulsory redundancies. Despite the fact that the settlement did provide for the loss of 300 jobs through voluntary redundancies, the Gardner's strike was hailed as a victory by Manchester trade unionists. Many of the Scott's workers saw the Gardner's struggle as an affirmation that employers' decisions on redundancy were not immutable. They could at least to some degree be reversed by industrial action.

They were encouraged in these views by local full-time union officials. Three-quarters of the workers were in the AUEW. Divisional Organiser, John Tocher, who had less conservative views on the possibility of resisting job loss than many other left officials, was a strong influence on the strikers. Tocher, as chairman of the local Confederation of Shipbuilding and Engineering Unions was, moreover, useful in coordinating union support.

The strike began when, on April 24, the workforce voted to take over the factory at a mass meeting. Snipe immediately threatened to withdraw redundancy pay. At a second mass meeting the voting to continue the occupation in the face of this threat was narrower.

Sectionalism

As the occupation developed morale was high. Almost 500 workers were involved in the duties rota, financial support was rolling in, and the relevant unions were gradually making the dispute official. Moreover, the Scott's workers had one great advantage. Within the occupied plant was nearly £3 million worth of parts. However, workers fighting a factory closure are not going to win under their own steam. There were potentially three key areas in which outside

support was necessary.

An extended and firm base in the local labour movement is essential. Manchester trade unionism has historically been dominated by engineering and Manchester traditionally has been the strongest District of the AUEW, acting as the springboard for the development of its left wing leadership in the 60s. The last decade has seen the Broad Left in decline. As the union shifted rightwards, the election of right wing officials was complemented by the reduced ability of the stewards to mobilise in the factories. During the Roberts Arundel dispute in the mid 60s or even the Automat dispute in the mid 70s, thousands of workers could be brought out from major factories to march to the picket lines at crucial moments.

During the Scott's dispute, whilst the local labour movement gave tremendous moral, financial and resolutionary support, action was minimal. Support on the picket lines could be counted in hundreds rather than thousands. Stewards who found it difficult enough to gain backing for their own factory issues found it impossible to win action for an outside dispute. Workers who saw their own conditions under attack were reluctant to chance their necks for others.

In a redundancy struggle, solidarity from other parts of a combine is also potentially crucial. Union organisation in the other LS&E plants was weak and intimidated. Moreover, workers who see redundancies in other parts of their company are naturally concerned that a reversal of those decisions may lead to their own jobs becoming substitute sacrifices. Workers in other Scott's plants tended to see the plight of the Openshaw employees as a confirmation of their own good luck. The arguments put to them that they should come out on strike to implement work sharing across the company foundered on the fact that those workers already possessed the conditions that their own industrial action just might produce. They were understandably not sufficiently altruistic or long sighted to risk their own livelihoods — at bad odds.

Finally, there are often outside groups of strongly organised workers whose refusal to handle important products may help strikers. LS&E products were exported to South Africa, USA and Australia through Hull docks. Snipe's main enterprise, Mining Supplies, used large quantities of oxyacetylene cylinders. The motors Scott's produced were essential in the mines.

Refusal to handle these items by dockers, miners and British Oxygen workers could therefore have played an important role. Once again this represents a jump in the dark for these workers. The employer directly in dispute is swiftly brought to heel; alternatively the blacking of crucial products can lead to lay offs among the second group of workers. When the sectionalism engrained in British trade unions is intensified by the fears aroused by 3 million unemployed, action which can damage and most certainly will not benefit other

We wanted to show that bastard management what we were made of.

groups of trade unionists is unlikely. Arthur Scargill voiced the response of many left activists: if all the LS&E plants came out *then* he would consider blacking by the miners. Why should his members be faced with lost earnings while the company's own employees were not?

In a closure dispute, unless there is outside action, the employer will generally be able to sit it out — until the strikers are exhausted, when equipment and plant of any value can be repossessed. The Scott's workers were forced onto the offensive. Like many other groups of workers they were initially impaired by lack of organisational know-how and contacts. It was eight weeks before they picketed the main factory of Mining Supplies at Doncaster.

If, in the end, this dispute was to be fatally weakened by the lack of

support from other workers, it nonetheless illustrates that the direct pressure of the picket line can still exercise some influence when a dispute has official backing. After a difficult two days, TGWU drivers at Mining Supplies were turning back. This, combined with pressure from the NCB via the NUM, led the management to agree for the first time to genuine negotiations.

The union

On July 10 1981, after 11 weeks on strike and 3 weeks picketing Mining Supplies, the AUEW officials finally came to an agreement with Arthur Snipe. This provided for the factory to re-open for a trial period of three months on a two-day week. It accepted that some

Workers who saw their own conditions under attack were reluctant to chance their necks for others.

redundancies were inevitable. It also required the return of redundancy money already paid to the workers and understandably already spent.

The experience of the strike had heightened morale and raised sights. Ironically the very fact that the leaders who had emerged were inexperienced in the wider culture of left trade unionism, inexpert at examining the odds against them, and unschooled in everyday compromise and trade-off, meant that militancy was now higher than at the start. Feeling the employer was on the run and that the unions were behind them, the strikers were not prepared to wait to fight another day. At two mass meetings the workers rejected the settlement far more decisively than they had agreed to strike in the first place. On August 4 the AUEW Executive washed their

hands of the dispute and withdrew strike pay. Faced with this stand from the majority unions, the others gradually followed suit.

If the hurdles involved in winning this kind of dispute *are* to be overcome, then the support of the union in terms of material benefits, and, even more important, legitimacy is essential. If a dispute lacks the official *imprimatur*, some of the strikers may become demoralised, other workers will be less reluctant to cross picket lines, officials who are sympathetic but responsible by rule to the union leadership will be inhibited in giving active support.

Here redundancy disputes illustrate graphically the tendencies in trade unionism today which can act to reinforce the sectionalism inherent in the division of the labour force. There is no point in *simply* condemning the AUEW Executive as right wing. We have to understand the rationale of their position in order to combat it. In a situation of declining membership and hence declining finances, in the face of Arthur Snipe's threat to close all the SL&E plants, they were not prepared to risk the gamble of putting a thousand and more jobs on the line to safeguard 650. They were prepared to sacrifice one group of workers for what they would argue was the greater good of the organisation as a whole.

The strikers of course argued that those directly involved in a dispute should have the right to decide whether a dispute should be continued or terminated and that the Executive had violated the formal democracy of the AUEW. They claimed that the Executive was in breach of rule in completing an agreement before submitting it to the relevant District Committee and in withdrawing dispute benefit before the members affected were re-employed. The Executive also put barriers in the way of the strikers when the latter attempted to take their case to the AUEW Final Appeal Court.

The diffused structure of democracy in most unions places potential manipulative power in the hands of its leadership. Whilst the

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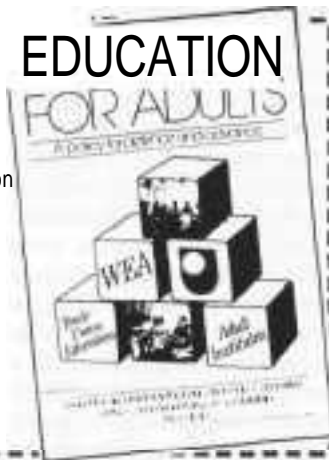
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FAC was left wing the governing body, the National Committee, has an inbuilt rightwing majority. When this body was recalled in November, it voted to validate the Executive's handling of the dispute. General Secretary, Sir John Boyd, was able to argue that he had been right all along. The strikers were now pressed into using Rule 14 (5) which provides for a ballot on the removal of the Executive on request of 10%, (or around 260) of the branches. The strikers succeeded in gaining over 200 resolutions but the fact that a two-thirds majority for removal would be required in the actual ballot made success improbable.

Making union democracy work is a question of power. The Left could not make the rules work because of right wing domination of the Executive and National Committee. Until the Left armed with a viable strategy can repenetrate the power points in important unions like the AUEW and EETPU, the prognosis for national support in multi-union situations will remain bleak.

Employer and state

If strikers facing job loss can go some way towards overcoming the problems of consciousness and organisation within the labour movement then they will inevitably be confronted by coercion from antagonistic state agencies. By August 1981, relatively isolated and lacking union support, the strikers were open to legal intervention. Snipe was granted an order for repossession of the factory. On August 21, 40 bailiffs armed with sledgehammers and pick axe handles smashed their way into the factory at 2.45 am evicting the occupiers.

If this was intended to finish the dispute it was not successful. At this point the number in any way actively involved was down to around 200, surprisingly high at this stage. Moreover, what they saw as the betrayal of their union far from leading to demoralisation gave a further fillip to the dispute. Sir John Boyd and Terry Duffy were now perceived in the same fashion as Arthur Snipe. The strikers far from wilting in the face of adversity became more determined. Moreover, by this time with redundancy money spent, the only fight could be for jobs.

Wide publicity within the labour movement, the support of over 100 MPs, the appearance of Tony Benn on the picket line — all kept the dispute going. The management felt further pressure was required. In a now famous helicopter operation in November they removed valuable machinery from the Openshaw premises with the full support of the Manchester police who were closely involved in the planning of the raid. The workers were pushed into one final throw. The picketing of the Doncaster factory was relaunched. This in turn led to renewed efforts by the AUEW leadership to end the strike. The National CSEU Secretary wrote to the NUM stressing the dispute was unofficial. John Boyd wrote to the AUEW Manchester North District Secretary instructing him to cease supporting the strikers. The legal process was again crucial when, in the face of an injunction granted to the management under the 1980 Employment Act, the picket was lifted.

The final phase of the strike once more highlighted the inequitable balance of coercion strikers face, when in February this year a flotilla of lorries from Doncaster engaged in a three day operation to strip the Openshaw premises, whilst the police who had once more been intimately involved in discussions with the employers held back the pickets. To the strikers the final bitter pill was the presentation of a bill for £6,000. They were being asked to pay the costs of their own eviction.

Conclusion

The Laurence Scott dispute illustrates that workers *are* prepared to fight for their jobs if they can see some chance of success or if the



alternative bears little thinking about. It also illustrates the tremendous problems they face in doing so.

If we are to begin to overcome these problems then we need first to stare them in the face. Heroism unfortunately is not enough. Disputes cannot be won at the individual workplace. A small group of workers no matter how determined will require as this case study illustrates the support of their national organisation. This will not be won simply by denunciations of treacherous bureaucrats. It will be dependent upon deepening educational work among the union members in the context of the creation or recreation of strong left organisation in the unions which can capture the imagination of the rank and file as well as official positions.

Lack of solidarity from other workers is not due simply to apathy or ignorance. It is materially based in self protection. The AUEW District Secretary doubted whether the Scott's workers would have come out, for example, in support of the Gardner's workers. The basis of radicalisation in redundancy disputes is self interest and it is that self interest on the part of other workers which acts as a barrier to their generalisation. Again, strident sloganising is no substitute for the elaboration of concrete answers as to how groups of workers can help each other without losing themselves. The response to the NHS dispute is encouraging here, with support for nurses being forthcoming from miners and steelworkers.

Trade unionists also have to ensure that their problems grip the imagination not only of other organised workers but of the wider community. The backing given to this dispute by Openshaw Community Council, local Labour Party representatives, MP Charles Morris and many local residents shows the possibility of focusing on closures as a blow to the whole local economy. If the employer is able to draw on the resources of the state, unions too must draw on energies outside the workplace.

The Scott's workers, moreover, faced a legal offensive which Tebbit's Bill will intensify: again rhetoric is insufficient. Only if we can redefine and re-establish the purposes of trade union organisation and practice in the consciousness of ordinary workers will the labour movement be in a position to resist this legislation. D