

A Bad Line At BT

The strike at British Telecom was ostensibly about the bread and butter of industrial relations - pay and conditions. But its real roots lay much deeper in the transformation of BT which began prior to its privatisation in 1984.

New technology, privatisation, competition, and decentralisation of the company's structure have combined to throw industrial relations into the melting pot.

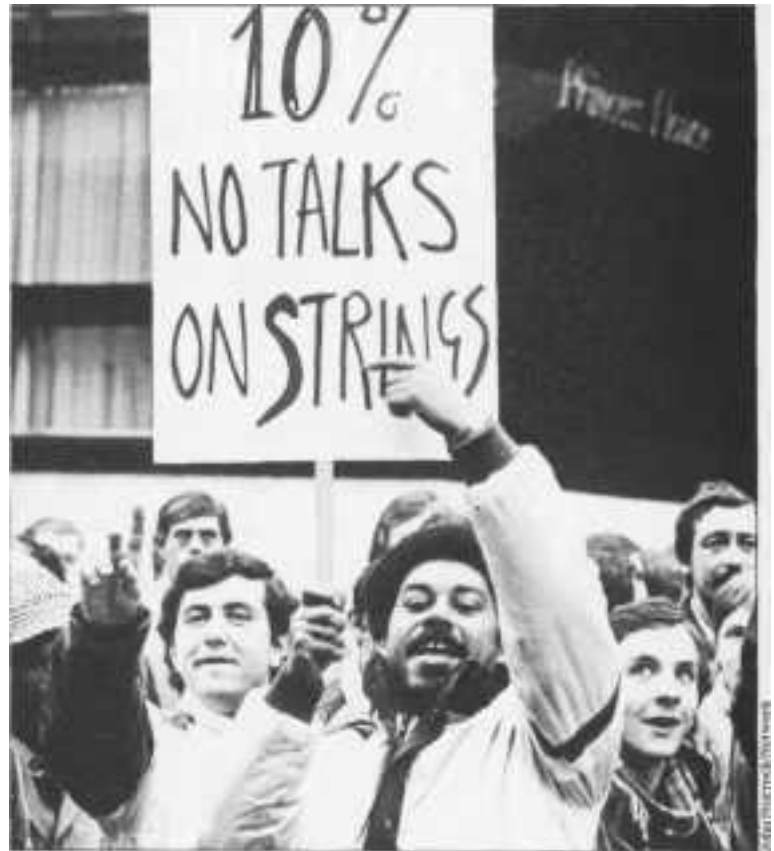
The strike reflected a contest over the 'culture' of the company. Under public ownership BT did have a coherent culture. The ethos of universal public service fitted with an established pattern of joint union and management regulation. It was from this culture that the National Communications Union, (formerly the Post Office Engineering Union), drew much of its strength.

But BT managers say the ethos now has to be service to the customer, which spells efficiency, flexibility, competitiveness, profitability. Working practices and the conduct of industrial relations have to be changed to bring them into line with the new commercial realities of competition.

The strike and its aftermath should help to answer the question: 'what does privatisation mean beyond a change of ownership?' In other words who has won what from the strike and the settlement?

The strike began after the breakdown of talks over the 1986 pay award, due on July 1 last year, and the wide-ranging efficiency measures BT had tied into its offer.

The rallying cry for activists as they entered the strike, - a cry endorsed by the national executive of the union - was 'an offer without strings'. The 110,000 engineers said they wanted a pay offer to reflect profitability, the going rate, and inflation, rather than a deal



Telecom workers demonstrating in London

financed by improvements in productivity.

On that score the company clearly got what it wanted. In the final package, the 1986 offer, which was slightly improved, is still tied to the introduction of the main efficiency package, the job re-patterning proposals which will end established demarcations between engineers.

BT did drop some of its proposed changes to working practices, such as the 45 minute extension to the working day, accelerated promotion for some junior technicians, and direct entry to senior grades for technicians with special skills.

But these will be taken up in a separate manpower committee with a commitment from the union that agreement on these changes will be reached by September.

The unconditional part of the settlement is the 1987 pay award of 4.75% which was about to be negotiated anyway.

Overall, a two year pay deal of 12.7%, incorporating ma-

major changes to working practices, is below average, according to analysts at Income Data Services, the pay research company.

It looks then as if BT management has clearly got the upper hand in the battle for the soul of the company. What then should we make of the *Daily Telegraph's* leader of February 10, which accused BT of 'going quietly': buying off the union rather than prolonging a strike to crush it.

Seen in the context of the general decline in industrial action, and against the background of Wapping and the miners' strike, it is clear that just by staging the action, and coming through intact the union achieved some success.

Moreover the dispute was conducted on ground that Thatcherism should have fully colonised. The majority of the strikers are shareholders in the company. Evidently this has done precious little to increase their identification with their employers' aims.

The engineers are also 'core' workers, with relative job security, whose real earnings have benefited from tax cuts, and low inflation. Not the most fertile ground for discontent.

The union's moderate leadership was elected under Conservative trade union legislation. And ironically, the strength of the action came, above all, from the pre-strike ballots, held in December which revealed 4 to 1 support for industrial action. 'This is Norman Tebbit's strike,' Mr John Golding, the NCU's general secretary was fond of saying.

Nor did the union give up everything in the negotiations. Some of the changes to working practice will benefit engineers keen to get to grips with new computer-based technologies. The main efficiency package was virtually agreed by the union, conditional on proper payment and protection of promotion prospects. Few in the union ever doubted it would be introduced.

The 1986 pay offer, which comes in three stages to June 1988, was amended so that all grades will receive permanent payments. The previous offer held out one of bonuses for only some grades.

Beyond that the union has forcefully asserted its right to play a role in determining the emerging culture of the company. Joint regulation within a public service ethos may be replaced by joint regulation within a commercial ethos.

The dispute has shown that the industrial strength of core workers, in a moderate union, should not be discounted. Just as coal was at the centre of the economy's industrial structure in the 19th and early 20th centuries, telecommunications are at the heart of the emerging high tech service sector.

If the year-long miner's strike was an anguished, defiant blast from the labour movement of old, the short tactical BT strike may be a shot across the bows from a labour movement gathering its strength for the future.#

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