If you have discovered material in AURA which is unlawful e.g. breaches copyright, (either yours or that of a third party) or any other law, including but not limited to those relating to patent, trademark, confidentiality, data protection, obscenity, defamation, libel, then please read our Takedown Policy and contact the service immediately.
INDUSTRIAL RELATIONS IN THE ROAD PASSENGER
TRANSPORT INDUSTRY
- A POLITICAL-ECONOMIC ANALYSIS

VOLUME TWO

SIMON KENETH OWEN READ

Doctor of Philosophy

THE UNIVERSITY OF ASTON IN BIRMINGHAM

January 1989

This copy of the thesis has been supplied on condition that anyone who consults it is understood to recognise that its copyright rests with the author and that no quotation from the thesis and no information derived from it may be published without the author's prior, written consent.
# LIST OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter 6 : Nationalisation</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 : The Consolidation of National Bargaining</td>
<td>6</td>
</tr>
<tr>
<td>1a : National Bargaining in Wartime</td>
<td>7</td>
</tr>
<tr>
<td>1b : The Progress of National Bargaining</td>
<td>10</td>
</tr>
<tr>
<td>1c : Strikes and Garage Resistance in Wartime</td>
<td>14</td>
</tr>
<tr>
<td>1d : The Final Consolidation of National Bargaining</td>
<td>20</td>
</tr>
<tr>
<td>2 : Nationalisation</td>
<td>32</td>
</tr>
<tr>
<td>2a : Nationalisation in Theory</td>
<td>33</td>
</tr>
<tr>
<td>2b : Nationalisation in Practice</td>
<td>39</td>
</tr>
<tr>
<td>2c : The Attack on Militancy</td>
<td>43</td>
</tr>
<tr>
<td>Conclusion</td>
<td>48</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 7 : The Economics of Nationalisation</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a : The Replacement of Public by Private Transport</td>
<td>67</td>
</tr>
<tr>
<td>1b : The Problem of Productivity Measurement</td>
<td>69</td>
</tr>
<tr>
<td>1c : The Financial Crisis of the B.T.C.</td>
<td>73</td>
</tr>
<tr>
<td>1d : The Response of the Nationalised Bus Industry to Declining Market Position</td>
<td>76</td>
</tr>
<tr>
<td>1e : Labour Problems in the Bus Industry</td>
<td>83</td>
</tr>
<tr>
<td>Conclusion</td>
<td>86</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 8 : Industrial Relations in the Bus Industry : 1950-1964</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 : London Busworkers and 'The Platform': 1950-5</td>
<td>93</td>
</tr>
<tr>
<td>2 : Bus Workers and Racism</td>
<td>102</td>
</tr>
<tr>
<td>3 : The 1957 Provincial Strike</td>
<td>112</td>
</tr>
<tr>
<td>4 : The 1958 London Strike and After</td>
<td>117</td>
</tr>
<tr>
<td>Conclusion</td>
<td>140</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 9 : The Restructuring of the Industry</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 : Productivity and the N.B.P.I.</td>
<td>157</td>
</tr>
<tr>
<td>2 : The Reorganisation of the Industry</td>
<td>168</td>
</tr>
<tr>
<td>3 : The Growth of Operational Research</td>
<td>172</td>
</tr>
<tr>
<td>4 : Labour Militancy and the Crisis in Industrial Relations</td>
<td>177</td>
</tr>
<tr>
<td>5 : The T.G.W.U. and the Labour Government</td>
<td>191</td>
</tr>
<tr>
<td>Conclusion</td>
<td>199</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 10 : The Failure of Restructuring and Other Strategies</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 : The Continuing Decline of the Industry</td>
<td>209</td>
</tr>
<tr>
<td>1a : Continuing Economic Decline</td>
<td>210</td>
</tr>
<tr>
<td>1b : The Pattern of Militancy in the Bus Industry in the 1970's</td>
<td>225</td>
</tr>
<tr>
<td>2 : The Social Contract and Municipal Socialism</td>
<td>230</td>
</tr>
<tr>
<td>3 : The Thatcher Years : The Final Crisis?</td>
<td>236</td>
</tr>
<tr>
<td>Conclusion</td>
<td>244</td>
</tr>
</tbody>
</table>

Bibliography | 251 |
# LIST OF TABLES AND DIAGRAMS

## TABLES:

<table>
<thead>
<tr>
<th>Table</th>
<th>Title</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Fleet Size of Each Group of Operators: 1937-55</td>
<td>6</td>
</tr>
<tr>
<td>15</td>
<td>Major Strikes in the Bus Industry 1943-5</td>
<td>17</td>
</tr>
<tr>
<td>16</td>
<td>Major Strikes in the Bus Industry 1945-8</td>
<td>21</td>
</tr>
<tr>
<td>17</td>
<td>Indices for Production, Productivity, Prices and Profits for the Nationalised Bus Industry 1948-62</td>
<td>70</td>
</tr>
<tr>
<td>18</td>
<td>B.T.C. Finances: 1948-1962</td>
<td>74</td>
</tr>
<tr>
<td>19</td>
<td>The Relationship Between Revenue, Operating Costs and Wages for Tillings and Scottish: 1948-62</td>
<td>78</td>
</tr>
<tr>
<td>21</td>
<td>The Relationship Between revenue, Operating Costs and Wages for London Transport Buses: 1948-62</td>
<td>82</td>
</tr>
<tr>
<td>22</td>
<td>Staff Turnover of Male and Female Drivers and Conductors on Tillings and Scottish Buses: 1951-62</td>
<td>84</td>
</tr>
<tr>
<td>24</td>
<td>Comparison of Militancy and Sales of 'The Platform' at all London Transport Garages: 1954-63</td>
<td>126</td>
</tr>
<tr>
<td>25</td>
<td>Employment, Basic and Average Earnings and Hours in the Bus Industry 1965/6</td>
<td>158</td>
</tr>
<tr>
<td>26</td>
<td>Existing O.M.O. Bonus Agreements in Different Sectors of the Industry in 1966</td>
<td>163</td>
</tr>
<tr>
<td>27</td>
<td>U.K. Bus Fleet by Ownership: 1970</td>
<td>171</td>
</tr>
<tr>
<td>28</td>
<td>Strike Activity in Road Passenger Transport Compared with Other Industries</td>
<td>180</td>
</tr>
<tr>
<td>29</td>
<td>Strike Activity in the Road Passenger Transport Industry: 1960-70</td>
<td>184</td>
</tr>
<tr>
<td>30</td>
<td>N.B.C. Operating Statistics 1968-1986</td>
<td>211</td>
</tr>
<tr>
<td>33</td>
<td>Grants and Subsidies to the Bus Industry: 1972-1982</td>
<td>222</td>
</tr>
<tr>
<td>35</td>
<td>Trends in Revenue Support by Type of Authority</td>
<td>234</td>
</tr>
</tbody>
</table>

## DIAGRAMS:

<table>
<thead>
<tr>
<th>Diagram</th>
<th>Title</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Organisational Structure of N.B.C. 1969-72</td>
<td>214</td>
</tr>
</tbody>
</table>
CHAPTER SIX:
NATIONALISATION

From mechanisation onwards the road passenger transport industry had been subjected to increasing local and national state control and regulation. The late 1940's saw the culmination of this process when, largely as a consequence of rail nationalisation, the majority of the provincial bus industry was taken over by the state. Nationalisation of key industries was part of a much larger restructuring of capitalism which included the adoption of Keynesian economic policies together with a commitment to near full employment, and an enormous increase in state provision for education, welfare, housing and health. Much of this was a consequence of war-time politics, in particular, the construction of a national government after the disaster of Dunkirk in 1940. Bevin became Minister of Labour, Attlee deputy Prime Minister and Morrison Home Secretary.

Full employment due to the war effort and Keynesian policies thereafter, transformed the labour movement in a contradictory way. At the level of the workshop, garage, depot or pit there was an enormous increase in union power. Striking was a great deal easier, 1943 and 1944 providing the highest levels of strike activity since 1926, despite the numerous state measures enforcing compulsory arbitration, directing labour and outlawing unofficial strikes. Once the war was over and this enormous structure of state controls was dismantled, union power was augmented still further by a tight labour market. The other side of this transformation was the spread of Joint Industrial Councils, the introduction of Wages Boards, the growth of tri-partite discussions between the state, employers and union leaders and the general incorporation of the trade union leadership into the state. This latter process has been labelled quasi-corporatism by Panitch and others.¹ This involves a process of political exchange whereby trade union leaders act as agents of social control over their members
in return for influence over state decisions, Keynesian
policies, nationalisation and state welfare. Whether there
was such a process of political exchange or whether the
enhanced status of trade union leaders in the wider society
simply reflected the increase in workshop power is an open
question on which we will reflect in the conclusion. In the
meantime 'quasi-corporatism' will be used to mean this
complex of processes detailed above.

The concomitant development was what Richard Price,
discussing the post-war situation, refers to as the
progressive decoupling of politics from local workshop
organisation;

"Although at the local level there were resonances of
alternative policies and ideas - especially on the
question of worker representation on the boards of
nationalised industries - they possessed no real
political significance. The failure to build post-war
industrial relations around wartime joint regulation
meant that workshop organisation continued to exist as
a purely economic, local phenomenon which practised
'encroaching control' over managerial prerogatives, but
did so apart from the wider world of Labour politics.
As such it represented the effective decoupling of the
politics from the economic and social structures
through which Labour's support was mobilised."

This decoupling was most obvious, in terms of the bus
industry, over the question of nationalisation. Thus while
the bus section of the Transport Union was primarily
concerned with the consolidation of national bargaining and
nationalisation, the union at branch level was far more
concerned with the lack of progress in pay and conditions.

This contradiction, between a quasi-corporatist union
leadership and localised union militancy over economic
issues at the point of production, remained latent until the
later 1940's. Before this the two processes appeared
mutually reinforcing. This apparent harmony was the result
of a double-sided strategy for greater control of the labour
process or at least improving the terms on which labour was
exploited. At the level of the local branch there were a
series of unofficial strikes aimed at enforcing and
Nationalisation

improving the terms of the national agreements which now covered all sections of the industry. At the level of the union leadership encroaching control was to result from the consolidation of national bargaining and nationalisation. Only when the Attlee Government turned to consolidation after the economic problems of 1947 did this contradiction become apparent. This chapter will examine this dual process in two sections beginning with the consolidation of a national bargaining system covering virtually the entire industry, followed by an examination of the impact of the Transport Act of 1947.

1: The Consolidation of National Bargaining.

By the end of the 1930's there were essentially four groups of bus operators: the London Passenger Transport Board (L.P.T.B.), the Municipal Operators, the Provincial Combine Companies and the Independents. Exact figures on the comparable size of these operators are difficult to produce. Table fourteen gives an indication of changes in fleet sizes between 1937 and 1949.

<table>
<thead>
<tr>
<th>TABLE FOURTEEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>FLEET SIZE (BUSES AND COACHES) OF EACH GROUP OF OPERATORS 1937 - 1955</td>
</tr>
<tr>
<td>YEAR</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1937</td>
</tr>
<tr>
<td>1939</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>1949</td>
</tr>
<tr>
<td>1955</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

* This figure is definitely an underestimate derived by adding all the major Tilling and B.E.T. fleets. It omits coach fleets, smaller companies and S.M.T. which in 1937 employed about 9,000 workers and probably had in excess of 2,000 vehicles. The Nationalised column is mostly Tillings and S.M.T.
Nationalisation

The Combine companies represented one third of the industry. With the new National Council for the Omnibus Industry (N.C.O.I.) setting wages in this sector together with the Fare Wages clause of the 1930 Road Traffic Act, enforcing N.C.O.I. rates on the Independents, the industry was now completely covered by a national bargaining system, of which the N.C.O.I. was the most important. However there were disagreements within the N.C.O.I. between B.E.T. and Tillings which led to the break up of the joint holding company in 1942, and the distribution of jointly owned companies to one or other group. The tendency towards concentration of ownership had ceased by the late 1930's. The Tillings Companies, along with S.M.T., became part of the British Transport Commission on nationalisation whereas B.E.T. remained private until 1968. However this apparent division of interest between public and private employers on the N.C.O.I. had remarkably little impact, except insofar as the N.C.O.I. resolutely refused to match the terms and conditions offered by the N.J.I.C. The N.J.I.C. was increasingly dominated by municipal bus workers rather than tram workers. Municipal bus fleets had expanded from the pre-war figure of about 8,500 to around 14,000 by 1949, largely due to the abandonment of tram operation. Trolley buses began to be phased out in the 1950's, their number declining from 2,322 in 1949 to 1,738 in 1959.

1a: National Bargaining in Wartime

During the war the main principle covering negotiations was 'voluntaryism' meaning that collective bargaining was to operate without state coercion in return for agreement to reduce restrictive practices and other peacetime policies. 'Voluntaryism' was not as voluntary as Bevin claimed, for behind it lay enormous powers to assign people to particular employment (Essential Work Order May 15th 1940 & Coalmining (Compulsory Recruitment) Bill, December 1943)).
Nationalisation

to prevent them leaving it (Emergency Powers (Defence) Act May 22nd. 1940), to prevent them striking in essential services (Regulation 1A(a)) and to enforce compulsory arbitration (Order 1305). Further Bevin still had the use of existing legislation such as the 1927 Trades Disputes Act. Voluntaryism represented the voluntary agreement of trade union officialdom to control their members in return for the extension of areas of negotiation, thus voluntaryism was accompanied by increasing legal powers which strengthened the position of the trade union leadership over their members. The immediate effect of maintaining and strengthening the existing machinery of negotiation, rather than superceding it by direct state control, was to spread the coverage of Joint Industrial Councils. Forty-six new Councils were set up between 1940 and 1945. One of the first of these was the N.C.O.I. set up in late 1940.

The compulsion that lay behind 'voluntaryism' had important unintended effects. For example the March 1941 Essential Work Order meant that workers could not voluntarily leave employment on essential work, but neither could they be sacked. The role of the Shop Steward was made more secure. In Engineering, Joint Production Committees; "...enhanced the prestige and role of existing shop stewards and positively encouraged the election of shop stewards in those factories where they hadn't previously existed." Joint Production Committees, despite the efforts of Communist busmen in London, were not set up in public transport since productivity relied not on shop floor initiatives but rather "...the central planning of schedules and routes." Nevertheless the position of shop stewards in transport became both more secure and more influential. Once the immediate invasion threat passed, branch militancy returned. Before considering this further, some comments on the transformation of the T.G.W.U. during the war, are in order.

The T.G.W.U. had recovered from the disaster of the
Nationalisation

General Strike by the mid-1930's. The years 1934-7 saw annual increases in membership of around 15% and in the latter year the Union became the largest in the country. In 1939 membership was just below 700,000. In 1941 the Union increased membership by just under 205,000 and in 1942 by 185,000. The next three years saw a slight fall but in 1946 the membership increased by over 250,000 to 1.27 million members.\(^{11}\) Full employment and favourable legislation made recruitment easier. Bevin also appointed union officials to the Ministry of Labour, of which the Transport Union, with its '...higher full-time official to membership ratio than any other union...', provided the most.\(^{12}\) According to Allen:

"It was an administrative practice of the Ministry of Labour, not specified in the Orders, to consult unions about firms before scheduling them. If the working conditions in a firm were bad or if the firm paid less than trade union rates the union could object to the scheduling. Firms which had their applications refused often approached the union or unions concerned and thus provided trade union officials with the opportunity to enter factories and to organise workers."\(^{13}\)

This huge recruitment resulted in a shift in power inside the Union. In the 1930's, the two traditional and militant groups; the dockers and road passenger workers, were dominant within the Union structure and tended to provide the leadership of the Union. Although the Road Passenger Trade Group continued to grow after 1938, this growth was relatively slow, some 19,000 new recruits by 1942 largely as a result of the creation of the N.C.O.I. By 1942, the General Worker's Trade Group had more members than the dockers and passenger workers combined whilst the Metal, Engineering and Chemical Group grew by over 300% to reach over 35% of the total union membership\(^ {14}\). The union was no longer simply dependent on transport. The recruitment of over 300,000 new members, many unskilled or semi-skilled, many female and mostly in engineering transformed the character of the Union.\(^ {15}\)
Nationalisation

1b: The Progress of National Bargaining

By 1940 the N.J.I.C. had been in existence for twenty one years. It had been set up in 1919 to cover the tramway industry. In 1922 a National Conditions Agreement was signed and in 1924 wages were negotiated nationally as well, though wages were stationary except for reductions caused by the financial crisis of 1931 and small advances in 1936 and 1937. Flexibility was provided by a groupings system, so that where local agreement was reached on improvements in wages above the nationally agreed rate, this could in many cases be facilitated by a joint approach to the National Council of the N.J.I.C. for a regrading of the undertaking from Group II to Group I, indeed by 1940 most undertakings were in Group I. By 1937 London Transport had ceded from the agreement and the few remaining private tramways had also left. On the other side, the N.J.I.C. now represented all municipal transport workers whether tram, trolley-bus or bus workers.

By the beginning of the war, the Transport and General Workers Union (together with representatives of the N.U.R. and the General and Municipal Workers) would negotiate in general with five different sets of employers, the municipal employers through the N.J.I.C., Tillings & B.E.T., London Transport, the Scottish Companies and the Northern Ireland Transport Board. In July 1940 the N.C.O.I. met for the first time, representing in the main Tillings and B.E.T. However, there was no national agreement, no national conditions agreement and the constitution of the Council was quite vague. Thus although agreements for war wages could be made, these were simply additions to the existing local company agreements. Thus the N.C.O.I. was quite different in terms of reference to the N.J.I.C.

London Transport as we know from the previous chapter was slowly bringing all tram, trolley-bus and bus employees into
Nationalisation

a common wages agreement. In negotiations, it was the practice for the N.J.I.C. to decide first, whilst the Union then tried to bring the N.C.O.I. into line. London Transport, which had conceded high wages in the 1930's generally fell into line with these two since each war wage award would erode differentials. The Scottish employers similarly would concede what the N.C.O.I. conceded and the Northern Ireland Transport Board the same. Crosland-Taylor sums up the attitude of Tillings management to this process; "I once asked a friend ... what he would do if he represented the Union and wanted to get his people a rise... "Well if I was the Union, I would ask the Municipal people first because they are backed by the rates and so will not be so strong in opposition. Then I would take what I got to the private people and they would give me the same. If they didn't, any Board of Appeal would. But if you went to the private people first, they would put up a strong fight because they cannot have money from the rates, and so we would get a worse bargain, and the faint-hearted Municipalians would give us the same, but not more."16

In practice the municipal sector was just as likely as the private companies to resist wage claims, and many of the disputes arose either through lengthy negotiations, or through particular employers interpretations of those negotiations, or through dissatisfaction that improvements had been granted to the municipal sector which the N.C.O.I. would not concede. A complex process of arbitration or referrals to the Industrial Court meant negotiations dragged on and on. For example the January 1941 wage application was not granted until April by the N.J.I.C. and July by the N.C.O.I., the January 1943 application was referred by the N.J.I.C., the N.C.O.I. and London Transport to an Industrial Tribunal which sat from March 29th. to April 7th. but did not report until May 10th. when most of the claim was rejected, this was followed by fresh applications in June 1943 which were conceded after a wave of strikes in July 1943, some seven months later. It was not that the Municipal sector was a 'soft touch', rather that the negotiating machinery was more comprehensively developed. This was why
Nationalisation

applications in the N.J.I.C. tended to set the pace in the industry. The war in any case gradually brought the N.J.I.C., N.C.O.I. and L.P.T.B. negotiations together since each in turn would end up at the Ministry of Labour, by 1943 there was one common hearing for all three wage claims.

Throughout the war the two provincial combines, especially B.E.T., tried to restrict the scope of the N.C.O.I. as far as possible. Meanwhile the Union strongly opposed any militant action which might pressure the companies. The Record frequently claimed that unofficial strikes undermined collective bargaining, yet without them, negotiations seldom got far. The search for a national agreement after the 1937 Leeds Conference in the Provincial sector of the industry did not succeed until the continuous unrest forced it upon the employers. Indeed even as late as May 1941 the East Kent Road Car Company was refusing to pay war bonuses. In August 1941 The Record reported that workers at Ribble were close to strike action over the refusal of the employers to notify scheduling in advance, hardly an indication that the N.C.O.I. companies were adhering to the standard practices contained in national agreements.

The breakthrough in the setting up of negotiating machinery in the provincial sector came not in 1940 with the setting up of the N.C.O.I. but in the period 1944-5 with the implementing of what was termed the Model Union Agreement. In May 1944 the N.J.I.C. and London Transport both conceded a five shillings war wage increase. The N.C.O.I. prevaricated, referring the claim to a special sub-committee. By this time, according to the Union;

"...there was not a company of any size with whom - having regard to our agreement with the N.U.R. - we had not concluded an agreement." The sub-committee, after arbitration at the Ministry of Labour came up with the Model Union Agreement. The status of this agreement was that it was a "yardstick" by which
Nationalisation

Company agreements could be measured, it could not be adopted where it would worsen conditions, and where it would represent an improvement, then local negotiations could allow a choice between the two.

By August 1944 it was clear that one of the companies was refusing to discuss changes in the existing agreements, that company was B.E.T.\textsuperscript{21} The December 1944 Area Conferences of the Union showed 'particularly keen disappointment at the refusal to implement the 'New Model Agreement' by some companies.'\textsuperscript{22} The particular sticking points appeared to be the insistence that all staff must be on a full guaranteed week, that there must be minimum rest day payments and overtime pay must begin after 48 hours. By February 1945 the question was being considered by an Inquiry under John Forster. B.E.T. objected on two points; firstly that the agreement was 'ultra vires', in other words outside the terms of reference of the N.C.O.I. and second; that the substance of the agreement itself was at fault. John Forster overruled the objection, stating;

"...It is in my view of the utmost importance that the present difference between the B.E.T. companies and the Unions should not be allowed to disrupt the National Council."\textsuperscript{23}

Thus despite the setting up of the N.C.O.I. in 1940, even by the end of the War, B.E.T. was still steadfastly refusing to implement a national wages agreement. Compulsory arbitration became used as a delaying tactic by all the employers. Voluntarism did not seem to be yielding the results expected. Only after the War would the N.C.O.I. employers be forced into agreement. The result of this was that there was widespread anger during the war and despite the barrage of legal constraints there were a number of significant strikes in the latter part of the war, fuelled by a significant deterioration in working conditions.
Nationalisation

Ic: Strikes and Garage Resistance in Wartime

The war affected working conditions in a number of ways. There was an almost complete end to vehicle production, there was a shortage of fuel and rubber and a shortage of staff (bus drivers were often recruited to drive tanks). The blitz created terrible operating conditions. Compulsory transfer of staff, the relaxation of controls on the number of standing passengers, the attempt by the employers to use the recruitment of women to attack conditions, the cutting of the lightest duties, the suspension of services at quieter times and the increase in peak running leading to more split shifts and longer spreadovers. The general intensification of work created grounds for dissatisfaction. Worst of all perhaps were the effects of the blackout, which meant conductors working in overcrowded buses in semidarkness and drivers coping with bus stops painted on kerbs. Even alarm clocks became difficult to get leading to priorities for bus and rail workers in late 1943.24

The experience of the war had a profound effect on attitudes especially among ordinary workers. According to Mass Observation, trade officials were far more conservative, they were found to;

"...desire more say in the affairs of the land but seldom any strong wish for anything like joint management or more actual control in industry. the higher trade unionists are intimately wedded to the present system of boss and worker, and some of them feel that the end of this system might mean the end of them."

The difference in outlook between leaders and rank and file widened substantially;

"We find industry, in all the leadership sections on both sides, thinking predominantly in terms of a return to something like the pre-war structures, whereas the rank and file (and most other sections of the community) are tending more and more to think in other terms."25

Against this background of constant irritation and
Nationalisation

discontent, it might be expected that the Communist Party with its record of leadership of the rank and file movement in the 1930's would be able to capitalise on this discomfort. However the Communist Party played no such role. Thus London passenger workers who during the first world war had been the centre of resistance to worsening conditions, albeit in a much smaller industry, found that their unofficial leadership supported the war.

From April 1940 a new rank and file publication, 'The Transporter' appeared in London, ostensibly aimed at all London transport workers but in reality, primarily the bus section. The politics of this publication were inextricably linked with the politics of the Communist Party. The 'Transporter' was a very dull publication compared to the 'Busmen's Punch'. In October 1939 the Communist Party decided that far from being an anti-fascist war, the war was in fact imperialist. An editorial in June 1940, comparing the first and second world war, reflected the change in line:

"...Then, as now, it is profits, war profits, that count...when our leaders who apparently are afraid of the industrial struggle (their refusal to refer the wage increase back to the branches shows this) and are incapable of understanding the political struggle (their attitude to Russia, three months ago and now, shows that) begin to understand that 'love of country' and 'capitalist patriotism' are two completely different opposites." 27

Only twelve months later, 'Transporter' announced

"...Nothing about this war is the same as it was before Germany's attack on Soviet Russia..." 28 The conclusion was expressed perfectly in the September 1941 Issue;

"...If this petrol cut, with all the intensified working involved, were essential to the war effort, and if it would help war production, we would not only accept it, we would demand it."

The organisational conclusion was a Production Conference held in October 1941 and attended by delegates from 33 garages, at which;
Nationalisation

"...Speaker after speaker emphasized how essential it is that the workers in the industry, who know its problems and its possibilities from the practical point of view, must have a share in management. Through their representatives, they must be drawn in at every stage of the organisation, from top to bottom, for consultation and for a share in the decisions made. On the other side of the medal the Conference left no doubt about the readiness of all to make sacrifices, to scrap long-cherished ideas, to make a new approach, in order to improve service." 49

The problem with the demand for Joint Production Committees, as Clegg pointed out, was that they make little sense in terms of transport when the key aspect of efficiency is scheduling. More importantly, the effect of 'Transporter' was to demobilise a whole number of militants in London and essentially set back the course of rank and file organisation. Thus rank and file revolts during the course of the war remained spontaneous and unfocused revolts. Furthermore the London bus section took little part in the wartime strikes in stark contrast to the experience of 1914-18. Whilst the Communist Party grew rapidly, this growth in influence, actually served to inhibit militancy.

Table Fifteen on the following page gives details of the strikes in road passenger transport during the war. The list is taken from the Ministry of Labour Gazette and can by no means be regarded as exhaustive. Furthermore threatened strikes were often successful and these are not recorded. In November 1942 in Leeds, for example, according to one account;

"For some time the city transport department had been playing on the divisions between bus and tram workers and between regular men and split shift men, when they took the unwise step of lengthening the hours of the spare men at the same time as imposing heavier duties on the regular drivers. Their patience exhausted, along with the existing complaints machinery, a mass meeting of 1,500 on November 29th. decided on a strike for the following weekend. Straightaway troops arrived in the depots to guard property, inhibit picketing and drive the buses." 30

However the troops were not used and every single demand was met in full.
<table>
<thead>
<tr>
<th>DETAILS</th>
<th>CAUSE AND RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Yorkshire</td>
<td>Against employers action in applying 40 hours Guaranteed week under Essential Work Order in place of usual 48 hours for Christmas. *Employers agree to pay 48 hours.</td>
</tr>
<tr>
<td>Belfast</td>
<td>For reinstatement of conductor for alleged incivility to passenger. *Dismissed conductor offered alternative job.</td>
</tr>
<tr>
<td>Sheffield</td>
<td>Delay in publishing Special Tribunal to consider increased wages. *Work resumed under protest.</td>
</tr>
<tr>
<td>Provincial Busworkers</td>
<td>Dissatisfaction arising out of Special Tribunal of rejection of national application for increased wages. [see note a] *Work resumed</td>
</tr>
<tr>
<td>Lanarkshire</td>
<td>Dissatisfaction with wages and alleged delay in dealing with claim for increase and improved working conditions. *Resumed unconditionally.</td>
</tr>
<tr>
<td>London</td>
<td>Objection to new Summer duties, speed-up and spreadovers. *Work resumed on advice of Trade Union</td>
</tr>
<tr>
<td>Bolton</td>
<td>In sympathy with Driver and Conductor suspended for 3 days for indiscretion and other grievances *Work resumed/suspension to stand/other grievances to be considered.</td>
</tr>
<tr>
<td>Durham County &amp; Tyneside.</td>
<td>Dissatisfaction with proposed new running schedules. *Work resumed on advice of Trade Union</td>
</tr>
<tr>
<td>Durham County</td>
<td>Officials to permit negotiations.</td>
</tr>
<tr>
<td>London</td>
<td>Objection to new running schedules involving reduction in running time on two routes. *Work resumed on old schedules - dispute referred to Emergency Ctte. of N.J.I.C.</td>
</tr>
<tr>
<td>London</td>
<td>Objection of tram and trolley drivers and conductors to new Summer schedules which had agreed between employers and work peoples representatives, and of bus crews to extra work caused by stoppage of tram and trolley buses. * Work resumed on advice of T.U. Officials.</td>
</tr>
</tbody>
</table>
Nationalisation

The biggest and most interesting strike during the War occurred in May and June 1943. The strikes involved both provincial and municipal employees, the first time that both groups had been extensively involved together. At varying times the strike included Sheffield, Leeds, Rotherham, Huddersfield, Nottingham and Derby Corporations and Yorkshire Traction, Yorkshire Woolen District, Mexborough & Swinton Traction, West Riding Automobile, Bullock & Sons, South Yorkshire Bus, Trent Motor Traction, East Midland, Eastern Counties and Thames Valley companies. The strikes do not seem to have been organised in any coordinated fashion but spontaneously to have spread across South Yorkshire and the East Midlands to be joined by two companies in the South East whose employees had been centrally involved in the 1937 provincial strikes.

Details of events are scarce but a few facts derived from a survey of the provincial press in the areas affected reveals the following. In Sheffield, one strike meeting was held with the police controlling the doors and ensuring that only union members were in attendance. The South Sheffield Communist Party produced a leaflet condemning the strike as the work of an 'irresponsible minority' and urging a return to work. Councillor Robert Neill demanded that the five strike leaders in Sheffield be immediately conscripted into the Army, calling them '...traitors to their country, traitors to their trade union and traitors to their city...'. However three of the strike leaders were in fact veterans from Dunkirk!

When the army was brought in to transport miners to work, the Yorkshire Evening Post noted that:

"Although great inconvenience was caused to people this morning, it was noticeable, especially at railway stations, that there was no bitter feeling against the transport employees, in many cases expressions of sympathy with them were made."

It was reported at Nottingham that a Mr. Burfitt, the Government Conciliation Officer, had great difficulty
Nationalisation

getting a hearing. Still more interesting is the suggestion that the mass meeting which declared the strike was originated by women conductors. The parallels with the spontaneous strike of August 1918 over differential rates for women and men are remarkable.

Throughout the strikes the Executive Committee of the T.G.W.U. adopted a conciliatory tone, commenting in 'The Record':

"The reactions of our members to the terms of the awards were natural, understandable and merited, but the actions taken are to be deprecated, particularly at a time like the present. Transport is so vital a factor at the moment that it is essential that we should find some other way out of our difficulties than by a withdrawal of services."

The Union even called a special conference of the Passenger Trade Group Committee at Leeds in an endeavour to end the strikes. This was highly significant, in 1937 the Union had resolutely refused to call a conference in order to isolate the provincial strike. This time the leadership was forced to take note of the strength of feeling. Undoubtedly the strikes also put pressure of the arbitration procedures.

The strikes during the war are remarkable given the background of legal controls, compulsory arbitration and the widespread use of the police and the army to both intimidate and to strikebreak. The strikes, especially those of 1943, demonstrate that the increased political influence of the union leadership did not translate into improved wages and conditions. They also indicate that power within the Union had shifted back towards garage level. These two points are evidence of Richard Price's argument concerning the effective decoupling of politics from economic and social structures. In other words they provide evidence that the strategies of the leadership and the shopfloor were moving in different directions. Furthermore the centralisation of bargaining, through the simultaneous process of arbitration for N.J.I.C., N.C.O.I., London Transport and Scottish employees united previously disparate and divided groups of
Nationalisation

workers. The strikes serve as a first indication of what was to be much more common in the post-war world, a pattern of rolling strike action, moving from municipal to company operations and from city to city.

1d: The Final Consolidation of National Bargaining.

The final consolidation of national bargaining resulted not from the activities of the Union leadership, either in negotiation or through their political preoccupations with nationalisation. Consolidation was the result of waves of unofficial strike action. The strike wave which had erupted in 1943 was only the beginning of the most serious period of industrial unrest the industry had ever seen. The major strikes of the period 1945-8 are summarised in Table Sixteen on the following pages. A number of conclusions can be drawn from an examination of the strikes in the industry right through from 1943 to 1948.

Firstly; that the strike wave was the longest, biggest and most comprehensive up to this time in the bus industry. Secondly; that the strike wave moved from largely defensive disputes over the interpretation of national agreements concerning schedules and pay to more offensive disputes over a wider range of issues. Thirdly; that many of the disputes concerned dissatisfaction with the results from the new bargaining machinery that now covered virtually the whole industry, and as such were often aimed at the union officials as much as the employers, and unlike the experience of 1937 they were largely successful. Fourthly; that paradoxically as the wave of strikes engulfed more of the bus section than ever before, the importance of the section within the Transport Union had declined dramatically, thus the strike wave had a marginal effect on the Union as a whole. Whereas in the 1920's unrest in the docks and road passenger transport had ramifications throughout the Union structure, in the 1940's the effect was
### TABLE SIXTEEN
**MAJOR STRIKES IN THE BUS INDUSTRY 1945 - 1948**

**[STRIKES CONNECTED WITH NATIONAL ARBITRATION/ COURTS OF INQUIRY]**

<table>
<thead>
<tr>
<th>DETAILS</th>
<th>CAUSE AND RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lanarkshire &amp; Glasgow 1,680 1945 17/25th. June</td>
<td>In support of additional running time on three bus services operating from one depot. *Work resumed unconditionally.</td>
</tr>
<tr>
<td>Midlands Area 4,500 1945 7th.-30th July</td>
<td>Dissatisfaction with new schedules.[see note b] *Work resumed to permit negotiation.</td>
</tr>
<tr>
<td>Motherwell 1,200 13/4/46</td>
<td>In sympathy with driver who had been dismissed. *Work resumed.</td>
</tr>
<tr>
<td>S. &amp; W. Wales 1,800 1946 12th. - 26th. October</td>
<td>In support of section of employees refusing to accept terms of new agreement on working conditions. *Work resumed.</td>
</tr>
<tr>
<td>Birmingham City Transport 4,450 1946 19th. October</td>
<td>In support of workers at one depot dissatisfied with new duty schedule. *Work resumed, new schedule delayed one week to permit negotiation.</td>
</tr>
<tr>
<td>DETAILS</td>
<td>CAUSE AND RESULT</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>North West Road Car Co.</td>
<td>In sympathy with above and in protest at the employment of 'volunteer labour' by Corporation *Work resumed on withdrawal of volunteers.</td>
</tr>
<tr>
<td>1,350 20/11/46</td>
<td></td>
</tr>
<tr>
<td>300 1946</td>
<td></td>
</tr>
<tr>
<td>12th-23rd Dec.</td>
<td></td>
</tr>
<tr>
<td>1,680 1947</td>
<td></td>
</tr>
<tr>
<td>15th. March</td>
<td></td>
</tr>
<tr>
<td>Provincial</td>
<td>Dissatisfaction with award of an Arbitration Tribunal and demand for a new national agreement providing parity of conditions for all workers engaged in road passenger transport, both Company and Municipal. *Work resumed and a new claim regarding conditions of service referred to Tribunal established in accordance with N.C.O.I.</td>
</tr>
<tr>
<td>16,500</td>
<td></td>
</tr>
<tr>
<td>19th. June</td>
<td></td>
</tr>
<tr>
<td>(One firm)</td>
<td></td>
</tr>
<tr>
<td>21st. June - 13th. July</td>
<td></td>
</tr>
<tr>
<td>Various cos. 1947</td>
<td></td>
</tr>
<tr>
<td>London: Bus, Tram &amp; Trolley</td>
<td>Demand for payment for Sunday work at time and half, not time and a quarter as in recent agreement. *Work resumed</td>
</tr>
<tr>
<td>18,740 1947</td>
<td></td>
</tr>
<tr>
<td>6th. July</td>
<td></td>
</tr>
<tr>
<td>Bristol</td>
<td>Refusal to accept a recent Arbitration Tribunal award and demand of 2 extra days holiday and an increase of overtime pay to time and a half as conceded to Municipal Employees *Work resumed to permit negotiations.</td>
</tr>
<tr>
<td>2,340 1947</td>
<td></td>
</tr>
<tr>
<td>30th August - 1st. September</td>
<td></td>
</tr>
<tr>
<td>Coventry Corporation</td>
<td>Refusal to accept proposed revisions in working conditions and wages in connection with plan for staggering hours at ind. establishments. *Work resumed on old terms pending negotiations</td>
</tr>
<tr>
<td>1,000 1947</td>
<td></td>
</tr>
<tr>
<td>Birmingham Corporation</td>
<td>Demand for increase of £1 per week and dissatisfaction with Transport Cttee's offer of improved spreadover and merit bonus payments. *Work resumed to permit negotiations.</td>
</tr>
<tr>
<td>5,340 1947</td>
<td></td>
</tr>
<tr>
<td>2cd.-9th. Nov.</td>
<td></td>
</tr>
<tr>
<td>C'tral Scotland</td>
<td>Protest against operation of new working schedules following introduction of 44hr week *Work resumed to permit negotiating procedure to operate.</td>
</tr>
<tr>
<td>1,800 1948</td>
<td></td>
</tr>
<tr>
<td>25th. January - 7th. February</td>
<td></td>
</tr>
<tr>
<td>E. W. &amp; S. W. Scotland</td>
<td>In sympathy with the above. [started two days later, ended same day] *Work resumed.</td>
</tr>
<tr>
<td>4,660 1948</td>
<td></td>
</tr>
<tr>
<td>Leeds 31/1/48</td>
<td>Objections to new working schedules and other grievances. *Work resumed.</td>
</tr>
<tr>
<td>2,500</td>
<td></td>
</tr>
</tbody>
</table>
Nationalisation

marginalised. Not only were there fewer secessionist sentiments, some of the strikes were aimed directly at breakaway unions. Let us examine these points in more detail.

In the strike wave of 1943-8, a total of 117,957 bus and tram workers were involved in strikes, though this figure counts as double those who took strike action more than once, a more reliable estimate would be 92,843. The exact figures are unimportant, undoubtedly, this was by far the largest wave of industrial unrest seen in the industry. It also continued for longer, because there were no major defeats of the type that occurred in Bristol in 1923. Indeed it is interesting to note the 1947 strike involving 2,340 in Bristol, the first since 1923. In terms of comprehensiveness, the most striking factor is the unrest in the municipal sector. For the first time since the unofficial tramway strikes against the N.J.I.C. agreement of 1919 there was widespread unrest in the Municipal Sector; Manchester, Birmingham, Leeds, Sheffield and Tyneside all took strike action for the first time since 1926. The first major Provincial strike in May/June 1943 was based on both company and corporation employees in Yorkshire and the East Midlands. The second provincial strike of June/July 1947 was based around Tyneside, Crosville and Ribble in the North West, the East Midlands, South Wales and the South Coast from Bournemouth to Plymouth. Significantly other major provincial strikes took place; at Midland Red in 1945 involving 4,500; in South Wales and the Borders in 1946 involving 6,000; also involving the North West Road Car Company in Cheshire and Lancashire and even the unlikely Wilts and Dorset whose members were in the N.U.R. In Central Scotland, conflict was endemic, there were six strikes between 1943 and 1948, one of which, in 1948 involved 6,460, was almost as large as the 1937 strike.

Secondly, over the period there is a marked shift from strikes aimed at maintaining the status quo, namely
Nationalisation

defensive struggles to those aimed at improving it. During the strike wave there is a qualitative shift towards offensive strikes, for example the 1946 Manchester strike demanding reinstatement of one driver '..allegedly dismissed for dangerous driving..' or at Leeds in 1945 '...in support of drivers refusing to act as conductors and grievances over time schedules and canteen.' Although it is necessarily difficult to be exact in classification, since both types of strike action may take place over the same issue, the acid test is the appearance of solidarity action. It is clear that solidarity action is only likely to occur over issues which those engaging in solidarity action feel that they themselves could win. In terms of the table there are a whole number of solidarity actions; firstly between different depots in the same company/municipal operation such as in Lanarkshire and Glasgow in June 1945 when 1,680 workers supported the demand for additional running time on three services operating from one depot, or in October 1946 at Birmingham where 4,450 stopped in support of one depot dissatisfied with new duty schedules or in Scotland in early 1948 involving 6,460. Secondly there is solidarity action between companies such as in November 1946 when 1,350 employees of the North West Road Car Company stopped in support of Manchester Corporation employees. In October 1946 Western Welsh drivers and conductors on strike were joined by a further 4,200 workers from South Wales Transport, Red and White, Neath Luxury Coaches and the Rhondda Transport Company over the refusal of B.E.T. to pay the wage award of April 1946 agreed by the N.C.O.I. This suggests a qualitative change in the type of strikes compared to the 1930's.

Thirdly, many of the disputes arose out of dissatisfaction with the framework of bargaining itself. Not only were there quite widespread strikes over dissatisfaction with the Special Tribunal system of arbitration such as in Yorkshire in 1943, South Wales in 1946 and Bristol in 1947 there were also strikes demanding an end to the differentials between
Nationalisation

the municipal and provincial sectors such as the provincial strike of June/July 1947. In Birmingham, in November 1947 there was a strike demanding a £1 a week rise, which was impossible for the Corporation to concede without breaking the N.J.I.C. agreement. This problem was to result in Birmingham Corporation Transport Committee succeeding from the N.J.I.C. in 1949. Just as in the period after the First World War, it proved difficult for the N.J.I.C. to be flexible enough in the face of increased militancy. We will return to this argument in greater detail.

Fourthly; the paradox of increased militancy having little effect on the machinery of the Transport Union (and indeed the N.U.R.) really reinforces the point that Richard Price makes about the decoupling of branch militancy and the political and social structures in which the union leadership operated. Unlike in 1924, increased militancy, resulted in little change in the Union. As V. Allen comments "...the problem of integrating the London Busmen into the Union eased during the post-war period." Indeed Allen negatively confirms this point, since his book is concerned with 'trade union leadership' particularly that of Arthur Deakin, he looks at the subject from that point of view, consequently he refers to only one strike outside London and that only merits a footnote. The bureaucracy of the Union had become unassailable.

If we examine the progress of secessionist movements, it is clear that whilst they might succeed for a while in the aftermath of particular defeats, they could never survive in the longer term. The National Passenger Workers Union (N.P.W.U.), set up by some of the non-communist leaders of the Rank and File Movement, claimed a majority of Midland Red busworkers in 1945 but could not get recognition from the Company. The N.P.W.U. was destroyed in London when workers at New Cross, Wandsworth and Clapham depots refused to work with members of the N.P.W.U. in the summer of 1946. In the one month to August 19th. the N.P.W.U. declined from
Nationalisation

3,264 to 1,000. Whilst the impetus for insisting on one union and a 'closed shop' may have come fairly spontaneously from rank and file members in New Cross Depot, in the hands of Arthur Deakin this urge became double-edged. Commenting on the dismissal of 176 London Transport employees for refusing to join the closed shop, he said;

"The Trade Unions are just as anxious as anyone else to preserve the fullest personal liberty of the individual. This, however, does not mean license to those people who for some selfish motive or for disruptive purposes seek to destroy an organization already in existence and, above all, that joint negotiating machinery which has served this country so well during the war years." 39

There is a touching irony here! A second breakaway appeared briefly in 1948 in Salford called the National Union of Public Vehicle Drivers and Operators claiming 3,000 members. This met a similar fate to the N.P.W.U. Secession from the Transport Union was not the aim of the strikes, quite clearly they were aimed against the effects of '...that joint negotiating machinery which has served the country so well...' The outcome, from the point of view of bus workers, of that machinery appeared to be deteriorating conditions, status and pay relative to other workers in conditions of full employment.

This high level of militancy eventually forced the provincial companies into a real national agreement. In June 1945, the Union negotiated an improved National Conditions Agreement with the N.J.I.C. 40 The Union then returned to the N.C.O.I. and increased the pressure stating;

"We did not regard the the model conditions as satisfactory, in our view they represented no more than another stage along the road to a full national agreement. The task of getting the 'model' conditions applied has not been an easy one and there are some companies who are not yet prepared to accept them.

We cannot now afford to wait for those companies to come into line in what was, at best, an interim agreement. The position has moved beyond the 'Model Conditions stage..." 41

One of the companies who was refusing to implement the
Nationalisation

'model conditions' was Midland Red. On Saturday 9th. July 1945 Dudley Garage went on strike against 'arduous conditions,' claiming it was time, now that the war had ended 'for alleviation.' Spreadover on many duties, claimed the union branch was 12-13 hours, whilst five duties at the garage were over 14 hours. Not only this, but the time between the different parts of the duties was spent in a clubhouse, built by the workers at their own expense because the Company refused to supply anywhere for them to rest. The dispute was triggered by new schedules involving later evening and new Sunday morning services. The later evening shifts were covered by split duties of up to 15 hours spreadover. The strike was repudiated by the local T.G.W.U. Official who claimed in the Birmingham Post that 'this trouble has been bought about by pressure of the National Passenger Worker's Union.' Midland Red refused to recognise the N.P.W.U.

The garage was supported by Wolverhampton, Oldbury, Stourbridge, Cradley Heath and Hartshill and by Monday 14 Midland Red Garages had stopped work, including four garages where the N.P.W.U. claimed 90% membership. On Wednesday Digbeth, Sutton Coldfield, Bearwood and Evesham returned to work for 48 hours to allow negotiations, but by Friday they had rejoined the strike. On Saturday the strike began to spread further with Stafford and Leicester joining in, and the N.P.W.U., which claimed the majority of members at Nuneaton, promised that they too would join the strike. On Monday July 16th. the strike went to arbitration at the Ministry of Labour. The N.P.W.U. was excluded from the talks and by Saturday the strike was settled with new schedules being issued on the 21st. July.42

By December 1945 the N.C.O.I. negotiations were still deadlocked and a meeting with the Chief Industrial Commissioner had been arranged. A further national wage claim had been submitted which included compositing the war wage into the hourly rate. The Scottish Companies had by now
Nationalisation

decided to join the N.C.O.I. and accept the result of the present negotiations. In February 1946 3,500 workers in South Wales went on strike over delays in negotiations, putting further pressure on B.E.T. The Chief Industrial Commissioner recommended a Court of Inquiry which finally reported in April 1946. The Court of Inquiry in the Transport Union's eyes ranked with the 1924 Tramway Tribunal. It decided that "...a national basis of wage ascertainment is necessary." There was to be a common standard with Municipal employees, a narrowing of differentials between drivers and conductors and a common wage within three years. "...A grouping system is essential, the variety of existing rates makes the working out of a logical system difficult if not impossible." decided the Court. A wage advance of 7/6d. for drivers and conductors was conceded together with 25% of the difference between their new wages and the Group rate, with the rest payable over three years. This meant some workers received as much as a 20/- increase. The 'Model Agreement' was regarded by the Court as a national agreement in practice. On the wages front the N.C.O.I. was now a truly national negotiating committee for the private sector, all the major employers were represented and the smaller employers could be forced into line through the application of Section 93, the Fair Wages clause, of the 1930 Road Traffic Act.

The next phase of development of the national negotiating machinery came in early 1947 when the Union lodged a claim with the N.J.I.C. for a substantial improvement in conditions including a 44 hour week over six days with no loss of pay, each week to stand alone as opposed to the 88 hour fortnight that had been operating together with payment at time and a half on Sundays. The N.J.I.C. agreed to these demands together with improved holiday arrangements. The same claim was then forwarded to the N.C.O.I. who found that the "...costs were prohibitive and also that they were gravely concerned as to the additional manpower required to meet the claim." A new Tribunal was set up under Sir John
Nationalisation

Forster to consider the claim. Meanwhile the London Passenger Transport Board ended up at a Court of Inquiry to consider a similar claim. In June the Forster Tribunal reported and whilst agreeing to the 44 hour week rejected every other substantive point concerning a national conditions agreement. There was to be no parity with the municipal sector.

The reaction to this setback was swift. A national delegate conference, under pressure from the officials, resolved;

"...That this conference, having no other alternative, formerly accept the present Tribunal Award in order that our members may receive whatever small advantage it brings. The conference is also agreed that an immediate approach be made for a National Conditions Agreement which will give our members parity with the municipalities...in order that the negotiations shall be allowed to proceed, there shall be no stoppage of work in any undertaking."43

A wave of unofficial action followed beginning in Trent Motor Traction at Derby, at United Automobile Services at Durham, in Newcastle, Wakefield, and Ribble Motor Services at Blackburn and Preston. The following day the strikes spread to include most of Crosville at Crewe, Chester and Liverpool. Workers at East Midlands Motor Services at Chesterfield and the Lincolnshire Road Car Company stopped work and the strike spread in Ribble after a mass meeting at Bootle, police being called to protect services in Wigan. On Tuesday the Ministry of Labour urged a return to work, as did a Delgate Conference of Ribble workers at Salford. However, by now over 2,000 Ribble workers were on strike as were thousands in the North East, Yorkshire and Cheshire, the 'Times' reported that most were waiting for the result of Friday's meeting of the N.C.O.I. On Thursday 750 employees of Northern General at Gateshead stopped work, bringing the remainder of the North East Company services to a standstill.
Nationalisation

On Friday the N.C.O.I. talks broke down and Midland Red workers at Sutton and Stafford decided to join the stoppage on Saturdays and Sundays, this action became general throughout the fleet. United Counties workers at Northampton also joined the strike. By the middle of the following week the 'Times' reported 'Bus Strike Spreading' as 300 Western National workers in Plymouth and 500 Hants and Dorset workers in Bournemouth ceased work. On Thursday, Tillings and B.E.T. claimed that the Arbitration Award had already cost £1,500,000 and no more could be conceded, meanwhile 1,000 South Wales Transport workers joined the strike. Arthur Deakin in a press statement claimed '...that the present action is preventing effective handling of the problem.' When George Isaacs, the Minister of Labour, contacted the provincial employers on the Friday they claimed that a further joint meeting '...would serve no purpose.'

It will be recalled that a similar claim had been sent to Arbitration by the L.P.T.B. Most of the demands had been conceded with the exception of time and a half payments on Saturday afternoons and Sundays. A Delegate Conference in London on the same Friday voted firmly against action of Sunday in pursuit of extra payments. Nevertheless on Sunday, no doubt egged on by the provincial bus workers nearly 19,000 London Transport workers went on strike. The 'Times' rather wistfully reported that 800 had turned up for work in Croyden, nevertheless four fifths of buses stopped and some 35,000 bus workers were on strike. The fact that all 35,000 were acting against the advice of their delegate conferences, their Union Officials and the Labour Minister drove Deakin to proclaim the action as '...deplorable... It is a completely foolhardy affair and a complete abdication of responsibilities...' An Emergency Delegate Conference, which clearly could not have been representative, voted 57 to 1 against further action in London.

The following week in the Provinces the strike continued to infect more and more companies, 300 at Chatham & District
Nationalisation

Traction and 250 Southern National employees at Weymouth joining on the Monday. Midland Red began to threaten dismissal for those who took part in week end strikes, while the District Committee of the National Union of General and Municipal Workers whose handful of members on the 'Economic Bus Company' of Sunderland had joined the strike, ordered them to return to work. The Ministry of Labour prevailed on the employers to meet again on 14th July and a further Tribunal was set up. The wave of spontaneous strikes had forced the employers hands and had turned the N.C.O.I. into a truly National Negotiating Committee.

The award of the Tribunal was finally published in August. Both London Transport and now the N.C.O.I. had sucessfully refused parity with the N.J.I.C. on the question of Sunday payments. Nevertheless, the award represented the first national conditions agreement which now covered every major private bus company in England, Wales and Scotland. It was a real step forward although there was some dissatisfaction. Bristol struck for three days against the award and in Scotland there were strikes over the implementation of the 44 hour week early in 1948.

The history of the transformation of the N.C.O.I. from the formal national negotiating body of 1940 to the real one covering wages and terms and conditions of employment of 1947, is a history of constant pressure on the employers from below. Despite the constant admonishments of the Trade Union Officials against unofficial action, time and again it was the willingness to strike, against the advice of the officials which secured the real improvements. Every time the employers prevaricated, a new wave of strikes would force them back to negotiations.

The N.J.I.C. was not free from this pressure as the widespread strike action of 1943 and the further strikes in Manchester in 1946 and Birmingham in 1947 showed. The strike in Manchester demonstrates just how far the power of the
Nationalisation

employers, whether municipal or private had been weakened after 1945. The strike arose over the sacking of a Driver Christie, who had been reported by a motorist and passenger for going the wrong way around a safety island. The sacking, without a formal hearing, resulted in immediate strike action by all 5,000 employees. When the Transport Manager appealed for volunteers, and organised for the local private company, the North West Road Car Company, to provide staff, a further 1,700 joined the strike. The Transport Committee intervened, over the head of their manager, and introduced a proper disciplinary procedure with trade union representation to investigate the case.50

Thus during the early years of the Labour Government the militancy of road passenger transport workers reached a peak. The employers, whether private or municipal, were retreating in the face of this new militancy. Breakway unions were forced out of the industry and the T.G.W.U. now had a complete system of national bargaining which covered every sector of the industry. Control over disciplinary matters and scheduling, which had largely been managerial prerogatives, were now a matter for negotiation. Over these same years the Labour Government was planning to take the transport into public ownership. The Union, after 1926, had assumed that nationalisation would lead to greater control over the industry. Ironically it was the unofficial strikes of 1943 to 1948 that shifted the frontier of control in favour of the Union. Let us now look at the process of nationalisation in detail.

2 : Nationalisation

The creation of a truly national system of bargaining was the result of a long process of struggle at garage level much of which was expressed as spontaneous unofficial strikes. Our argument is that it was this garage militancy rather than nationalisation which provided the improvements
Nationalisation

in conditions for bus workers after 1945. The second stage of this argument depends on demonstrating just how little changed with nationalisation.

Much has been written about the 1945-51 Labour Governments\(^5\). For some writers it represents the 'golden age' of socialism. There were some major achievements, including the founding of the welfare state and the taking into public ownership of some 20% of the economy. Compared to the experience of the 1930's, life for the working class improved enormously, however this process of improvement came to a halt in 1947, 'Annum horrendus' in Dalton's words, when the government was gripped by a mounting economic crisis. The newly nationalised industries were one of the first victims of this crisis. After 1947, the nationalised industries were placed under strict economic discipline. Senior Labour Ministers such as Morisson now talked of 'consolidation'. Wage restraint, especially in the nationalised industries, where the Government could exert direct control, prevented any redistribution of wealth and resources in favour of the workers in those industries. Nationalisation, in the period of 'consolidation' became remarkably similar to the policy proposed by the radical wing of the Conservative Party\(^5\).

This section of the chapter will examine the theory of nationalisation as accepted by the Labour Party prior to 1945 together with the passage of the Transport Bill. This will be followed by a discussion of nationalisation of the bus industry in practice. The final section examines the process of consolidation whereby the trade union leadership assisted the government by agreeing to wage restraint and increasingly preventing militancy among the membership.

2a : Nationalisation in Theory

Within the Labour Party there have always been two
Nationalisation

strands of thought on the question of nationalisation. The first, and dominant, strand emphasizes the technical benefits of integration and coordination and the benefits of monopolistic provision over anarchic competition. Thus the state takes control of industries which have 'failed' because of their archaic and outmoded social relations and technology. This strand can be traced back through Morrison and the London Passenger Transport Board, Snowden and the Fabians. The second, and subordinate, strand emphasizes nationalisation as a means to institute democratic control over interests hostile to the purposes of social democratic change and as a means to redistribute power and wealth within society. The left-wing version of this was put forward by Harold Clay in terms of 'workers control' of industry in the 1930's and by G.D.H. Cole and the Guild Socialists well before this. Both strands emphasize the use of the state to 'reform' capitalism from within, and consequently both have some common ground with the éstatism of the radical conservatives in terms of the vehicle for reform. Where these two ideas became contradictory was on the question of compensation and control.

If nationalisation was for the purposes of redistributing wealth from one class to another then clearly it would be pointless to compensate the owners of the industries to be nationalised. If nationalisation was to redistribute power within industry then clearly there would have to be some change in both the personnel in command and the machinery by which an industry was controlled. Under Morrison's London Transport scheme there had been generous compensation for the shareholders of the L.E.R. Company, indeed the compensation had been too generous, shareholders actually benefitted from the demise of competition. In terms of the control of industry, under Morrison's scheme, this was to be in the hands of those with 'great industrial and managerial ability'. So safe was the scheme for London Transport that there was no change in personnel from the old L.E.R.C. and the only Trade Union Representative on the Board, John
Nationalisation

Cliff, resigned from the Union to demonstrate that he was not tied to any particular interest. For all the discussion of transforming society, the effects of nationalisation had been to transfer the ownership of London Transport from private shareholders to the 'nation' which then undertook to provide those shareholders with dividends as great as anything they had been likely to receive. The general interest which 'the nation' represented over any particular interest such as the 'working class' was reflected in the composition of the Board.

In the debates of the 1930's, the Left Wing version won. The 1933 Conference committed Labour to;

"...the direct representation of the trade union movement on the boards of nationalised companies, with those trade unionists to be there as representatives of their members and not as ordinary managerial personnel...As Attlee said in 1935 'workers' control is an essential part of the new order.'\(^5\)\(^3\)

This policy, which Harold Clay and the T.G.W.U. had strongly supported, was never carried out. Yet the T.G.W.U. exerted considerable influence over the 1945 Government. There were 36 union sponsored M.P.'s including Bevin, Neil Maclean, George Brown, Alf Stubbbs and Arthur Greenwood, 11 of these held government positions and Bevin and Greenwood were members of the cabinet.\(^5\)\(^4\). Harold Clay had taken Stanley Hirst's place on Labour's N.E.C. in June 1941, and together with Alice Bacon, a member elected in the Constituency Section, represented the interests of the Union at the highest level. Bevin now retired from the Union and a ballot in November resulted in Deakin becoming General Secretary, while Clay was promoted to Assistant General Secretary.\(^5\)\(^5\) Despite Clay's influence, both in the Union and on the Labour Government, the nationalisation of 1947 introduced no measure of worker's control.

The nationalisation of road passenger transport was a consequence of railway nationalisation. As Douglas Jay commented in the House of Commons:
Nationalisation

"By about 1938 we had a system where as far as I have been able to discover, private companies owning more than 90% of all the private buses in the country were as to more than 50% ultimately owned by Thomas Tilling, B.E.T. and Scottish Motor Traction in Scotland, and as to over 40% by the railways. That combine owned nearly 100 private bus companies and employed something between 60,000 and 100,000 men." 56

Consequently, any nationalisation of the railways was going to create problems in disentangling these interests unless they too were nationalized. The other area of concern was the municipialized services. Clay had made the position clear in January 1945;

"...Municipal boundaries...[are]...inappropriate to modern transport. Public ownership, if it was to be developed, must be on wider lines. All road passenger transport shall be brought under central authority with proposals for devolution." 57

By June 1947 the 'Record' commented that no final agreement with Road Passenger Interests had been reached though there was some hope that there might be agreement during the Bills passage through the Lords. Road Passenger services were not due to be acquired until area schemes for local transport were developed. The role of the new controlling body, the British Transport Commission (B.T.C.) was to initiate area schemes in consultation with local authorities and operators. Only where there was a substantial measure of agreement would the Minister authorise them to proceed, in the event of disagreement the schemes would go through a special parliamentary procedure.

As the Transport Bill passed through the Commons, aside from the question of road haulage58, there was remarkably little disagreement;

"Throughout all phases of the debates and committee discussions the government avoided all phraseology designed to 'sell socialism' and so - in its desire to prove that it had been on all points anticipated by nationalization and control measures which had been introduced or proposed by previous non-socialist governments - it assumed an almost apologetic tone in defence of the bill before it...The opposition...concentrated attention largely on compensation provisions in the bill...both sides
Nationalisation

ignored almost entirely the central issue at stake, that of the technical reorganisation of transport as a whole...the Government had virtually nothing to say about how efficiency, coordination, unification and integration, technical modernization and so on were to be effected. Virtually all the basic arguments for planning were absent..."59

On the question of compensation, there was little criticism from the 'Financial Times', the 'Times' or the 'Telegraph'. Indeed the 'Economist' assessment of November 1946 showed the Government had paid some £300,000,000 over the stock valuation price, though some £300,000,000 less than the Railway Companies had asked for.60 Just as in 1933, the cost of this too generous compensation would have to be met in the future.

The structure of the British Transport Commission was similar to the London Passenger Transport Board, except that the Minister of Transport appointed the members of the Commission directly and not via 'trustees'. Since unification and coordination were supposedly key, it was peculiar that each sphere of operation was given to a separate executive of which there were five; Railways, London Transport, Road Transport, Hotels and Docks and Inland Waterways. This virtually guaranteed that each executive would operate independently of the others. The Railway Executive was divided into six regions, four based in London, one in York and one in Glasgow, reflecting the four Railway Companies with L.M.S. and L.N.E.R. each split more or less in two. How were these six regional executives to coordinate with the five regional bodies of the Docks and Inland Waterways Executive or the ten regional executives in Road Transport? The direct appointments by the Minister of Transport and the separation of different types of transport together with the chaotic regional structure almost certainly guaranteed failure in advance if the purpose was really to totally reorganise, rationalize, unify and coordinate transport. Brady quotes one 'prominent government official' as saying:
"There is a long way to go before any 'comprehensive plan' is made. In my own view, we are just as likely to go in for less as for more planning in the future. The task is very complicated and political pressure is strong against adopting radical solutions. In practice it is sometimes easier to use the forces of the market, so that no individual Minister can be blamed for changes."  

What of the appointments to the new Executives? The policy was summed up by Brady as '...the same old faces...'  

The pace had been set by the appointment of Lord Hyndley, a major figure in Britain's largest coal company to head the National Coal Board. By 1951;  

"...only nine of the 47 full-time members and 7 of the 48 part-time members of the Boards of Nationalised Industries were trade unionists and five of the Boards had no trade unionists among their full-time members at all."  

The B.T.C. Board consisted of a Senior Civil Servant from the Ministry of Transport, a Trade Union Official, the General Secretary of the Co-operative Union, the President and a Director of the L.M.S. Railway and Lord Ashfield of the L.P.T.B. Ashfield's place at London Transport taken by Lord Latham. The Railway Executive consisted of one General, five Senior Railway Managers and one Trade Union Official together with two part-time members, one of whom was a 'Director of Companies'.  

The Road Transport Executive was soon split into two bodies, one responsible for road haulage and one for road passenger transport. The Road Passenger Executive (R.P.E.) contained no trade unionists at all. George Cardwell, the first Chairman of the R.P.E. had begun working with the Hartlepool Electric Tramways Company, part of B.E.T., in 1907 and later with Aldershot & District Traction and the North West Road Car Company. He transferred to Tillings in 1930 and became Director of various companies including Crosville. On his appointment to the R.P.E., he did not have to move far, the offices of the Executive were in the same building in Fleet Street as the Tilling Group.
Nationalisation

Management Board. The only Trade Unionist nominated to the Road Transport Executive was Harold Clay who served on the Road Haulage Executive, the parallel committee to the R.P.E.

Thus the nationalisation of Transport changed very little in the industry. There was no seizure of assets or redistribution of wealth and power in society as a whole. There was certainly no question of a redistribution of power within the industry, no fundamental recasting of social relations of production. Why was there no trade unionist on the Road Passenger Executive given the vote of the 1946 Labour Party Conference that the direction of nationalised industries should "...not be left with those who were previously in control"? Sir Stafford Cripps put it plainly in 1946:

"There is not yet a very large number of workers in Britain capable of taking over large enterprises. I have on many occasions tried to get representatives of the workers on all sorts of bodies and working parties. It has always been extremely difficult to get enough people who are qualified to do that sort of job, and, until there has been more experience by the workers of the managerial side of industry, I think it would be almost impossible to have worker-controlled industry in Britain, even if it were on the whole desirable."

It is now time to look at the work of the R.P.E. from its foundation in 1948 to its demise in October 1952.

2b : Nationalisation in Practice

Buses and coaches figured little in the 1947 Transport Act. The L.P.T.B. became the London Transport Executive and the financial structure was altered. Although the B.T.C. was given powers to "secure the provision" of road passenger transport services, it was not required to acquire any undertaking. As for the municipal sector, whose boundaries Clay regarded as inappropriate to modern transport, the "...procedure to be adopted is for the policy Commissioners to promote area schemes after consultation with the local authorities in their areas". Ultimately the intention is
Nationalisation

that "...they shall be brought completely into an integrated national transport service."67

Firstly, B.T.C. had to decide what to do with the 40% stake in the territorial companies inherited from the Railway Companies. Tillings decided to sell out to the B.T.C. and in September 1948 received £24,800,000 in B.T.C. 3% stock of which all but £3,950,000 was distributed to shareholders at the rate of £5 B.T.C. stock for each £1 of Tillings stock. This substantial revaluation of the companies ensured that the 3% return due to B.T.C. would be equivalent to nearer 15% on the old valuation.68 The fleet continued to be operated by Tillings Management Board. Scottish Motor Traction followed suit in January 1949 and sold out for £26,800,000. A number of smaller undertakings were also purchased69. Just as B.E.T. had been the most hostile to any national wages agreement, equally they were determined to maintain their operations independently of the B.T.C.

In June 1949 the R.P.E. was set up to be responsible for the operation of these services, in reality the R.P.E. was the Tillings Management Board. By now they had control of 14,000 provincial buses and a half-share in B.E.T.'s 11,600. Meanwhile the municipalities controlled 20,000 and a further 28,000 were in private hands. On the news of Tillings sale B.E.T.'s £100 Ordinary Stock reached £1,800 and by the end of the year £2,100. Yet such was the position of B.E.T. that the Chairman, Harley Drayton, could announce to the shareholders A.G.M. in July 1949 that the Company was making a larger profit than could be made from the exchange of B.E.T. stock for B.T.C. stock. Assuming that B.E.T. stock would be revalued at least as generously as Tillings then this implied that B.E.T. expected to make more than 15% profit on each company owned, figures for three North Western B.E.T. companies bear this out.60 He went on;

"It has been said that we should not allow politics to enter into business, but I must assert that if fighting nationalization is politics then it is impossible to
Nationalisation

separate politics from business...I must ask for your support on the wider principle that nationalisation of road passenger transport is wrong and, if that is so, expediency won't make it right."

In August 1949 the R.P.E. published the first area plan which covered Northumberland, Durham and a slice of North Yorkshire, an area considerably smaller than the Northern Traffic Area. Under the plan, a Northern Passenger Road Transport Board was to be set up, with a General Manager in charge who would be responsible to the B.T.C. in matters of charging and major capital developments. The Board, divided into three districts, would be responsible for 4,400 vehicles previously owned by 214 separate operators including 9 municipal undertakings, United Automobile Services, Northern General and a host of smaller undertakings. The plan was prepared by George Cardwell and as Crosland-Taylor comments;

"...perhaps it was thought that the Socialist Local Authorities would be solidly behind anything that was done to implement a Labour Act of Parliament. One of the main companies was already owned by B.T.C. and the opposition of the other big company - the Northern General - would not be sufficient by itself to seriously prejudice the scheme. However, when it came to the point, it was realised that the lucrative Local Authority undertakings would be requisitioned without payment, and only the loan charges would be shouldered by the B.T.C. This led to heavy opposition."

Indeed the plan was sunk by an unholy alliance between B.E.T. and the local authorities. Why should this have happened?

The key role in fighting the area plans and thus the concept of real nationalisation (socialisation was not on the addenda) as opposed to simply public ownership of large chunks of an existing industry which would maintain the same structure of ownership and the same people in control, was played by B.E.T. Major Hayter, General Manager of B.E.T.'s Northern General, was a staunch defender of capitalism and a bitter critic of nationalisation;

"...It does not make sense and one can only assume that the ideology of the nationalisation enthusiasts has run
Nationalisation

away with them."

He organised a meeting in Newcastle of all the private firms affected which was addressed by Harley Drayton. The Northern General Fleet, half owned by the B.T.C. were decorated with anti-nationalisation posters appealing to deep philosophical principles, for example 'Don't let nationalisation take you for a ride: You would find it very expensive'. A front organisation, the Omnibus Passengers Protection Association set up which recruited 104,000 members within eighteen months. This association, according to B.E.T.'s own house history '...naturally (!) derived some encouragement from B.E.T.' The parallel with other Aims of Industry and Economic League Activity against nationalisation, particularly of sugar, is too great to be accidental. The Conservatives pledged themselves to return transport services to local authorities and companies if nationalised.

Further Area plans were introduced for the South West and East Anglia. In truth the R.P.E. were only interested in carrying out their brief which was the preparation of these plans, by late 1949 the Government had little energy to pursue them, preferring what Morrison had called a process of 'consolidation'. The Transport Union was also strangely quiet during this period. Whereas constant unofficial action had forced national bargaining on both B.E.T. and Tillings in the mid 1940's there was not outbreak of strike action to force either B.E.T.'s or the local authorities hands. The experiences of municipal ownership was no improvement on private ownership by the 1940's, workers in United Automobile Services, Northern General and any of the local authorities worked under virtually the same conditions with the exception of better weekend rates of pay and slightly more holidays for N.J.I.C. employees. The experience of London Transport in the 1930's had demonstrated all too convincingly that 'socialised' industry was remarkably like private capitalism.
Nationalisation

The real reason why industrial reorganisation of the bus industry had to wait a further 20 years was not the strength of opposition from the private employers or the 'dynamism' of the Omnibus Passenger's Protection Association. It was deeper rooted in the separation of Labour and workplace politics. The financial crisis of 1947, a result of worsening terms of trade and the loss of 70% of pre-war export markets, was temporarily eased by an American loan of £3,500,000,000 which contained the requirement of a return to sterling convertability. Dalton, as Chancellor, could only achieve this by austerity measures including wage restraint, and cuts in public expenditure. The militancy of the immediate post-war years now came under attack from the Labour Government. The Unions played a key role in defending the Government and enforcing wage restraint. It was this effective decoupling of labour and workplace politics which allowed what was a comparatively weak opposition to prevent the reorganisation of the bus industry.

2c: The Attack on Militancy

The process of consolidation required that the Labour Government together with the majority of trade union leaderships attempted to prevent wage militancy. On eighteen occasions the Labour government used troops against strikes, on two occasions States of Emergency were proclaimed and on two more narrowly averted. In secret, the Supply and Transport Organisation, which had been used in 1926 and had been allowed to relapse in 1939, was once again set up together with the Industrial Emergencies Committee. From October 1945 Special Branch surveillance of unofficial strike leaders became a matter of course, although Bevin had used their services at the Ministry of Labour in wartime. Further, the Transport and General Workers Union provided regular reports on unofficial activity within the Union to the Ministry of Labour.76 Significantly, most of these strikes involving troops were in the Docks and road
Transport, presumably because of the need for the government to maintain exports. Troops were only used against road passenger transport strikes in 1943 because these were directly affecting coal production. An analysis of these strikes shows that, just as in road passenger transport, the root of the discontent was the decline in wages and conditions relative to other workers, and the slow progress of the official bargaining machinery. The effect of this was that particularly in the Docks an unofficial but permanent alternative leadership emerged in the shape of the National Port Workers’ Defence Committee.\textsuperscript{77} The combination of economic circumstances, unofficial action and Bevin’s translation of his preoccupation with ‘communist disruption’ into foreign affairs led the Transport Union to spearhead the move towards anti-communism inside the trade union movement. This in turn would have important effects on the bus section.

The attack on militancy in the T.G.W.U. was based on a crude anti-communism which fitted neatly with the increasingly cold war policy of the Labour Government, the Marshall Plan and the setting up of N.A.T.O. Deakin claimed that unofficial strike action undermining the ability of the Union to negotiate; the fact that most unofficial strikes had no communist leadership was irrelevant to the argument. The attack on communists was an attack on militancy and militancy was an attack on the structures of the labour movement and its government which was in the words of ‘The Record’ carrying out ‘revolutionary acts’, which would be endangered by ‘...irresponsible persons whose policies...would lead...to national chaos and disaster.’\textsuperscript{78} Thus ensued as Middlemas puts it; ‘... a debilitating series of conflicts, notably in the T.G.W.U.’\textsuperscript{79}

In December 1947, Labour Party Secretary Morgan Phillips urged Labour’s affiliated organisations to take steps to combat communist infiltration. The T.G.W.U. in 1934 had refused to implement the ‘Black Circular’ of the T.U.C. on
Nationalisation

the basis that;

"...having accepted a person into membership, the Union cannot deny the full rights of association so long as that person does not violate the constitution and policy of the Union".80

Now the T.G.W.U. led the campaign to expel communists from union office. The number of communists on the General Executive Council of the Union was according to Deakin eight out of thirty-eight, more significantly four of these eight had been nominated by Trade Group Committees suggesting Communist majorities on these committees.81 But the heart of the problem for Deakin was that Communists appeared to be in the leadership of unofficial disputes. The June 1948 Dock strike was led, according to Deakin by "...an Unofficial Strike Committee of 48 members, 36 were either members of, or fellow travellers with, the Communist Party".82

The anti-communist campaign began with a major feature in 'The Record' entitled 'The Facts about the Unofficial Strike of London Dockers' in July 1948. In September, 'The Record' reported the speech by the National Women's Officer, Florence Hancock, to the T.U.C. as President;

"I am not going to say that an unofficial strike is never justified in any circumstances...We are well aware that there exists in this country...an organisation which tries by every means to provoke industrial troubles. It has been conclusively proved to be capable of using every opportunity and expedient to create artificial unrest and to sabotage every effort by which the free nations are striving to recreate democracy. All this has as one of its practical consequences the formenting of unofficial strikes and a constant and deliberate campaign is kept going with the object of undermining the solidarity of trade unions and the discrediting of their elected officers and executive councils. We must rid our movement of these mischief makers."83

This speech firmly locates the problem as unofficial action aimed at discrediting elected officers and executive councils. The problem with this argument is two-fold. Firstly, officials within the T.G.W.U., with the exception of the General Secretary were not elected but appointed.
Nationalisation

Secondly, where elections did take place to the Trade Group and National Executives the Communists were quite successful. The problem that the bureaucracy of the Union had was that it was difficult to actually find proof of communist conspiracies, even if unofficial strikes were led by communists this did not make them conspiracies. Events on London buses provided them with something more specific.

Arthur Deakin could be much more precise in January 1949 in an article entitled ‘Stand Firm against Communist Activities’;

"In conclusion I would take this opportunity of urging our members of the Passenger Section in London and throughout the country to realise the necessity of accepting the advice given them by the Union in recent days; to ignore the encouragement given them by the Daily Worker to stage a Saturday stoppage. To respond is simply playing the Communist game. We have entered into a solemn obligation; and just as we expect the employers to carry out their obligations, so must we carry out ours."\[54\]

Once again unofficial action and communism are equated. The communist game was in fact the recommendation by the Central Bus Committee to strike each Saturday until a claim for time and a half on Saturdays was conceded, virtually the whole section took part, some 22,600 went on strike. After the first Saturday strike Deakin recalled the Conference and refused to negotiate unless strike action was lifted;

"...I want to make it clear...that I will not move one finger to seek a discussion with the London Transport Executive so long as you have taken your decision, which is in flat contradiction to the policy of the Union".\[55\]

The dispute went to arbitration and the claim was conceded. Nevertheless, by using the question of ‘communist influence’, Deakin was able to reassert control.

In the same month, Deakin, in his capacity as President of the World Federation of Trade Unions led a walk-out of the Conference, claiming it was under communist control.\[86\] By the time of the Biennial Delegate Conference in Scarborough in July 1949, which was to discuss the ban,
Nationalisation

Deakin was resorting to the crudest anti-communism. Thus in 'The Record' he wrote an article called 'Trade Unionism versus Communism: The Gloves are Off' in which he alleged:

"..by carrying on whispering campaigns, encouraging people to believe that they can only make progress by being in a constant state of conflict with the employers...by carrying on constant agitation against a disciplined approach to the solution of these problems with which we are faced, and bringing a barrage of misrepresentation in regard to the intentions of those responsible for leadership either in the industrial or political field. In addition strong-armed methods are used - intimidation and even violence is threatened..."87

And then to the heart of the problem;

"Those people who assume unofficial leadership, who are constantly to the forefront in every dispute which arises, must be dealt with and given their marching orders..."

This was the main article in the unions paper and no doubt in the possession of many of the delegates. The motion banning members of the Communist Party from holding office in the Union was passed by 426 to 208 votes, which in view of the circumstances demonstrated that a sizeable minority of the delegates were not impressed88.

Nine officials were forced to resign including Sam Henderson, the National Trade Group Secretary since Clay's promotion. He was replaced by Frank Coyle. Bill Jones and Bert Papworth were also removed from office. A Committee for Trade Union Democracy was set up to fight the ban which organised a lobby of the General Executive Council in December 1949, which was denounced by Deakin as 'mob law' and '...an attempt to interfere with the administration of the Union.'89

The Scarborough Conference represented the defeat of militancy. In the early years with Bevin at the Ministry of Labour and in the immediate post-war years, the Union had expanded rapidly. After 1948 the Union, in common with most other unions, scarcely expanded at all.90 The Scarborough decision demonstrated the power of the Union's leadership.
Nationalisation

During the late 1940's a thesis by J. Goldstein on 'The Government of British Trade Unions' examined in detail the democratic processes of the T.G.W.U. by looking at membership size and turnover, and involvement in branches, voting, education and so on. He concludes;

"...the features of the branch disclosed by this mass of descriptive material are those of an oligarchy parading in democracy's trappings."

Consequently

"...The Union civil servant...is in a position to and often does usurp the policy-determining functions assigned in theory to elected representatives".91

Goldstein's research, though flawed, captures an important feature of the Union in the late 1940's.

However Goldstein overlooked other changes. In the engineering section of the union, a strong shop steward organisation was emerging. It was this new form of organisation which was separated from the official structure of the Union which Middlemas claims;

"...up and coming officials like Jack Jones were determined to use to introduce informal decentralisation and rank and file participation and to break the monolithic power of Deakin himself and other Union bosses".92

This was both a sign of the future and pointed to the end of the period in which the Passenger Trade Group had played such a central role in the Union machinery. For in the 1930's and 1940's;

"...the Passenger Group supplied something like a third of the officer force in the Union and also had about a third of the Executive. It had half of the Finance and General Purposes Committee and it dominated...the Biennial Delegate Conference."93

Conclusion

How far does the process of nationalisation correspond to Panitch's theory of quasi-corporatism? Can we explain the behaviour of the Transport Union leadership in terms of a process of political exchange? From the account presented
Nationalisation

here of nationalisation and the consolidation of national bargaining it would seem that both these terms are misleading. There were two crucial developments in the 1940’s. The first was the elevation of importance of the national leadership of trade unions in general to an important role within the state, whether into political office as in Bevin’s case or in terms of an important influence on state decisions. The second was the increased union strength at garage level and the rise in union militancy. Clearly these were interconnected developments but neither was dependent on the other. There was certainly a process of incorporation of the union leadership during the term of the Labour Government and indeed thereafter. However corporatism seems to describe a process which was the logical outcome of an increase in workshop power and a reflection of the necessity of co-operation between employers and union leaderships which arose not from the increasing involvement in politics but from the mediating process which is the essence of trade unionism.

Price’s concept of the progressive decoupling of politics from the economic and social structures through which Labour’s support was mobilised seems closer to reality and lies at the heart of the relationship between trade union leaderships and Labour governments. From the point of view of thousands of bus workers what mattered were individual and collective injustices over disciplinary matters, working conditions and wages. It was the trade union leadership that attempted to focus these towards the attainment of a complete national bargaining system. The state control of transport was seen by the leadership as a further means of control but to the rank and file it seemed less important since it was not an issue over which they were prepared to exercise their economic muscle. Until 1947 these parallel processes seemed in harmony. It would only become clear later that nationalisation would bring little improvement in wages and conditions and only then would there be a return to militancy.
Nationalisation


The figure for B.E.T. & Tillings in 1939 is derived from J. Hibbs (1975) pp. 49-51. The figure for B.E.T. in 1955 is from "B.E.T. - The Sixth Decade" - Roger Fulford, London 1956. Since some of B.E.T.'s bus companies were jointly owned with the British Transport Commission some vehicles may be counted twice, this would mean that the 1955 figure for the Independents could be an underestimate as it is derived by subtracting B.E.T.'s Fleet from D.L. Munby's figure for 'Other' in Table Bl.2.
4. The break up coincided with the death of Mr. Austen, who had succeeded Emile Garcke as Chairman of B.E.T. Whether the break-up was the result of personal differences, or whether it represented a different attitude to nationalisation is unclear. According to Hibbs;
"...the partnership was not always a happy one; Crosland-Taylor quotes W.S. Wreatham as saying that 'it never worked properly' and that at board level 'there was always the feeling that there was no point in doing this or that because next year it might be cancelled by the next joint chairman.' "(Hibbs (1968) p. 197)

B.E.T. was certainly profoundly hostile to nationalisation and municipalisation, as their house history suggests;
"While no doubt profit played its part in the motive of Mr. Emile Garcke and the pioneers of B.E.T., they never lost sight of the service which they had in their power to render the community. They may have been capitalists but they were certainly men of vision. Backed with this proud record of public service, the Company is now confronted with the threat of nationalisation. Nobody impartially surveying the 50 years' history of B.E.T. could fail to notice the resilience and adaptability which have been its outstanding characteristics under private enterprise."


The main companies changing hands are shown in the table overleaf. Other major companies owned included;
Nationalisation

Western Welsh Omnibus Co., Hebble Motor Services Ltd.,
Northern General, Potteries Motor Traction Ltd., South Wales
Transport Company, Yorkshire (Woolen District) Transport Co.
Ltd., Swansea Improvements & Tramways Company.

---

**TABLE**

---

**THE TILLING AND BRITISH GROUP DIVISION: 1942**

---

**TILLING MOTOR SERVICES LTD.**

- Caledonian Omnibus Company
- Crosville Motor Services
- Cumberland Motor Services
- Eastern Counties Omnibus Co.
- Hants & Dorset Motor Services
- Lincolnshire Road Car Company
- Southern Vectis Omnibus Co.
- Thames Valley Traction Co.
- United Automobile Services
- West Yorkshire Road Car Co.
- Wilts & Dorset Motor Services

**B.E.T. OMNIBUS SERVICES LTD.**

- Aldershot & District Traction
- East Kent Road Car Company
- East Midland Motor Services
- East Yorkshire Motor Services
- Maidstone & District Motor S's
- North Western Road Car Co.
- Ribble Motor Services Ltd.
- Southdown Motor Services Ltd.
- Trent Motor Traction Company
- Yorkshire Traction Company

---

Companies underlined have changed ownership.

---


5. Glaister and Mulley suggest from the Traffic Commissioners Report of 1937-8 that;
"...the rate of amalgamations was decreasing - presumably because the scope for takeovers was becoming progressively more limited." ("Public Control of the British Bus Industry" - Glaister and Mulley, Gower Publishers, Aldershot, 1983. pp. 42-46.)

From 1937 to 1965 the percentage of buses and coaches in fleets of more than 100 remained more or less constant at around 60% of the total as the table below shows. The Table is derived from Munby op. cit. Table B13.3 pp.368-9. The 1937 figures are not comparable with subsequent figures.

---

**TABLE**

---

**% OF ALL BUSES AND COACHES IN FLEETS OF 100 OR MORE**

---

<table>
<thead>
<tr>
<th>YEAR</th>
<th>VEHICLES IN FLEET OF 100-199</th>
<th>200 and over</th>
<th>TOTAL FLEET</th>
<th>% OF TOTAL IN FLEET OF 100-199</th>
<th>200+</th>
<th>100+</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937</td>
<td>5,066</td>
<td>24,964</td>
<td>49,574</td>
<td>10.09%</td>
<td>50.35%</td>
<td>60.44%</td>
</tr>
<tr>
<td>1948</td>
<td>5,226</td>
<td>26,299</td>
<td>55,731</td>
<td>9.37%</td>
<td>47.18%</td>
<td>56.55%</td>
</tr>
<tr>
<td>1950</td>
<td>5,425</td>
<td>33,305</td>
<td>66,928</td>
<td>8.10%</td>
<td>49.76%</td>
<td>57.86%</td>
</tr>
<tr>
<td>1955</td>
<td>4,815</td>
<td>34,144</td>
<td>66,454</td>
<td>7.23%</td>
<td>51.31%</td>
<td>58.54%</td>
</tr>
<tr>
<td>1960</td>
<td>5,825</td>
<td>35,146</td>
<td>66,471</td>
<td>8.76%</td>
<td>52.87%</td>
<td>61.63%</td>
</tr>
<tr>
<td>1965</td>
<td>5,395</td>
<td>36,429</td>
<td>68,759</td>
<td>7.84%</td>
<td>52.98%</td>
<td>59.82%</td>
</tr>
</tbody>
</table>

6. J. Sleeman estimates that by 1930 18 Municipalities had abandoned tram operation, a further 28 between 1931 and 1935 and a further 11 between 1936 and 1939. The writing was on the wall when in 1939 Manchester decided to replace all
Nationalisation

tramways and only Glasgow, Sunderland, Liverpool and Blackpool were still building them. The number of municipal trams fell from 8,000 in 1940, to 6,000 in 1945, to 4,500 in 1950 and to 2,000 in 1956. Trolley-buses were to meet with the same fate as the tram systems in the 1950's and 1960's, with Birmingham the first major authority to abandon them.


8. According to Bullock:
"There have been two productive periods in the formation of such councils, the years 1918-21 just after the Whitley Report came out and 1940-5 when Bevin was Minister of Labour. Of the 112 joint industrial councils or similar bodies active in 1946, forty-six had been set up in the first of these two periods, another forty-six in the second. Taken together with the statutory Wages Boards...they were responsible at the end of 1946 for settling the conditions of fifteen and a half out of a total of seventeen and a half million workers." (op. cit. p. 93)


11. The sudden growth in the Union was partly a consequence of full employment and partly due to legislation. In 1940 three particular measures; The Essential Work Order, Conditions of Employment and National Arbitration Order and the Undertakings (Restriction on Engagement) Order assisted recruitment as detailed in the table.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TRANSPORT MEMBERSHIP</th>
<th>AND GENERAL WORKERS UNION</th>
<th>UNION CHANGE IN %</th>
<th>ALL UNIONS CHANGE IN %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939</td>
<td>694,474</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1940</td>
<td>743,349</td>
<td>+ 48,875</td>
<td>+ 7.0%</td>
<td>+ 5.0%</td>
</tr>
<tr>
<td>1941</td>
<td>946,079</td>
<td>+ 204,730</td>
<td>+ 27.5%</td>
<td>+ 8.5%</td>
</tr>
<tr>
<td>1942</td>
<td>1,133,165</td>
<td>+ 185,086</td>
<td>+ 19.5%</td>
<td>+ 9.8%</td>
</tr>
<tr>
<td>1943</td>
<td>1,122,480</td>
<td>- 10,685</td>
<td>- 0.9%</td>
<td>+ 3.9%</td>
</tr>
<tr>
<td>1944</td>
<td>1,070,470</td>
<td>- 52,010</td>
<td>- 4.6%</td>
<td>- 1.1%</td>
</tr>
<tr>
<td>1945</td>
<td>1,019,069</td>
<td>- 51,401</td>
<td>- 4.8%</td>
<td>- 2.6%</td>
</tr>
<tr>
<td>1946</td>
<td>1,273,920</td>
<td>+ 254,851</td>
<td>+ 25.0%</td>
<td>+ 11.8%</td>
</tr>
</tbody>
</table>


12. In the Docks alone, in just five weeks in mid-1940 twenty-two full time officials were taken on as Labour Supply Officers or Port Labour Inspectors and seventeen of
these twenty-two were from the T.& G. When asked to comment on the release of so many officials, Deakin stated; 
"...that the work of the men was complementary to that of the Union and that the Union would derive advantages from having contacts in the new administrative arrangements for labour..." See Allen (1957) p. 221 & 224.


14.

<table>
<thead>
<tr>
<th>TABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMPARITIVE MEMBERSHIP CHANGES IN SELECTED TRADE GROUPS OF THE T. &amp; G.W.U. 1938 - 1942.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TRADE GROUP</th>
<th>MEMBERSHIP</th>
<th>CHANGE (+)</th>
<th>CHANGE IN %</th>
<th>PROPORTION OF TOTAL %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1938</td>
<td>1942</td>
<td>(-)</td>
<td>1938</td>
</tr>
<tr>
<td>DOCKS</td>
<td>87,509</td>
<td>80,154</td>
<td>- 7,355</td>
<td>8.4%</td>
</tr>
<tr>
<td>WATERWAYS</td>
<td>8,000</td>
<td>8,473</td>
<td>+ 473</td>
<td>5.9%</td>
</tr>
<tr>
<td>ROAD</td>
<td>150,836</td>
<td>169,960</td>
<td>+ 19,124</td>
<td>12.7%</td>
</tr>
<tr>
<td>PASSENGER</td>
<td>79,991</td>
<td>97,554</td>
<td>+ 17,653</td>
<td>22.0%</td>
</tr>
<tr>
<td>ROAD</td>
<td>171,000</td>
<td>276,604</td>
<td>+ 105,604</td>
<td>61.8%</td>
</tr>
<tr>
<td>COMMERCIAL</td>
<td>32,422</td>
<td>39,869</td>
<td>- 7,447</td>
<td>23.0%</td>
</tr>
<tr>
<td>GEN. WORKERS</td>
<td>96,037</td>
<td>400,268</td>
<td>+ 304,231</td>
<td>316.7%</td>
</tr>
</tbody>
</table>


15. The nature of the T.G.W.U.'s new recruits is explained by Richard Croucher;
"Throughout the decade 1935 - 1945, the general unions were in a more competitive position when recruiting non-skilled workers than the A.E.U.: they both had provision in their rule-books for collectors separate from the stewards, who handled every aspect of recruitment; the benefits offered to the members for their subscriptions were superior for those offered to the A.E.U. for Section 5 (non-skilled) members; prospective members did not have to attend the branch before they were accepted; and they were not given a different-coloured card because they were not fully skilled." ('Engineers at War: 1939-1945' - Richard Croucher, Merlin Press, London 1982. pp. 59-62.)

Further;
"The A.E.U. refused to recruit women until 1943 and most of them therefore had to join one of the general unions...The T.G.W.U. in particular called for the grading of jobs as well as the rate for the job. This approach had the great merit of appealing to the women labourer, for example, who earned less than her male counterpart simply by reason of her sex." (Ibid pp.79-80.)


17. Some examples from 'The Record';
Nationalisation

June 1943: "Throughout the membership there were strong expressions of dissatisfaction with the terms of the awards and on a number of undertakings and sections, strike action was resorted to. The strikes were, in the main, of short duration. The reactions of our members to the terms of the awards were natural, understandable and merited, but the actions taken are to be deprecated, particularly at a time like the present. Transport is so vital a factor at the moment that it is essential that we should find some other way out of our difficulties than by a withdrawal of services."

October 1946: "...unofficial strikes will not get us anywhere, rather they will lead us into considerable trouble and difficulty ...I know you feel impelled sometimes by a sense of frustration to take the law into your own hands, but I do not think my friends it is the right way.

We have in this Union a democratic machine. You elect representatives to serve your interests..."

May 1948: "It is, however, important that our members should note that unofficial action is a challenge to decisions freely and democratically elected into and strikes at the root of collective bargaining."

It is only in later years that the denunciation of unofficial strikes becomes tied up with the question of expelling Communists from holding office in the Union, nevertheless the denunciation is consistent.

18. See 'The Record' July, August and September 1941. The Ribble dispute went to a Court of Inquiry whose recommendations suggest how far away from standard practices Ribble actually were. These were:
(i) Employees entitled to know in advance, as far as possible, a days work.
(ii) All known work to be scheduled.
(iii) Rosters to be constructed according to the existing availability of staff.
(iv) Graded and ungraded men to be rostered for all available work.
(v) Rosters shall not be varied except for unforeseen reasons.
(vi) New rosters to be posted seven to ten days in advance to enable alterations to be suggested.
(vii) Provision for examination of rosters to be made at each garage.

These recommendations suggest that Ribble was using a large pool of casual labour with no guaranteed week or set hours, a situation more familiar in pre-first world war tram operation!

19. See 'The Record' June 1944.
20. 'The Record' - November 1943.
21. 'The Record' - September 1944.
22. 'The Record' - January 1945.
23. 'The Record' - March 1945.
24. Each of these problems is dealt with at length in 'The Record' see particularly November and December 1941; October, November and December 1942; January, March, October and
Nationalisation

November 1943; September, October and November 1944. An example of how these difficulties affected one operator is given in the history of Midland Red. Here for example the introduction of fuel rationing led to a cut in service mileage of 20% in September 1939, in October the limit of standing passengers was raised from five to eight and then to twelve, whilst the company's production activities ceased. 106 buses with Utility bodies were added to the fleet during the war but this was more than compensated for by the number of vehicles commandeered to France. See 'A History of Midland Red' op. cit. pp. 57 - 73.
See also Bagwell "The Railwaymen" Chapter XX for conditions on the railways.

26. The politics of the Communist Party went through a series of abrupt changes to justify the foreign policy of the Soviet Union. These changes are important here only when they affect the basic attitudes of rank and file militants in the bus industry. For further details and a critique from the left see "Two Steps Back : Communists and the Wider Labour Movement 1935-45" - Bornstein and Richardson, Socialist Platform, Ilford, Essex, 1982. For a less interesting account from a right wing Labour point of view see the standard "The British Communist Party - A Historical Profile" - Henry Pelling, 2cd. Edition, Adam and Charles Black, London 1975.
27. Quoted from 'The Transporter' in Fuller op. cit. p.173. The exact nature of the war confused the Communist Party completely as this quote from "The Communist Party in Wartime" demonstrates:
"On September 2cd. the Communist Party published a manifesto which presented the aim of the "struggle on two fronts", for the military defeat of Hitler and the political defeat of Chamberlain. This policy was basically incorrect. It failed to take into account the imperialist character of the war as an "anti-fascist war". The call for the military defeat of Hitler meant objective support for British imperialism and its military victory."
Quoted in Bornstein & Richardson p.66. This was only the first public admission of wrong thinking by the Communist Party.
28. Fuller p.175.
29. Ibid. p. 177.
30. Bornstein & Richardson op. cit. p. 28.
31. These details are taken from the Ministry of Labour Gazette as follows:
1943: pp. 30,40,72,89 and 104.
1944: p. 85.
1945: pp. 52,68,86,102.
Note a: May-June 1943 Provincial Strike began in High Wycombe and Maidenhead on 11th. May, spread to Yorkshire 12-15th May. Also affected Derbyshire, Nottinghamshire, Essex, Buckinghamshire and Berkshire. The core of the strike was in Yorkshire and Nottinghamshire.
Nationalisation

32. From the `Sheffield Telegraph' May 17th.- June 3rd. 1943.
33. From the `Yorkshire Post' May 12th.- 18th. 1943.
34. `Nottingham Evening Post' May 13th. 1943.
35 `The Record' - June 1943.
36. These details are taken from the Ministry of Labour Gazette as follows;
   1945: pp. 120,148 and 185.
   1946: pp. 60,84,138,335 and 374.
   1948: pp. 70 see also 106 and 149.
Note b; July 1947 Midland Counties Strike. "...The number of people involved was small at first but increased to about 1,800 by the 10th. July, a temporary resumption took place on 11th and 12th. July at several depots but subsequently the number rose to about 4,500. At all but three depots work resumed on 21st. June."
37. This figure is derived from adding up all those involved in the list of strikes in Tables 15 and 16 and subtracting those where the same people are probably involved. Thus, where there is more than one strike in an area the smaller one is discounted, e.g. the 4,400 strikers in London in April 1944, the 1,434 bus workers but not the 4,783 tram workers who struck in May 1945, the 3,500 South Wales strikers of February 1946, and the 4,450 Birmingham Corporation strikers of October 1946. This is not the most accurate method, but adequately gives a picture of events. The previous strike waves of 1919-21, 1924-5 and 1937 never involved so large a proportion of members and certainly much fewer in absolute numbers.
38. V. Allen op.cit. p 167.
40. The substance of the improvement was;
   (i) Overtime rates would commence after 9 hours in any one day.
   (ii) The minimum guarantee of eight hours pay applied after a spreadover of ten hours and not eleven hours as previously. Penalty payments for spreadovers began at ten hours and were doubled for those spreadovers beyond twelve hours.
   (iii) Bank Holidays were now paid at time and a half rather than time and a quarter.
   (iv) Rest Days worked were now paid at time and a quarter for the first two hours and then at time and a half.
See `The Record' - July 1945.
41. `The Record' - August 1945.
42. See the `Daily Worker'9th. July to 21st. July 1945. The Ministry of Labour Gazette gives the dates of the dispute as the 9th. to 30th. July 1945. This strike is not mentioned in `The History of Midland Red' op.cit. The `Birmingham Post' gives the 12 garages originally supporting Dudley as; Bearwood, Sutton Coldfield, Bromsgrove, Hereford, Wolverhampton, Hartshill, Oldbury, Cradley, Stourbridge, Kidderminster, Worcester and Redditch. Of these the N.P.W.U. claimed 90% membership at Kidderminster, Worcester, Oldbury...
Nationalisation

& Stourbridge.
43. See "The Record" May 1946.
The grouping system worked as follows;
Group 1: companies where drivers currently earned more than
90/6d.
Group 2: companies where drivers earned less than 90/6d. Of
the 74 Companies involved in the N.C.O.I. 28 were placed in
Group 1 and 42 in Group 2 and of the remaining 4; 2 were in
special categories and 2 were undecided.
The 7/6d. increase for drivers and conductors conceded for
both groups meant that wages were to be as follows;
Group 1: Drivers 96/- to 100/-
Conductors 92/- to 96/-
Group 2: Drivers 94/- to 98/-
Conductors 90/- to 94/-
Special Category Drivers 7/- increase.
Where increase would fail to bring drivers or conductors up
to group rates, they were also to receive 25% of the
difference immediately and 25% each year over the next three
years.
44. See "The Record" February and March/April 1947.
The agreement included the following substantive points;
(i) 44 hours week at the same rate as 48 hours, each week to
stand alone.
(ii) Spreadovers over 9 hours 30 minutes to be paid at an
extra 15 minutes, up to 10 hours 24 minutes. Over 10 hours
24 minutes at 15 minutes for each 30 minutes.
(iii) Two weeks holiday with pay after twelve months
service.
(iv) 6 paid public holidays per year.
(v) Sundays to be paid at time and a half.
46. See "The Times" Saturday 21st. June to Saturday 12th.
July.
47. The details of the Court of Inquiry decision are;
(i) A common three section agreement [trams/trolleys/buses]
(ii) 44 hours week over 6 days, 7 hours 40 minute maximum day
(iii) 40 minutes minimum meal relief.
(iv) Spells of duty not over 5 hours including signing
on/off.
(v) Spreadovers of 7 hours 20 minutes and less paid at
standard rates for time in excess of 8 hours, over 7 hours
20 minutes to 7 hours 40 minutes standard rates for times in
excess of 40 minutes over total scheduled duty time. (In
other words payment for spreadovers longer than 7 hours 20
minutes plus mealbreak time)
(vi) An extra days holiday for each staff rostered to work
Bank Holidays.
(vii) Scheduled overtime 7 hours 1 minute to 7 hours 20
minutes, last 20 minutes at time and a quarter, over 7 hours
and 20 minutes at time and a half.
49. The main features of the award were as follows;
(i) A National Conditions agreement for the N.C.O.I.
(ii) A guaranteed week of 44 hours.
Nationalisation

(iii) A 44 hour week over 6 days with no averaging between weeks and a daily minimum of 7 hours pay.
(iv) Spreadover of 9 hours 30 minutes and over, paid at least 7 hours 20 minutes. Between 9 hours 30 minutes and 10 hours and 29 minutes an extra 15 minutes pay, after 10 hours 29 minutes 15 minutes pay for each half hour after.
(v) First two hours overtime at time and a quarter, thereafter time and a half. Overtime to be paid on a daily basis if employee 'reasonably absent' earlier in week.
(vi) Sunday at time and a quarter – Easter Monday, Whit Monday, August Bank Holiday and Boxing Day at time and a half. Xmas Day (New Year in Scotland) at double time.
(vii) Annual holidays (paid);
   After 1 year – 8 days
   After 3 years – 10 days
Proportionate holidays or pay in lieu after 12 months.
(viii) Day and Night staff guaranteed 44 hours and not less than 30 minutes meal relief.
50. See the 'Daily Worker' 18th. to 21st. November 1946.
52. This argument stems from Nigel Harris who has argued convincingly that the Conservative Party was itself split between two notions of corporatism, what he terms 'étatiste corporatism' and 'pluralist corporatism'; these are explained as;
"...on the one hand, radicals saw the State as the main agency for the functional reorganisation of society and stressed the forced expansion of the economy; on the other, many businessmen argued that they themselves should be in charge of the creation or maintenance of the 'corporate society' and were more interested in conserving what they had than forcing expansion."
The pluralists wanted to maintain competition between different groups of capital, the étatistes wanted to use the State to enforce major changes in the organisation of capitalist society. See "Competition and the Corporate Society" - Nigel Harris, Methuen, London 1972. p. 18.
53. Coates op. cit. p.36.
55. While this result was never in doubt, it was interesting
Nationalisation

that Clay, the National Secretary of the Road Passenger Group, who came second, though a long way behind Deakin, only beat Papworth, the former London Rank and File Movement leader, by a small margin.

The Result was:

A. Deakin 203,314
Harold Clay 54,518
Albert Papworth 47,378
+ 3 others
Total Vote 347,523 [19,201 spoilt]
Total membership at this time 1,019,069

See 'The Record' December 1945.

In September Sam Henderson, an ex-Glasgow tram driver became National Trade Group Secretary for the Road Passenger Transport Group, after Clay became Assistant General Secretary.

57. The 'Record' - January 1945.
58. Nigel Harris op.cit. describes the opposition to the Transport Bill thus;
"In Parliament itself a barrage of memoranda bombarded M.P.s, peers, ministers and, outside Parliament interested parties. The deluge was on such a scale that, it is said, the Opposition had one thousand amendments ready for the Bill's committee stage. These were prepared by the party's Transport Committee in consultation with a Director of the Road Haulage Association who was in continuous attendance on M.P.s during sittings...Throughout it all, the Economic League and the Aims of Industry tried to mobilise public opinion through some seven thousand open-air meetings and thirty thousand bus-stop and factory gate meetings." p. 95, see also pp. 93-97.
59. Brady op. cit. p. 242. Also Harris summs up the differences as follows;
"In summary then, during the main consideration of the Bill, the Conservatives did not attack the idea of 'coordination' between road and rail per se. And to that extent they did not support the Liberal case for 'free enterprise', but rather the case for private ownership in functionally divided markets with a centralized transport cartel. Only later was this conception changed when 'decentralization' came to the fore as the nearest neo-Liberal version of public industry..." p. 97.
60. This is quite a technical question; nonetheless various facts suggest that far too much was paid for 'reasonable compensation' always assuming that any compensation was necessary anyway. For example, since the 1921 Railway Act the Railway Companies had paid out £880,000,000 in interest and dividends, yet during the First World War the companies had financed dividends out of the government rentals of some £38,000,000 annually and had run down the physical assets of the railways, by 1947 this was even more true. In other words the actual physical assets were in poor shape. The scale of reconstruction required was enormous, as the
Nationalisation

following details show:

Winter 1946/7 3,700 out of 20,242 locomotives out of service, the average age of locomotives on the L.N.E.R. was 32 years. Goods wagons: 20% should be scrapped immediately and a further 50% were over 35 years old. Nearly 200,000 out of 1,250,000 awaiting repair. Very few over 40 tons capacity, over half privately owned and almost none with automatic couplings.

Maintenance work required on permanent way in arrears to the extent of 10,000,000 sleepers and 328,000 tons of steel rails. Further details are in Brady pp. 259-64. See also Bagwell 'Transport Revolution'.

Secondly, the price per mile of track was the highest in the world @ £56,000 per mile compared to France: £31,000, Germany: £24,000 and the U.S.A.: £14,000.

Thirdly, the level of compensation, mostly in 3% B.T.C. stock represented a higher rate of return than any Company had managed during the whole of the 1930's. For example the Southern Railway made 0% profit in 1935, 0.5% in 1936, 1.5% in 1937 and 0% in 1938. The Great Western Railway's Ordinary shares were compensated at double their 1939 value and substantially above their pre-war value. The same was true of London, Midland, Scottish Railways.

See Brady - Chapter on National Transport. Also Bagwell 'The Railwaymen' Chapter XXI. who quotes Sir Ronald Matthews, Chairman of L.N.E.R. who claimed that the Government's offer would '...bring a blush of shame to the leathery face of a Barbary pirate...' p. 603.


62. Ibid. p. 564.

63. Coates p. 51. See also The Acton Society Trust - 'The Men on the Boards' which says '..There is thus a considerable measure of factual basis for the employees complaint that the 'old gang' is still in power.' See p. 12.

Also relevant here is the experience of Labour control over industry given in A.A. Rogow and P. Shore. Thus the Chief Planning Officer 1947-51 was also Director of British Aluminium, the Principal Industrial Advisor to the Board of Trade was also Chairman of the British Rayon Federation. Unilever filled 90 posts including 12 senior posts at the Ministry of Food, the Leather Controller at the Board of Trade was also an official of the United Tanners Association and so on and on...See pp. 61 - 65.

64. The membership of the British Transport Commission was:

Sir Cyril Hurcomb - Civil Servant, secretary to Ministry of Transport and ex-chairman of Electricity Commission.
Lord Ashfield - Chairman of L.P.T.B. and Director of various companies including I.C.I.
Sir W.V. Wood - Railway Accountant, President of L.M.S. Railway.
J.R. Benstead - General Secretary, National Union of Railwaymen.
Lord Rusholme - General Secretary of Co-operative Union.
Captain Sir Ian Bolton - Accountant, Director of L.M.S. Railway. [Part-time]
Nationalisation

The membership of the Railway Executive was;
Sir Eustace Missenden - General Manager of Southern Railways.
General Sir William Slim - Commander in Chief Allied Land Forces, South East Asia.
W.P. Allen. - Secretary Amalgamated Society of Locomotive Engineers and Firemen.
V.M. Barrington-Ward - Divisional General Manager, L.N.E.R.
D. Blee - Chief Goods Manager, G.W.R.
R.A. Riddles - Vice-President L.M.S. Railway.
J.C.L. Train - Chief Engineer, Way and Works, L.N.E.R.
C. Neville - Agriculture [Part-time]
Sir Wilfred Ayre - Shipbuilding and Director of Companies [Part-time]

65. See Crosland-Taylor (1954) op. cit. p. 10 and also Hibbs (1968) p. 216.
68. This is Hibbs (1968) figure on page 210. Crosland-Taylor however claims that Crosville received £4 8/9d. per share of which there were 1,100,000 Ordinary Shares. These were owned as follows; Great Western Railway 137,357, London Midland Scottish Railway 412,071, Tillings 549,428, and others 1,144. Hence the B.T.C. already owned 549,428 shares and thus traded about £2,438,000 worth of B.T.C. shares for a company now valued at £4,881,250. It will be immediately realised that if the company was previously paying some 10% dividend on a valuation of £1,100,000, it would now necessarily have to pay some 13.2% on the old valuation to match the 3% B.T.C. stock. In other words this complex transaction increased the pressure on the company to produce profits. If Hibbs figure of £5 for each £1 is correct then to return 3% on the new stock equalled a profit rate of 15%.
69. See Hibbs (1968) pp. 212-216. These included Red & White in February 1950. Red & White had in turn purchased Newbury & District Motor services in 1943, Venture Ltd. of Basingstoke and South Midland Motor Services Ltd. of Oxford both in 1945. Also Enterprise (Scunthorpe) Passenger Services Ltd. was purchased in March 1950. In June three companies in County Durham; Darlington Triumph Services, Express Omnibus Company and ABC Motor Services were purchased and merged to form Durham District Services.
70. Table below shows profits for Ribble and North West Road Car Company.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>RIBBLE PROFIT</th>
<th>RIBBLE DIVIDEND %</th>
<th>NORTH WEST ROAD CAR COMPANY PROFIT</th>
<th>NORTH WEST ROAD CAR COMPANY DIVIDEND %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>£645,461</td>
<td>25%</td>
<td>£316,272</td>
<td>20%*</td>
</tr>
<tr>
<td>1953</td>
<td>£661,572</td>
<td>17%</td>
<td>£422,869</td>
<td>12%*</td>
</tr>
<tr>
<td>1954</td>
<td>£818,870</td>
<td>12%</td>
<td>£443,869</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

* = Year shares issued against existing shares, hence for
Nationalisation

each company profits must have been well above 20%, in each
case total profits increase by 25% in the years of 'wage
restraint'. Figures for the financial years ending in 1952
to 1954 are complicated by the dilution of shares in 1953,
this was in fact an American technique for creating the
appearance, though not the reality, of wider share
ownership. See Rogow and Shore p. 141 which quotes directly
from the Lex column in the Financial Times of June 1st 1951
'.we have frequently had evidence from the United States
of the value of share splitting as a means of spreading
interest more widely among investors...'
The rate of profit in terms of distributed profits is
clearly above 15% for both Ribble and the North West Road
Car Company.
72. See Hibbs (1968) pp. 220-223. The nine municipalities
were; Newcastle, South Shields, Sunderland, Hartlepool, West
Hartlepool, Teeside, Middlesborough, Stockton-on-Tees and
Darlington. Three firms had over 100 buses, 6 firms had
between 25 and 99 buses and 197 firms had less than 25.
74. See 'A History of British Bus Services in the North
East' - David Holding, David and Charles, Newton Abbott,
75. See Rogow and Shore op.cit. Chapter Seven for details of
these anti-nationalisation campaigns. These campaigns
included massive advertising, in the case of sugar a cartoon
character Mr. Cube appeared on 2,000,000 sugar packets every
day and every Tate & Lyle lorry. 3,000 speeches were
delivered to factory and working men's clubs. Propaganda
sent to 4,500 schools. Richard Dimbleby, of the B.B.C. was
hired to interview contented Tate and Lyle employees and
finally a profit sharing scheme was introduced in 1950 which
would of course be 'threatened' by nationalisation. On the
other side there was almost no public campaign. By November
1950 an Opinion Poll showed 57% against sugar
nationalisation and only 25% in favour.
76. See particularly 'Labour and Strike-Breaking 1945-51' -
The evidence for T.G.W.U. 'spying' comes from file IR
931/1949, LAB 10/832 at Public Records Office.
77. The first dock strike took place in London as Labour
came to office, within the week troops were sent in to
Surrey Docks and the strike collapsed. In October 1945
another dock strike began in Merseyside and met similar
treatment. In January 1947 an unofficial lorry drivers
strike over the 44 hour week, negotiations for which had
been dragging along in parallel to the bus workers claim,
was broken by troops. In May a dock strike in Glasgow over
500 redundancies spread to 10,000 London dockers. In August
70,000 Yorkshire Miners struck unofficially over increased
workloads, the first strike since nationalisation. Each of
these strikes was met with denunciations from the Government
and from trade union leaders. In one incident the 'Times'
Nationalisation

noted that "... a censure so positive and unreserved has seldom been pronounced by the Minister responsible for the supervision of industrial relations" (11th. October 1945.)

A strike in London docks in June 1948 quickly spread to Merseyside and led to the declaration of a State of Emergency, the first since the General Strike. Attlee, in a special broadcast on the B.B.C. referred to;
"...a small nucleus who have been instructed for political reasons to take advantage of every little disturbance that takes place to cause the disruption of the British economy, British trade, to undermine the government and to destroy Britain's position." (The Times 29th. June 1948.)
This was despite the fact, according to Ellen op.cit. that he already knew from Scotland Yard that there was no evidence of a Communist conspiracy.[See HO 45/23174]
Bevin was even more forthright;
"There must be no sign of weakness on the part of the Government; they must show their determination to maintain the distribution of essential foodstuffs. They should not be deterred by threats that, if further troops were employed, the strike would spread to the meat markets. If the strikers got their way, the government would be at the mercy of unofficial strikes for many years to come." (Quoted in Ellen from CAB 130/38 GEN.240)

There was even talk of suspending the dock labour scheme and taking on 'volunteers'. As Middlemas comments;
"...the decision to declare a state of emergency...by a virtually united cabinet showed how firmly the T.U.C. stood with Ministers on questions of the national interest."


78. See 'The Record' January 1948 - 'The Transport Act itself was a revolutionary act but the revolutionary changes which must be made in order to transform the industry into a real public service have yet to be worked out'.

Of course they never were! The second quote is from Middlemas op. cit. p.150.

79. Middlemas p.147.
80. Allen p. 270.
82. Ibid. p. 277. This claim was made at the 8th. Scottish Delegate Conference.
83. 'The Record' September 1948.
84. Ibid. January 1949.
86. The pressure for a split in the W.F.T.U. seems to have come mainly from the American Federation of Labour (A.F.L.) under pressure of the Cold War. The A.F.L. worked quite closely with the T.G.W.U. to split the European Trade Unions. The new federation; The International Confederation of Free Trade Unions (I.C.F.T.U.) appears to have been strongly dominated by the American Foreign Policy needs as the following excerpt from an article in 'Business Week' referring to the I.C.F.T.U.shows;
"Though disguised, lest it give Communist propaganda a
Nationalisation

further opportunity to charge American domination of non-communist unions abroad, U.S. influence was almost unchallenged at the I.C.F.T.U. conference that ended its sessions in Milan, Italy, this week.

It was exerted through American Union delegates who came from the A.F.L., C.I.O. and Independent Unions.

The U.S. State Department might not want to sponsor all the positions taken by I.C.F.T.U. but it would not seriously quarrel with any of the resolutions passed.

The Cold War has made the work of the big American Unions abroad virtually a State Department enterprise.

In actual fact they can be more effective than any official government agency, in an area that really counts - the foreign unions." (Quoted in 'The Platform' Number 24 January 1952.) See Allen Chapter 18 and P. Weiler 'British Labour and the Cold War' in J.E. Cronin and J. Schneer (Eds.) "Social Conflict and Political Order in Modern Britain". - Croom Helm, London, 1982.

87. 'The Record' July 1949.

88. The withdrawal of the T.U.C. from W.F.T.U. passed more easily by 493 to 128. Interestingly another motion claiming that compensation for nationalisation was too high tied at 320 to 320. 'The Record' - August 1949.

89. 'The Record' - January 1950.

90.

---

TABLE


<table>
<thead>
<tr>
<th>YEAR</th>
<th>MEMBERSHIP</th>
<th>CHANGE</th>
<th>CHANGE IN %</th>
<th>ALL UNIONS</th>
<th>CHANGE IN %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1947</td>
<td>1,317,842</td>
<td>+ 43,922</td>
<td>+ 3.4%</td>
<td>+ 3.9%</td>
<td></td>
</tr>
<tr>
<td>1948</td>
<td>1,323,679</td>
<td>+ 5,873</td>
<td>+ 0.4%</td>
<td>+ 1.9%</td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>1,305,056</td>
<td>- 18,623</td>
<td>- 1.4%</td>
<td>- 0.5%</td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>1,293,403</td>
<td>- 11,653</td>
<td>- 0.9%</td>
<td>- 0.3%</td>
<td></td>
</tr>
<tr>
<td>1951</td>
<td>1,337,060</td>
<td>+ 43,657</td>
<td>+ 3.4%</td>
<td>+ 2.6%</td>
<td></td>
</tr>
<tr>
<td>1952</td>
<td>1,329,057</td>
<td>- 8,003</td>
<td>- 0.6%</td>
<td>+ 0.5%</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>1,309,583</td>
<td>- 19,474</td>
<td>- 1.5%</td>
<td>- 0.7%</td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>1,289,989</td>
<td>- 19,594</td>
<td>- 1.5%</td>
<td>+ 0.4%</td>
<td></td>
</tr>
</tbody>
</table>

From Allen p. 224.


93. Fuller op. cit. p. 196 Quote from Larry Smith, who became National Trade Group Secretary many years later.
CHAPTER SEVEN:
THE ECONOMICS OF THE NATIONALISED BUS INDUSTRY

In Britain the age of the automobile began in the 1950's. At the same time the bus industry was carrying the highest ever number of passengers. Yet even then, the seeds of future problems could be seen on the horizon with the rapid growth in car ownership and the beginning of a chronic labour shortage which was to last until the reappearance of mass unemployment. According to the Department of Transport; in 1953 42% of all passenger kilometres were travelled by bus or coach compared to 30% by private car and 20% by rail; in 1963 24% of all passenger kilometres were travelled by bus or coach compared to 60% by private car and 14% by rail. In a rapidly growing transport market, the proportion of total travel by bus and coach was declining both relatively and absolutely. The pattern of decline in public transport which began in the mid-1950's was not inevitable. It was caused by the economics of nationalisation and the gradual penetration of state transport planning by a complex of corporate interests based on the car, rubber, oil and construction industries.

The development of municipally owned electric tramways made possible the transformation of the cities at the turn of the century, mass ownership of private transport transformed them once again in the post-war world. The former transformation was collective in that tramways were equally accessible to all with few exceptions, the latter was decidedly individualistic with the majority of the disadvantages of this new privatisation of transport falling disproportionately on those who would never have access to it. Thus it was the poorest part of the urban population who had to endure the environmental consequences of unrestricted traffic, just as it was pedestrians who were most at risk of physical injury and death. At the same time, bus services declined in frequency, deteriorated in reliability and became relatively more expensive. Whereas in the 1930's,
Economics of Nationalisation

Public transport monopolies could plan transport effectively at the level of the firm or municipal authority, any plan from the 1950's onwards which contained no controls over, regulation of, or restriction of competing private transport, was ultimately subordinated to the operation of the market. Planning took place within different sectors of transport but within the context of the complete absence of planning.

This chapter is a discussion of the consequences of the failure of nationalisation to provide for the development of a comprehensive plan for transport. The declining market position of bus transport was a direct result of the increase in car ownership and increasing traffic congestion. This led in turn to declining productivity as the average speed of traffic in the cities fell. At the same time as productivity measured in terms of output per employee fell, the actual physical amount of work that crews performed increased. This had two direct consequences. Firstly wages in the industry declined relative to other occupations as Routh has demonstrated. This in turn led to a chronic labour shortage. Thus the economics of the nationalised bus industry had a crucial impact on industrial relations.

This chapter will examine the roots of the slow decline of the industry. The first part examines in simple terms the major features of the decline. Part two contains a discussion of the problems of productivity measurement. Two major studies in this area are both, unfortunately, inadequate in providing sufficient information to explain the decline. Part three examines the importance of the financial structure of the B.T.C. (British Transport Commission) which is of critical importance in this discussion. Part four discusses methods by which the nationalised section of the industry responded to this decline. An important area of debate will be the question of the contribution of labour costs to the decline of the industry. Some evidence will be put forward here, derived
Economics of Nationalisation

from the B.T.C. accounts, which casts doubt on this explanation of the reason for decline. The last part will examine the consequences of this decline on wages and labour supply.

1a: The Replacement of Public by Private Transport.

Between 1950 and 1960 the ownership pattern of the bus and coach industry and the number of vehicles in use was remarkably stable. Figures derived from the census for numbers employed in the industry suggest a fall from 322,150 in 1951 to 288,420 in 1961. This is more a reflection of staff shortages rather than a contraction in the industry. The peak year for employment was 1949 at just over one third of a million.

Looking at municipal transport in particular the pattern of events becomes very clear. Comparing 1938/9 to 1945/6 across 40 undertakings vehicle mileage fell by 5% whilst passenger carryings increased by 46%. The 1950's saw this process reverse; comparing 1950/1 with 1958/9 passengers carried declined some 15% whilst vehicle mileage fell by 1.3%. The figures for 1938/9 to 1945/6 partly explain why vehicle mileage was not reduced; municipal services were very stable and it was assumed that good years would make up for bad. Looking more closely at which municipal services lost most passengers, J. Sleeman estimates that the largest undertakings suffered most with the very largest losing 19% of passengers (-1.5% vehicle miles) whilst the smallest lost only 9% (+5.1% vehicle miles). However not too much can be deduced from this unless population movements are taken into account. In terms of the industry as a whole; urban services suffered first, semi-urban and rural services followed between six and ten years later. Thus the peak passenger carrying year in the municipal sector was 1949/50 whilst in the industry as a whole it was 1955. 
Economics of Nationalisation

Glaister and Mulley’s examination of Traffic Commissioners Reports in the post-war period demonstrates that by 1948/9 the industry had recovered from the wartime disruption of services. By 1951/2 they began to note the decreasing patronage of services. Fares, which had remained fairly stable from 1947-50 suddenly began to rise inexorably;

"...in each of the years after 1951, the Traffic Commissioners reported many applications for increases in fares though from 1952 it was indicated that operators were showing greater reluctance in seeking fare increases and attempted to close the gap between revenue and cost by economies such as the use of thinner lubricating oils, moving to one man operation...The trend of ever increasing fare levels had continued from 1952 up until the present day with occasional respite offered by reductions in excise duty (as in 1959) or by revenue support from the local authorities in the 1970’s."

In the municipal sector Sleeman estimates that operating expenses per vehicle mile rose by 60% between 1949/50 and 1959/60, whilst with declining passengers the cost per passenger mile increased by 80%. Wage costs meantime rose by 80% per vehicle mile and 100% per passenger mile. Not surprisingly the average fare per passenger rose 80%.

It is not at all clear that rising fares were the cause of passenger losses. Those least able to afford the fare rises were hardly likely to buy a motor car. Far more important was the economic possibility, status and mystique of owning a motor car. The twenty five years following the war was the period when car ownership changed from a luxury enjoyed by a minority to a standard possession of the better off. In 1961 69% of households possessed no car, even in 1971 only just over half of households possessed a car. Thus clearly rising fares cannot be the only explanation. Far more significant is the way in which the car creates a situation in which it becomes, for some groups of the population, indispensable. In sociological terms, the decline of the occupational community and the rise of a more flexible labour market creates a demand for travel which
Economics of Nationalisation

previously did not exist and cannot easily be met by public transport. The average distance travelled to work has increased inexorably since the 1950's. Whatever the precise reasons, car ownership rose rapidly after the War. In 1946 there were 1.8 million cars in Britain, by 1956 this had nearly doubled to 3.5 million, by 1961 it had nearly doubled again to 6.0 million and by 1971 it had doubled again to 12.0 million.8

1b: The Problem of Productivity Measurement.

Productivity is extremely hard to measure in any meaningful sense in road passenger transport. Declining output in terms of passenger miles does not necessarily mean that bus crews were working less hard. One simple example will suffice here; shortly after the Suez crisis of 1956 petrol rationing was introduced from December through to the following May. With much less private traffic and fewer parked cars, London buses improved their performance cancellation of services fell by 92.5%, from 5,000 to 400 per week in the first two months of 1957 and running times improved by one fifth. As Barker and Robbins point out;

"The same number of buses carried more people more quickly and with greater regularity. Indeed, if it had been possible in the time to rewrite the working schedules so as to allow for the higher speeds normally being performed in the new conditions, a smaller total number of buses would have done the same passenger-carrying job equally well."

Given that the number of private cars licensed in the London Transport Area increased from 480,000 in 1950 to 1,920,000 in 1965 it is not hard to see that the effort expended by bus crews simply to maintain the same output must have risen constantly.

In 'Public Enterprise in Practice' Professor Pryke attempted to measure the productivity of nationalised industry. The results for the bus industry are shown in Table Seventeen on the next page. The productivity index
### TABLE SEVENTEEN

<table>
<thead>
<tr>
<th>YEAR</th>
<th>INDEX OF PRODUCTION 1958 = 100</th>
<th>INDEX OF PRODUCTIVITY 1958 = 100</th>
<th>PRICE INDEX 1958 = 100</th>
<th>PROFITS IN £MILLIONS*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>114.5</td>
<td>106.0</td>
<td>57.7</td>
<td>L.T.B. 5.0, T &amp; S 4.4</td>
</tr>
<tr>
<td>1949</td>
<td>115.4</td>
<td>106.2</td>
<td>57.7</td>
<td>L.T.B. 3.6, T &amp; S 4.5</td>
</tr>
<tr>
<td>1950</td>
<td>116.8</td>
<td>106.5</td>
<td>58.5</td>
<td>L.T.B. 1.7, T &amp; S 3.7</td>
</tr>
<tr>
<td>1951</td>
<td>119.2</td>
<td>106.9</td>
<td>62.5</td>
<td>L.T.B. -1.4, T &amp; S 4.1</td>
</tr>
<tr>
<td>1952</td>
<td>118.3</td>
<td>105.6</td>
<td>70.0</td>
<td>L.T.B. -0.3, T &amp; S 4.1</td>
</tr>
<tr>
<td>1953</td>
<td>118.8</td>
<td>107.4</td>
<td>72.3</td>
<td>L.T.B. 0.6, T &amp; S 5.1</td>
</tr>
<tr>
<td>1954</td>
<td>115.4</td>
<td>107.4</td>
<td>75.7</td>
<td>L.T.B. 2.0, T &amp; S 5.3</td>
</tr>
<tr>
<td>1955</td>
<td>113.7</td>
<td>109.0</td>
<td>81.1</td>
<td>L.T.B. 3.0, T &amp; S 5.7</td>
</tr>
<tr>
<td>1956</td>
<td>110.7</td>
<td>107.3</td>
<td>87.5</td>
<td>L.T.B. 2.5, T &amp; S 5.3</td>
</tr>
<tr>
<td>1957</td>
<td>104.5</td>
<td>101.6</td>
<td>96.2</td>
<td>L.T.B. 3.8, T &amp; S 5.0</td>
</tr>
<tr>
<td>1958</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>L.T.B. -0.8, T &amp; S 6.0</td>
</tr>
<tr>
<td>1959</td>
<td>98.5</td>
<td>103.0</td>
<td>101.0</td>
<td>L.T.B. 4.0, T &amp; S 6.6</td>
</tr>
<tr>
<td>1960</td>
<td>95.7</td>
<td>103.0</td>
<td>106.9</td>
<td>L.T.B. 5.4, T &amp; S 6.5</td>
</tr>
<tr>
<td>1961</td>
<td>92.8</td>
<td>100.2</td>
<td>115.6</td>
<td>L.T.B. 4.0, T &amp; S 6.2</td>
</tr>
<tr>
<td>1962</td>
<td>92.6</td>
<td>99.6</td>
<td>120.1</td>
<td>L.T.B. 5.0, T &amp; S 6.7</td>
</tr>
<tr>
<td>1963</td>
<td>91.7</td>
<td>99.5</td>
<td>123.3</td>
<td>L.T.B. 3.8, T &amp; S 6.5</td>
</tr>
<tr>
<td>1964</td>
<td>87.5</td>
<td>95.9</td>
<td>134.8</td>
<td>L.T.B. 2.1, T &amp; S 7.2</td>
</tr>
<tr>
<td>1965</td>
<td>81.0</td>
<td>89.7</td>
<td>147.1</td>
<td>L.T.B. -2.1, T &amp; S 6.8</td>
</tr>
<tr>
<td>1966</td>
<td>77.3</td>
<td>86.1</td>
<td>159.0</td>
<td>L.T.B. -4.1, T &amp; S 7.5</td>
</tr>
<tr>
<td>1967</td>
<td>76.2</td>
<td>84.7</td>
<td>165.0</td>
<td>L.T.B. -6.7, T &amp; S 6.8</td>
</tr>
<tr>
<td>1968</td>
<td>76.4</td>
<td>87.3</td>
<td>173.2</td>
<td>L.T.B. -5.4, T &amp; S 8.0</td>
</tr>
</tbody>
</table>

* Profits are after depreciation but before interest for London Transport Buses and Tillings & Scottish

Is derived from an unfortunately crude measure of labour inputs; these are measured in terms of man years, which leaves out of account the effects of changes in overtime working which was endemic to the industry. Consequently if it was the case that overtime working was greater in the early part of the period examined than the latter part then the results would necessarily overstate the decline in productivity. The nationalised buses, that is London Transport, Tillings and Scottish, were the 'black sheep' of nationalised industry in terms of productivity. Interestingly according to Pryke the comparable figures for the B.E.T. companies are very similar to Tillings but then both groups of employees worked under the same conditions determined by the N.C.O.I.
Economics of Nationalisation

Another attempt to measure productivity, this time specifically in transport was made by Deakin and Seward in 1969. This was much more sophisticated than Pryke and included allowances for effectiveness of capital utilisation, applied technical and organisational knowledge, and finally external factors such as for example declining demand leading to loss of economies of scale. The more or less continuous decline in productivity is recorded here as well. Unfortunately whilst internally coherent the study provides little assistance in understanding the real world. Firstly private road passenger transport productivity cannot be measured due to insufficient data, thus we cannot compare efficiency of capital utilisation between public road passenger transport and private car ownership. Secondly, and far more seriously, we are left with a fairly lame explanation that:

"In road transport no precise data are available on changes in the average speed of public road passenger transport vehicles...Nor can estimates be made of the effects of increasing urban congestion between 1952 and 1965 on average speeds in public road passenger transport...If average speeds have in fact fallen, then this would in part explain why seating capacity had not fallen (it has in fact risen slightly) in the face of a sustained and substantial decline in demand and output." 11

Nevertheless, the reality of declining productivity is confirmed by this study.

Both Pryke's and Deakin and Seward's studies of productivity fail to explain why productivity was falling other than to make the obvious point that capacity was reduced less than demand. Furthermore declining productivity is only a problem in the face of keen price competition. It is by no means certain that if, for example, public transport had become free of charge, car ownership would not have increased. It is not certain that cars and buses are in direct competition in terms of consumer preference as to modes of travel. Where they are in direct competition is in terms of road space.
Economics of Nationalisation

The impact of declining productivity was not immediate. In terms of profits Tilling and Scottish performed best of all the nationalised industries with profits as a percentage of net assets never falling below 12.2% and in some years as high as 17.8%. This figure is more impressive when we consider that assets included 'goodwill' an item which reflected the difference between the value of the assets and the compensation price paid. If the 'goodwill' item is subtracted then the true rate of return is some 45% higher, though differences in accounting procedures between public and private industry would remove some of this increase. 12

London Transport is a more complex case because of the combination of road and other forms of transport. Evidence produced by Barker and Robbins from the B.T.C. accounts and the L.T.E.'s internal calculations shows that because of the complex internal finance arrangements betwen the two organisations, the L.T.E. never actually made losses but always contributed to B.T.C.'s surplus. For example, prior to 1956, the L.T.E. was never credited with earnings from rents and advertising. Further, the amount of interest paid through the B.T.C., in respect of the nationalisation arrangements distorted the true figures. Even the loss of 1951 on L.T.E.'s private calculations was in fact a profit of £250,000. In general the real burden is the average of £5.6 millions paid to the B.T.C. in interest charges which rose to £6.5 millions by 1960 and £7.5 millions by 1962. Yet the L.T.E. had inherited in 1948, when it carried the largest number of passengers ever, a bus fleet which needed almost total replacement, a tram system which was to be phased out and an underground system whose 1935-40 new works programme was incomplete. The attitude of the Commission to London Transport is summarised by Barker and Robbins;

"...London's transport improvement needs were seen as an extra, to be met only by persuading public authorities to invest money over and above the amounts that the Commission could persuade the government to devote to transport nationally...but the overriding need for the Commission was to get the railways right, if
Economics of Nationalisation

...possible..."\[13]\n
Thus the critical question is not about declining productivity leading to the 'hidden hand' of the market transferring resources from the least to the most efficient sector of the transport industry. The real question concerns the very visible hand of the British Transport Commission and the way in which the financial structure of the B.T.C. contributed to the decline of the industry. The nationalised sector of the bus industry despite losing market position to private cars was used by the B.T.C. to provide much needed injections of capital into the railway system. It is this central relationship above all which explains the industries response to this deteriorating position. Instead of injecting capital to improve market position by maintaining and improving the standard of services, the industry instead attempted to increase productivity through service cuts, using larger buses on longer headways and finally through the introduction of one 'man' operated (O.M.O.) buses as early as 1954. This response was determined by the operation of the B.T.C.

1c : The Financial Crisis of the B.T.C.

It is beyond the scope of this thesis to discuss in detail the issue of railway finances and their bearing on the progress of the B.T.C., detailed discussions are available elsewhere\[14]. What is clear is that the position of the railways dominated the Commission's finances as the table on the following page shows.

The figures in Table Eighteen give an overall picture of the finances of the B.T.C. until its demise. It is clear that London Transport and Tillings and Scottish produced healthy operating surpluses of £33,541,106 and £76,795,446 respectively. Overall, the railways ran an operating deficit of £198,607,125. This effectively wiped out the operating surplus of the entire operations of public transport, docks,
**Economics of Nationalisation**

### Notes:
* £ 33,900,000 added for special items see 1955 Accounts parenthesis 143.
* + £10,957,000 less interest plus central charges (not listed here)

<table>
<thead>
<tr>
<th>Year</th>
<th>Deficit (£ millions)</th>
<th>For Year (£ millions)</th>
<th>(E)</th>
<th>Accumulated Deficit (£ millions)</th>
<th>Stock (£ millions)</th>
<th>Total (£ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1955</td>
<td>-34,975,000</td>
<td>12,760,000</td>
<td></td>
<td>10,710,000</td>
<td>80,000</td>
<td>96,710,000</td>
</tr>
<tr>
<td>1956</td>
<td>-32,432,000</td>
<td>6,652,000</td>
<td></td>
<td>10,710,000</td>
<td>80,000</td>
<td>96,710,000</td>
</tr>
<tr>
<td>1957</td>
<td>-25,572,000</td>
<td>6,652,000</td>
<td></td>
<td>10,710,000</td>
<td>80,000</td>
<td>96,710,000</td>
</tr>
<tr>
<td>1958</td>
<td>-25,472,000</td>
<td>6,652,000</td>
<td></td>
<td>10,710,000</td>
<td>80,000</td>
<td>96,710,000</td>
</tr>
<tr>
<td>1959</td>
<td>-25,472,000</td>
<td>6,652,000</td>
<td></td>
<td>10,710,000</td>
<td>80,000</td>
<td>96,710,000</td>
</tr>
</tbody>
</table>

**Total: £198,607,125**

### B.T.C. Finance: 1948 - 1959

<table>
<thead>
<tr>
<th>Year</th>
<th>Railways</th>
<th>Transport</th>
<th>London</th>
<th>Soothing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1949</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1950</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1951</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1952</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1953</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1954</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1955</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1956</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1957</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1958</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
<tr>
<td>1959</td>
<td></td>
<td>1948 - 1959</td>
<td></td>
<td>1948 - 1959</td>
</tr>
</tbody>
</table>
Economics of Nationalisation

waterways, hotels etc. but even so the total operational deficit of almost the entire British transport system over fourteen years during a period of extensive investment and modernisation of the railways was only £689,950. What turned this situation into financial disaster was the requirement to meet the cost of nationalisation from operating profits. This ensured a mounting crisis. In order to meet the £623 millions of interest charges, the B.T.C. was forced to borrow making total interest payments of nearly £957 millions. The writing off by the Conservative Governments during the late 1950's of £737 millions of debts was in reality a necessity not to modernise the railways but to protect B.T.C. shareholders. In private hands the railways would simply not have paid dividends in bad years, under this arrangement dividends were assured. At the same time the massive capital injection which the railways needed was delayed for a crucial six years.

From the point of view of the bus industry this meant three things. Firstly since electrification, the replacement of rolling stock and the modernisation of facilities was delayed, railway passenger travel remained stagnant in a rapidly increasing transport market. Potential passengers who instead took to motor cars were lost not only by the railways but by road passenger transport as well. Unlike the railways the efficiency and consequently profitability of bus operators declined as traffic congestion increased.

Secondly, in connection with the 1953 Transport Act, the Road Passenger Executive was abolished with effect from the 1st October 1952. The consequence of this was that any possibility of actually changing the structure of the industry through the introduction of Area Plans disappeared, leaving the nationalised bus industry both financially connected but administratively virtually disconnected from the railways. In return for being `milked' by the B.T.C. the industry did not have even the remotest possibility of benefitting from coordination of public transport as
Economics of Nationalisation

envisioned by the 1947 Transport Act.

Thus the third effect was a constant downward pressure on wages (relative to the rest of the working class) which lead to intense labour shortages throughout the 1950's in both municipal and nationalised sectors of the industry. This further weakened the market position of the industry since unreliable services caused by staff shortages encouraged people to abandon public transport. Leaving aside the question of industrial democracy or at least increased participation by labour in the management of the industry which was frustrated by the limited conception of the 1947 Act, this set-up ensured that workers in the industry were effectively cheated of any benefits that nationalisation might have brought in terms of improved hours, conditions, wages and benefits such as pensions. In the next section the response of the management of Tillings and Scottish and then London Transport will be examined briefly.

1d: The Response of the Nationalised Bus Industry to Declining Market Position

The general strategy pursued by the management of Tillings and Scottish, in the face of declining productivity, was to increase the average size of the fleet. The number of single-deck vehicles fell by 18.9%. There was a sharp rise of 58.2% in the number of double-deck buses. Out of the total bus fleet single-deckers formed 55.8% in 1949 and only 40.8% in 1961. Secondly the vehicle capacities gradually increased, especially single-deckers which contained an average of 26.4% more seats by 1961 but also double-deckers which increased their capacity by 7.4%. Thus despite the sharp decline in single-deck vehicles, their total capacity only declined slightly by under 4%. From 1957 the number of vehicles in the fleet began to decline though seating capacity continued to rise. Unlike London Transport and the municipalities, demand for bus travel declined much
Economics of Nationalisation

later in the provincial bus sector. Thirdly the coach fleet rose rapidly in the aftermath of the war reflecting rising wages and a growing demand for travel; this reached a peak in the mid-1950's and then began to decline. The average capacity of the coach fleet increased by over 20%.16

These changes in the fleet composition indicate an attempt to increase productivity substantially. The average number of seats per vehicle rose by 17.8% from 1949 to 1961. Thus there was a potentially substantial increase in the intensity of work however this was difficult to realise because of falling demand from the mid-1950's. Tilling's best post-war year for passenger journeys was 1955 with 1,590 million, the same year saw the Scottish companies peak at 825 million passenger journeys. Decline then set in quite rapidly; by 1960 Tilling's passenger journeys had fallen by 8.55% and by 1962 13.08%, for Scottish services the corresponding figures are 7.28% and 10.99%. These falls in demand were sufficient to wipe out any productivity gains that could have been made through the increasing seating capacity of the fleet. Operating costs gradually began to absorb a larger proportion of revenue and wages a larger proportion of operating costs; these figures are shown in Table Nineteen.

Wage costs are usually seen as 'the problem' of the bus industry in the 1950's and 1960's. Yet an examination of the figures for Tilling and Scottish suggests that this is at best a gross exageration. Operating costs as shown in column B of Table Nineteen certainly did rise substantially as a proportion of receipts from just below 48% in 1948 to just over 63% in 1962. Yet the proportion of these operating costs due to wages of traffic staff, as shown in column C, certainly did not increase. During the years of wage restraint from 1949 to 1952 they actually fell substantially from 72.6% of operating costs down to 62.7%. This did not prevent a sharp rise in operating costs. The problem was not that operating costs were rising but that they were rising
### TABLE NINETEEN

**THE RELATIONSHIP BETWEEN REVENUE, OPERATING COSTS AND WAGES FOR TILLINGS AND SCOTTISH 1948-62**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL RECEIPTS £ 000's</th>
<th>OPERATING COSTS £ 000's</th>
<th>B % A</th>
<th>ROAD CREW WAGES £ 000's</th>
<th>OP. COSTS £ 000's</th>
<th>C % B</th>
<th>WAGE COSTS ENGINEER. £ 000's</th>
<th>% A</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>32,485</td>
<td>15,531</td>
<td>47.8%</td>
<td>11,024</td>
<td>70.1%</td>
<td>629</td>
<td>35.9%</td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>35,823</td>
<td>17,811</td>
<td>49.7%</td>
<td>12,936</td>
<td>72.6%</td>
<td>797</td>
<td>38.3%</td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>38,673</td>
<td>20,888</td>
<td>54.0%</td>
<td>14,224</td>
<td>68.1%</td>
<td>1,384</td>
<td>40.4%</td>
<td></td>
</tr>
<tr>
<td>1951</td>
<td>43,899</td>
<td>24,459</td>
<td>55.7%</td>
<td>15,905</td>
<td>65.0%</td>
<td>1,569</td>
<td>39.8%</td>
<td></td>
</tr>
<tr>
<td>1952</td>
<td>48,209</td>
<td>27,820</td>
<td>57.7%</td>
<td>17,451</td>
<td>62.7%</td>
<td>1,667</td>
<td>39.7%</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>50,470</td>
<td>28,436</td>
<td>56.3%</td>
<td>18,327</td>
<td>64.5%</td>
<td>1,749</td>
<td>39.8%</td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>51,341</td>
<td>29,088</td>
<td>56.7%</td>
<td>19,338</td>
<td>66.5%</td>
<td>1,837</td>
<td>41.2%</td>
<td></td>
</tr>
<tr>
<td>1955</td>
<td>54,756</td>
<td>31,295</td>
<td>57.2%</td>
<td>21,423</td>
<td>68.5%</td>
<td>1,996</td>
<td>42.8%</td>
<td></td>
</tr>
<tr>
<td>1956</td>
<td>57,698</td>
<td>33,241</td>
<td>57.6%</td>
<td>23,050</td>
<td>69.3%</td>
<td>2,168</td>
<td>43.7%</td>
<td></td>
</tr>
<tr>
<td>1957</td>
<td>58,520</td>
<td>35,047</td>
<td>59.9%</td>
<td>23,074</td>
<td>65.8%</td>
<td>2,259</td>
<td>43.3%</td>
<td></td>
</tr>
<tr>
<td>1958</td>
<td>60,730</td>
<td>35,882</td>
<td>59.1%</td>
<td>24,755</td>
<td>69.0%</td>
<td>2,364</td>
<td>44.7%</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>61,930</td>
<td>37,918</td>
<td>61.8%</td>
<td>25,142</td>
<td>66.3%</td>
<td>2,529</td>
<td>44.7%</td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>63,366</td>
<td>39,471</td>
<td>62.3%</td>
<td>26,712</td>
<td>67.7%</td>
<td>2,659</td>
<td>46.4%</td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>67,005</td>
<td>42,247</td>
<td>63.1%</td>
<td>29,154</td>
<td>69.0%</td>
<td>2,842</td>
<td>47.8%</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>69,608</td>
<td>43,985</td>
<td>63.2%</td>
<td>30,447</td>
<td>69.2%</td>
<td>2,993</td>
<td>48.0%</td>
<td></td>
</tr>
</tbody>
</table>

Operating costs include wages (see below) of drivers and conductors fuel (petrol and diesel), electric current, lubrication and tyres. Wages of drivers and conductors includes National Insurance and clothing as well as wages.

Faster than receipts. This was a result of rapidly falling patronage after 1955 and rapidly rising maintenance costs. It is hardly surprising that with a loss of over 10% of Scottish passengers and over 13% of English and Welsh passengers in seven years that total wage costs (including the wages of maintenance workers) as shown in column D should rise as a proportion of receipts. What is surprising is that the rise is only from 42.8% to 48% of total receipts. Clearly wages alone cannot be the explanation for decline.

In London Transport the situation was quite different. Profitability was much lower after interest payments to the
Economics of Nationalisation

B.T.C. were met and the South London Tram replacement programme took most of the available resources. Consequently the fleet was not renewed. An examination of the fleet capacity demonstrates the general lack of potential for improvement in productivity in terms of average seats per vehicle although the picture is complicated by the withdrawal of trams in the years 1948 to 1951 and trolleys from 1958-61. Potential improvements in productivity in terms of increasing vehicle seating capacity did not occur. Indeed the phasing out firstly of trams and then trolleys both of which were considerably larger vehicles had the opposite effect. Overall from 1948 to 1961 the average seating capacity per vehicle over the whole fleet increased by only 1%. The major carrier, the double decker bus increased capacity by an average of only two seats, or 3.6% over the whole period and this is connected with the new vehicles bought in to replace trolleybuses over which there was substantial resistance as we shall see. At the beginning of our period double-deckers accounted for 56.8% of the total carrying capacity of London Transport (excluding railways and tubes) but by 1961 they accounted for 88.9%. Whereas Tillings could replace single-deckers by double-deckers to increase potential capacity by nearly 18%, in London this had already taken place. In terms of total capacity, 1952 was the peak year followed by a very sharp decline. From 1948 to 1961 the decline was 16.7% but from the peak year of 1952 to 1961 the decline was 22.1%.

Table Twenty compares passenger carryings of Tillings, Scottish and all London Transport road services. As can be seen clearly from the table the number of passengers lost was far more serious in London than elsewhere. The general policy in London seemed to outstrip the fall in demand for services by cutting them even faster. Far from being in the position of reacting to a spiral of falling demand followed by cuts in services there is plenty of evidence to suggest that London Transport cut services even faster than the decline in demand.
### Table Twenty

<table>
<thead>
<tr>
<th>Year</th>
<th>Tillings Million Passengers</th>
<th>% Change Last Year</th>
<th>Scottish Million Passengers</th>
<th>% Change Last Year</th>
<th>London Transport Million Passengers</th>
<th>% Change Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>1,269</td>
<td>+13.5%</td>
<td>547*</td>
<td>+10.4%</td>
<td>3,955</td>
<td>+7.2%</td>
</tr>
<tr>
<td>1949</td>
<td>1,391</td>
<td>+9.8%</td>
<td>727</td>
<td>+8.1%</td>
<td>3,928</td>
<td>-0.7%</td>
</tr>
<tr>
<td>1950</td>
<td>1,541</td>
<td>+10.8%</td>
<td>784</td>
<td>+9.7%</td>
<td>3,842</td>
<td>-2.2%</td>
</tr>
<tr>
<td>1951</td>
<td>1,556</td>
<td>+1.0%</td>
<td>775</td>
<td>-1.2%</td>
<td>3,870</td>
<td>+0.7%</td>
</tr>
<tr>
<td>1952</td>
<td>1,574</td>
<td>+1.4%</td>
<td>794</td>
<td>+1.8%</td>
<td>3,526</td>
<td>-8.9%</td>
</tr>
<tr>
<td>1953</td>
<td>1,574</td>
<td>-</td>
<td>794</td>
<td>-</td>
<td>3,658</td>
<td>+3.7%</td>
</tr>
<tr>
<td>1954</td>
<td>1,580</td>
<td>+0.4%</td>
<td>810</td>
<td>+2.0%</td>
<td>3,530</td>
<td>-3.5%</td>
</tr>
<tr>
<td>1955</td>
<td>1,590</td>
<td>+0.6%</td>
<td>825</td>
<td>+1.8%</td>
<td>3,420</td>
<td>-3.1%</td>
</tr>
<tr>
<td>1956</td>
<td>1,560</td>
<td>-1.9%</td>
<td>821**</td>
<td>-0.5%</td>
<td>3,236</td>
<td>-5.4%</td>
</tr>
<tr>
<td>1957</td>
<td>1,457**</td>
<td>-6.6%</td>
<td>771**</td>
<td>-6.1%</td>
<td>3,159</td>
<td>-2.4%</td>
</tr>
<tr>
<td>1958</td>
<td>1,461</td>
<td>+0.3%</td>
<td>778</td>
<td>+0.9%</td>
<td>2,484***</td>
<td>-21.4%</td>
</tr>
<tr>
<td>1959</td>
<td>1,460</td>
<td>-0.06%</td>
<td>773</td>
<td>-0.6%</td>
<td>2,756</td>
<td>+11.0%</td>
</tr>
<tr>
<td>1960</td>
<td>1,454</td>
<td>-0.4%</td>
<td>767</td>
<td>-0.8%</td>
<td>2,593</td>
<td>-6.0%</td>
</tr>
<tr>
<td>1961</td>
<td>1,426</td>
<td>-1.9%</td>
<td>751</td>
<td>-2.1%</td>
<td>2,522</td>
<td>-2.7%</td>
</tr>
<tr>
<td>1962</td>
<td>1,382</td>
<td>-7.0%</td>
<td>735</td>
<td>-2.1%</td>
<td>2,485</td>
<td>-1.5%</td>
</tr>
</tbody>
</table>

** = First nine months of the year only. [Figure adjusted to 729 m.]

** = Note provincial strike affects figures.

*** = Note London strike affects figures.

Table Twenty raises the question as to why demand for London Transport road services declined so catastrophically in the 1950's, especially when the record is set along side that of Tillings and Scottish. It is clear that the financial arrangements with the B.T.C. did not help matters but it is also clear that it is symptomatic of a much more serious malaise caused by the growth of road traffic congestion. Figures produced by J. Sleeman on municipal bus operations in the 1950's back up this argument perfectly. Between 1950/1 and 1958/9 the largest undertakings lost the most passengers and the smallest the least. Those carrying over 200 million a year, in other words the very largest cities, lost 19% of passengers between those years, whilst those carrying under 10 million passengers a year lost just over 9%.19
Economics of Nationalisation

Road traffic congestion and the loss of passengers caused problems in terms of operating costs rising faster than revenue. Between 1948 and 1952 they rose from 49.5% of receipts to 63% in a period when passenger carryings fell by 8%, partially due to the dissatisfaction with the new bus services which replaced trams in South London. Yet wage costs of traffic operating staff as a proportion of operating costs fell over the same period from 76.4% to 68.6%. Sharp cuts in the fleet amounting to nearly 10% of double-deckers reduced operating costs to a low point of 56.3% of receipts in the mid-1950’s. By 1957 this proportion had increased to 63.0% but was then reduced by a further fleet capacity cut of about 13% over the next four years. What is especially notable in terms of the figures in Table Twenty-One below is firstly that wage costs of operating staffs as a proportion of operating costs were slightly lower at the end of the period than at the beginning which largely discounts the argument that wages of crews were the key problem. Secondly when we look at total wages as a proportion of receipts these do in fact steadily increase from just below 40% in 1948 to just over 50% in 1961. It is impossible from the figures presented to estimate the costs of increased road congestion on crew operating costs. Especially since lost mileage figures tend not to be reliable.

One area where the direct costs of increased traffic can be traced is in the wages paid to maintenance workers which increased from £524,476 in 1948 to £3,091,025 in 1961. This increase of nearly sixfold is related directly to the increased costs of maintenance caused by heavier traffic, worse driving conditions, and the costs of maintaining an ageing fleet of vehicles. It compares to an increase in the wage bill of road crews of under two and a half times. Thus an indication of the extra operating costs forced upon London transport by the more than three fold increase in private motor cars in the London area between 1948 and 1960.
# Economics of Nationalisation

## TABLE TWENTY-ONE

The relationship between revenue, operating costs and wages for London Transport buses: 1948-62

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL RECEIPTS £ 000's</th>
<th>OPERATING COSTS £ 000's</th>
<th>B &amp; A RECEIPT COSTS</th>
<th>ROAD CREW WAGE COSTS £ 000's</th>
<th>OP. COSTS</th>
<th>WAGES</th>
<th>D WAGE COSTS ENGINEER. £ 000's</th>
<th>C &amp; D % A</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>31,581</td>
<td>15,634</td>
<td>49.5%</td>
<td>11,940</td>
<td>76.4%</td>
<td>524</td>
<td>39.5%</td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>31,290</td>
<td>15,815</td>
<td>51.4%</td>
<td>12,254</td>
<td>77.5%</td>
<td>889</td>
<td>42.0%</td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>30,789</td>
<td>16,766</td>
<td>54.5%</td>
<td>12,580</td>
<td>75.0%</td>
<td>908</td>
<td>43.8%</td>
<td></td>
</tr>
<tr>
<td>1951</td>
<td>33,756</td>
<td>20,480</td>
<td>60.1%</td>
<td>14,665</td>
<td>71.6%</td>
<td>1,123</td>
<td>46.8%</td>
<td></td>
</tr>
<tr>
<td>1952</td>
<td>37,688</td>
<td>23,752</td>
<td>63.0%</td>
<td>16,302</td>
<td>68.6%</td>
<td>1,310</td>
<td>46.7%</td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>40,882</td>
<td>24,575</td>
<td>60.1%</td>
<td>17,008</td>
<td>69.2%</td>
<td>1,442</td>
<td>45.1%</td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>41,548</td>
<td>23,391</td>
<td>56.3%</td>
<td>17,111</td>
<td>73.1%</td>
<td>1,537</td>
<td>44.9%</td>
<td></td>
</tr>
<tr>
<td>1955</td>
<td>43,671</td>
<td>24,681</td>
<td>56.5%</td>
<td>18,132</td>
<td>73.5%</td>
<td>1,739</td>
<td>45.5%</td>
<td></td>
</tr>
<tr>
<td>1956</td>
<td>46,555</td>
<td>26,540</td>
<td>57.0%</td>
<td>19,908</td>
<td>75.0%</td>
<td>1,963</td>
<td>47.0%</td>
<td></td>
</tr>
<tr>
<td>1957</td>
<td>49,443</td>
<td>31,184</td>
<td>63.0%</td>
<td>21,169</td>
<td>67.9%</td>
<td>2,232</td>
<td>47.3%</td>
<td></td>
</tr>
<tr>
<td>1958*</td>
<td>40,621</td>
<td>26,507</td>
<td>65.3%</td>
<td>18,398</td>
<td>69.4%</td>
<td>2,311</td>
<td>50.1%</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>46,013</td>
<td>28,970</td>
<td>63.0%</td>
<td>20,229</td>
<td>69.8%</td>
<td>2,232</td>
<td>49.0%</td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>50,372</td>
<td>30,923</td>
<td>61.4%</td>
<td>22,091</td>
<td>71.4%</td>
<td>2,548</td>
<td>48.9%</td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>56,878</td>
<td>35,644</td>
<td>62.7%</td>
<td>26,098</td>
<td>73.2%</td>
<td>2,936</td>
<td>51.0%</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>61,985</td>
<td>38,272</td>
<td>61.7%</td>
<td>27,947</td>
<td>73.0%</td>
<td>3,091</td>
<td>50.1%</td>
<td></td>
</tr>
</tbody>
</table>

* 1958 figures are distorted by long strike.

Operating costs include wages (see below) of drivers and conductors, fuel (petrol and diesel), electric current, lubrication and tyres.

Wages of drivers and conductors includes National Insurance and clothing as well as wages.

Wages of maintenance include National Insurance and clothing.

can be seen in these figures, although the exact costs cannot be quantified.

Thus in both Tillings & Scottish and London Transport the problem of the decline in market position manifested itself in a number of different ways. Firstly as a result of traffic congestion, maintenance costs increased rapidly, particularly in London. This is a result of extra wear and tear, although in London it must also be related to the ageing fleet. Secondly it took more staff to operate the same level of services as congestion reduced the amount of
Economics of Nationalisation

work that a crew could carry out in the set time. Thus it appeared from the management's point of view that the biggest problem facing them was the immediate problem of mounting wage costs. Raw material costs increased equally as fast but these were not subject to managerial control in quite the same way. Thus the effect of this decline in passenger traffic was treated as the route cause of the decline. Everything that management did to restrict wage costs simply made matters worse, since the key reason for the loss of passengers was declining levels of service, in terms of decreasing frequency, decreasing reliability and decreasing standards of vehicle maintenance and cleanliness. It was rather like giving a patient with a high temperature a cold bath.

16: Labour Problems in the Bus Industry

In the absence of a coordinated transport policy and with finances squeezed to provide investment for the railways bus management in the nationalised sector were forced to cut services and drive down labour costs in a period of labour shortage. The problem with the first line of action is that service cuts in themselves promoted a further loss in passengers. The problem with the second course of action was that it promoted high labour turnover, high levels of overtime working and a consequent decline in reliability of services which in turn boosted the decline in passenger use.

The figures for labour turnover for Tillings & Scottish are shown in Table Twenty-Two. These figures demonstrate a number of facts. Firstly labour turnover was consistently high; between 25% and 30% for men and between 35% and 52% for women. These figures conceal differential rates between those operations in rural and urban areas, depending on the competition for labour from other employers. Secondly, labour turnover seems to have been remarkably steady suggesting that the absence of industrial unrest was no
Economics of Nationalisation

indicator of satisfaction.

<table>
<thead>
<tr>
<th>イヤー</th>
<th>メン</th>
<th>コンダクタ</th>
<th>メン</th>
<th>コンダクタ</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>30,892</td>
<td>8,105</td>
<td>8,549</td>
<td>8,811</td>
</tr>
<tr>
<td>1952</td>
<td>31,519</td>
<td>7,830</td>
<td>7,411</td>
<td>9,195</td>
</tr>
<tr>
<td>1953</td>
<td>30,986</td>
<td>7,888</td>
<td>8,379</td>
<td>9,158</td>
</tr>
<tr>
<td>1954</td>
<td>30,135</td>
<td>8,240</td>
<td>9,022</td>
<td>9,476</td>
</tr>
<tr>
<td>1955</td>
<td>30,078</td>
<td>8,476</td>
<td>8,411</td>
<td>9,797</td>
</tr>
<tr>
<td>1956</td>
<td>30,105</td>
<td>8,648</td>
<td>8,532</td>
<td>9,974</td>
</tr>
<tr>
<td>1957</td>
<td>30,042</td>
<td>8,730</td>
<td>8,677</td>
<td>9,740</td>
</tr>
<tr>
<td>1958</td>
<td>30,283</td>
<td>7,730</td>
<td>7,398</td>
<td>9,321</td>
</tr>
<tr>
<td>1959</td>
<td>29,925</td>
<td>7,435</td>
<td>7,962</td>
<td>8,830</td>
</tr>
<tr>
<td>1960</td>
<td>30,007</td>
<td>9,086</td>
<td>8,863</td>
<td>8,771</td>
</tr>
<tr>
<td>1961</td>
<td>30,678</td>
<td>9,600</td>
<td>8,816</td>
<td>8,681</td>
</tr>
<tr>
<td>1962</td>
<td>33,116</td>
<td>9,188</td>
<td>8,710</td>
<td>8,487</td>
</tr>
</tbody>
</table>

The position of London Transport in terms of labour shortages was far more severe. These are shown in Table Twenty-Three below.

<table>
<thead>
<tr>
<th>イヤー</th>
<th>駆車手</th>
<th>駆車手</th>
<th>ドライバー</th>
<th>コンダクタ</th>
<th>ドライバー</th>
<th>コンダクタ</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954</td>
<td>19,874</td>
<td>19,875</td>
<td>1,074</td>
<td>1,166</td>
<td>5.5%</td>
<td>5.9%</td>
</tr>
<tr>
<td>1955</td>
<td>18,829</td>
<td>18,834</td>
<td>1,538</td>
<td>1,584</td>
<td>8.2%</td>
<td>8.4%</td>
</tr>
<tr>
<td>1956</td>
<td>18,463</td>
<td>18,467</td>
<td>1,396</td>
<td>1,188</td>
<td>7.6%</td>
<td>6.4%</td>
</tr>
<tr>
<td>1957</td>
<td>18,329</td>
<td>18,377</td>
<td>1,113</td>
<td>977</td>
<td>6.1%</td>
<td>5.3%</td>
</tr>
<tr>
<td>1958</td>
<td>17,594</td>
<td>17,624</td>
<td>1,405</td>
<td>1,165</td>
<td>8.0%</td>
<td>6.6%</td>
</tr>
<tr>
<td>1959</td>
<td>16,074</td>
<td>16,100</td>
<td>1,203</td>
<td>1,081</td>
<td>7.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>1960</td>
<td>16,063</td>
<td>16,057</td>
<td>2,153</td>
<td>1,835</td>
<td>13.4%</td>
<td>11.4%</td>
</tr>
<tr>
<td>1961</td>
<td>15,888</td>
<td>15,873</td>
<td>1,955</td>
<td>1,413</td>
<td>12.3%</td>
<td>8.9%</td>
</tr>
<tr>
<td>1962</td>
<td>15,719</td>
<td>15,723</td>
<td>1,639</td>
<td>1,035</td>
<td>10.4%</td>
<td>6.6%</td>
</tr>
<tr>
<td>1963</td>
<td>15,604</td>
<td>15,673</td>
<td>1,849</td>
<td>1,170</td>
<td>11.8%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

Staff shortages were a problem in the whole of the municipal sector as well. In 1954 Birmingham Transport Department was 400 drivers and 400 conductors short and 2,000 out of a staff of 4,742 were on a seven day week.
Economics of Nationalisation

Hardly surprising that 60% of staff had left within the last twelve months. Glasgow could report a shortage of 510 drivers and 477 conductors with 200 vehicles currently withdrawn due to staff shortages.23 A year later L.T.E. was 747 drivers and 668 conductors short, Birmingham 553 drivers and 481 conductors short, Glasgow 223 tram drivers and 181 bus drivers short, Liverpool 530 drivers and conductors short, Nottingham 190 drivers and 162 conductors short.24 In the twelve months from June 1953 Glasgow Transport saw 3,941 staff out of an establishment of 7,102, about 55%, leave the job. Of the new recruits, 10% left before starting training.25

The cause of these shortages were undoubtedly poor wages and unattractive conditions. Routh26 has made a comparison of wage rates for twelve different groups of semi-skilled men between 1906 and 1960. London Bus Drivers are the highest paid of all groups in 1906, 1924 and 1935. In 1955 they come fifth (out of ten) and in 1960 ninth. London Bus Conductors come sixth in 1906, tenth in 1924 and seventh in 1935. In 1955 they are ninth (out of ten) and in 1960 last. Whilst comparisons of wage rates are always difficult, it is clear that declining relative wages and staff shortages are not unrelated. The response of most private employers in this situation would be to increase wage rates yet the high rates of staff turnover and consistent shortages did not in general lead to a more sympathetic approach by the employers towards wage claims. The exception was Birmingham. At the Municipal Passenger Transport Association Conference in 1954, Alderman Harry Watton of Birmingham Transport Committee had stated that

"...Unless platform staff worked overtime they could not maintain a reasonable standard of life. The British Transport Worker was the worst paid of his kind in the world."27

Yet when Birmingham conceded an extra 2d. an hour or 7s. 4d. per week over the N.J.I.C. rate, they were promptly expelled from the N.J.I.C.
Economics of Nationalisation

The crisis in London Transport was especially acute in the industry. The root cause of decline in productivity, the increase in private cars was worst in the cities but affected Tillings and Scottish as well. The crisis appeared in the form of failing finances, declining revenues, falling passenger demand and in the cities as staff shortages. The reaction of the employers was to twofold. Firstly they attempted to hold down wages. Secondly, and in London Transport particularly, they cut services. The provincial sector was affected less severely because there were more opportunities for productivity improvements in the fleet composition, traffic declined more slowly and later and because high staff turnover was compensated by ease of recruitment. In both cases, holding down wages and cutting services was no long term solution to the problems that they faced. Each cut served merely to stabilise temporarily an inherently unstable situation. The solution necessarily had to involve both political and economic issues. For as the last Report of the Transport Holding Company (B.T.C.'s successor) stated:

"Approximately thirteen years out of the last twenty-one were spent waiting for major Transport Acts of Parliament, whether good or not so good, and in re-organising after them."

Thus the decline took place against the background of continuous government intervention in the industry. Far from the invisible hand of the market it was the very visible hand of the Ministry of Transport and the British Transport Commission that was behind the decline.

Conclusion

The economics of decline are very crucial to understanding the development of the labour process and labour resistance in the industry. Nationalisation had set the industry on a very particular course. The employers faced two problems. The first was a viscous cycle of declining productivity, leading to increased costs, leading
Economics of Nationalisation

to increased fares, leading to declining patronage. In short a spiral of decline. Reinforcing this was an almost permanent shortage of labour resulting from low wages which were themselves constrained by falling productivity which created increasingly unreliable services and thus hastened the decline of passenger use. The obvious solution was to increase productivity and consequently wages through the introduction of one person operation, larger buses and longer headways between buses. The fact that this `solution' would merely exacerbate the problem by driving still more passengers away from the service was never considered.

This solution of a thorough reconstruction of the labour process through the removal of conductors was largely to wait until the 1960's. In the 1950's, the very structure of nationalisation discouraged such a reconstruction. Very little capital was available for the new vehicles. A high rate of labour turnover mitigated against labour militancy whilst exceptionally long hours allowed crews to secure better wages. In essence, nationalisation encouraged decline, providing little incentive for either management or unions to challenge existing practices. Far from nationalisation providing for the creation of an integrated, modern, efficient and planned public transport system as the 1947 Act had promised; nationalisation institutionalised the decline of the industry. The next chapter will examine the consequences for industrial relations in the industry in the 1950's.
Notes: Economics of Nationalisation

5. Ibid. see Table B4.1.
7. J. Sleeman gives the following table:

<table>
<thead>
<tr>
<th>SIZE OF OPERATION</th>
<th>1958/9 AS % OF 1950/1</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILLIONS OF PASSENGERS 1950/1</td>
<td>PASSENGERS</td>
</tr>
<tr>
<td>200M. +</td>
<td>81.0</td>
</tr>
<tr>
<td>100M. &gt; 199.9M.</td>
<td>85.9</td>
</tr>
<tr>
<td>50M. &gt; 99.9M.</td>
<td>88.9</td>
</tr>
<tr>
<td>25M. &gt; 49.9M.</td>
<td>85.5</td>
</tr>
<tr>
<td>10M. &gt; 24.9M.</td>
<td>88.7</td>
</tr>
<tr>
<td>&gt; 9.9M.</td>
<td>90.8</td>
</tr>
<tr>
<td>ALL UNDERTAKINGS</td>
<td>84.5</td>
</tr>
</tbody>
</table>

12. For example historic cost accounting was used rather than replacement cost accounting which would inflate profits because of inadequate allowances for depreciation. On the other hand private enterprise profits include stock appreciation which in this case is excluded. See Pryke. The central point remains that the view of the past is conditioned by the present and thus it is often assumed that the bus industry has always been crisis ridden and a near bankrupt industry when in fact this has rarely been the
Notes: Economics of Nationalisation

case.
13. See Barker & Robbins Volume II p. 338 in particular and Chapter Nineteen. Their figures are shown below.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NET TRAFFIC RECEIPTS</th>
<th>INTEREST TO B.T.C. (ESTIMATED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>£5,864,000</td>
<td>£8,404,000 (Official figures)</td>
</tr>
<tr>
<td>1949</td>
<td>£3,692,000</td>
<td>£5,492,000 (Show an average)</td>
</tr>
<tr>
<td>1950</td>
<td>£1,749,000</td>
<td>£3,424,000 (£5.6 million in interest, but)</td>
</tr>
<tr>
<td>1951</td>
<td>£1,550,000</td>
<td>£250,000 (these are L.T.'s calculations)</td>
</tr>
<tr>
<td>1952</td>
<td>£952,000</td>
<td>£2,571,000 (adding rent and advertising)</td>
</tr>
<tr>
<td>1953</td>
<td>£636,000</td>
<td>£2,339,000</td>
</tr>
<tr>
<td>1954</td>
<td>£2,335,000</td>
<td>£4,136,000</td>
</tr>
<tr>
<td>1955</td>
<td>£3,518,000</td>
<td>£4,970,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NET REVENUE</th>
<th>INTEREST</th>
<th>NET EARNINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>£4,547,000</td>
<td>£5,500,000</td>
<td>-£953,000</td>
</tr>
<tr>
<td>1957</td>
<td>£5,709,000</td>
<td>£5,500,000</td>
<td>£208,000</td>
</tr>
<tr>
<td>1958</td>
<td>£1,811,000</td>
<td>£6,000,000</td>
<td>-£4,190,000</td>
</tr>
<tr>
<td>1959</td>
<td>£6,030,000</td>
<td>£6,000,000</td>
<td>£30,000</td>
</tr>
<tr>
<td>1960</td>
<td>£7,853,000</td>
<td>£6,500,000</td>
<td>£1,353,000</td>
</tr>
<tr>
<td>1961</td>
<td>£7,696,000</td>
<td>£7,000,000</td>
<td>£696,000</td>
</tr>
<tr>
<td>1962</td>
<td>£8,000,000</td>
<td>£7,500,000</td>
<td>£500,000</td>
</tr>
</tbody>
</table>

15. Source: British Transport Commission Annual Reports and Accounts 1948 - 1962. Taken from Table 1.1 and Table IV.8 [IV.7 from 1957].
16. B.T.C. Annual Reports: Table VII.9.
17. Ibid. Table VII.13.
18. Ibid. Table IX.2.
19. See Sleeman op.cit. especially footnote 5 above.
20. B.T.C. Annual Reports: 1948 - 1962 Tables VI.5, VI.5a, VI.5b, VI.5c.
21. Ibid. Table VI.4, VI.4a, VI.4b, VI.4c.
23. 'The Platform' - Number 46, November 1953.
24. 'The Platform' - Number 55 and 56, July and August 1954.
25. 'The Platform' - Number 60, December 1954.
26. Routh op. cit.
27. Reported in the 'Busmen's Clarion' - Number 5, November 1954. The Clarion was a Manchester based paper which appears
Notes: Economics of Nationalisation

from the contents to have had links with "The Platform" in that in the December 1954 issue it published a whole article which was presumably written by George Moore for the Rules Revision Conference of the Union. Circulation according to "The Clarion" was: 1st. Issue July 1954 - 900, 4th. Issue October 1954 - 2,098. There are to my knowledge only a few issues still existing in the "Modern Records Centre" at Warwick.

CHAPTER EIGHT:

INDUSTRIAL RELATIONS IN THE BUS INDUSTRY: 1950–64

This chapter examines four specific episodes in industrial relations in the industry. These four studies are: firstly labour relations in London Transport from 1950 to 1958, secondly the response of bus workers in the Midlands and Bristol to black workers, thirdly the 1957 provincial bus strike and lastly the 1958 London strike. These offer a number of interesting contrasts with each other and with previous episodes in bus history. The economic background to these case studies was discussed in the previous chapter and can be summarised as relatively declining pay, high levels of overtime working, high labour turnover resulting in generally low levels of participation in the Union. These characteristics of employment are all in marked contrast to the situation in the 1930’s.

Between the first and last two episodes there is one major contrast. Up to 1955 the Union, under Deakin’s right-wing leadership, remained committed to wage restraint, regardless of the change in government. After 1955 the Union, under Cousin’s left-wing leadership, firmly opposed wage restraint. Thus between these two sets of case studies we can evaluate the difference between a non-militant and militant national union leadership. Secondly within each set of case studies there is the contrast between militancy in London, where the industry was in much steeper decline, and elsewhere, which will allow a consideration of whether London bus workers were an exceptional case. These questions will be largely considered in the conclusion.

Throughout this period the militant tradition which had developed in sections of the industry was gradually dissipating. The Scarborough decision, which remained in force under both Deakin and Cousins, prescribed Communists from office and also threatened unofficial militancy in general. In London, attempts by George Renshaw and Bill
Industrial Relations

general. In London, attempts by George Renshaw and Bill Jones, through 'The Platform', to build a permanent militant opposition, was hampered by the rules of the Union which banned unofficial organisations, publications and the circulation of union motions. These rules had been recommended by Deakin himself, after the Inquiry into the 1937 strike. In London and elsewhere, the high rate of labour turnover mitigated against militant traditions and membership involvement in branches. Branches tended to polarise between an older core of long term workers and a younger transitory group. Branch meetings tended to be poorly attended except in certain situations. The availability of high levels of overtime, in many cases actually built in to the duty roster, provided an individual solution to the problem of low pay. The distribution of overtime became an important issue over which stewards could assert informal controls. In some areas overtime was protected by stewards reaching informal agreements on restriction of new labour.

In other sections of the Union the response was different. In engineering, shop-stewards were able to operate independently of the Union leadership, and did not need to challenge Deakin. In the Docks there was a strong secessionist movement towards the 'Blue Union' and a powerful national shop stewards organisation. In the bus industry, the highly centralised system of wage bargaining together with the inability of militants to develop an equally centralised organisation in opposition, as in the docks, meant that militants sought solutions to low pay at local level. This took many different forms; control over overtime or recruitment, the development of local bonus systems or special payments, indeed a whole set of local bargaining arrangements which the N.C.O.I. was later to refer to as 'Spanish customs'. Let us look firstly at the reasons why no unofficial movement emerged in London.
Industrial Relations

1: London Busworkers and 'The Platform': 1950-5

In 1949, a group of union activists in London began to publish 'The Platform'. The editor was George Renshaw, not a bus worker himself, who had been closely associated with the Busmen's Punch and with several Communist Party rank and file publications in the 1930's. The Platform was aimed at '...the little adolph Deakins who...having entrenched and fortified themselves in Union jobs, now fear that 'Platform' may prise them loose and make them do something to justify themselves.' 'Platform' was not a Communist Party paper but:

'...a passenger workers paper, written by passenger workers, run by passenger workers, distributed by passenger workers, financed by passenger workers, in order that passenger workers can read one anothers views...They are all brought together, not by political views but by the job that they do...' 3

'The Platform' did discuss politics, though not as frequently as its predecessors. One particular example of this was a long article about Deakin's attempt to crush the left of the Labour Party which had grown rapidly, and on a far bigger scale than in the 1930's, around Bevan4. The Paper also campaigned consistently against the Scarborough decision.5 Compared to the L.P.U. 'Record' or the 'Busmen's Punch', 'Platform' was very much less concerned to link industrial issues with a vision of a socialist future.

From 1949 onwards militancy revived amongst especially Central Bus crews. The phasing out of trams helped to reduce sectionalism caused by differential pay and conditions and different Union Committees and was reflected in a changed Union structure. Big unofficial strikes in 1949, 1950 and 1954 were followed by an official dispute lasting seven weeks in 1958. These nine years of militancy were very different from the years 1932 to 1937 and 'The Platform' played a very different role to that of 'The Busmen's Punch'.

The first big unofficial strike in 1950 appeared to be over the introduction of women conductors. In fact there
Industrial Relations

were two more important issues involved. There was the loan and transfer scheme, covering conditions for the movement of labour to meet chronic staff shortages; and there was the refusal of the Union to proceed with a £1 wage claim due to their support for the wage freeze. The first two proposals were rejected by delegate conferences and a wage offer recommended by the Central Bus Committee referred back.⁶ In August the Trade Group Committee recommended that "...the only fundamental basis on which the employment of women can be resisted is by acceptance of the proposed Loan and Transfer Agreement."⁷ The agreement was signed and immediately the London Transport Executive (L.T.E.) contacted the General Executive Committee of the Union claiming that since March it had tried to recruit extra staff outside London with little success and would have to now recruit women. On the 25th. August the G.E.C. announced that it could not oppose the employment of women. The final manoeuvre was a meeting arranged for the 28th. September of the Finance & General Purposes Committee and the Three Section Committees to discuss the wage claim.⁸

The effect of all this was that by the 28th. September the Union would have conceded on the question of Women and the Loan and Transfer Agreement with nothing in return. Not surprisingly many people suspected that the final meeting was fixed to explain why the £1 wage claim could not be proceeded with. The suspicion pointed clearly towards some of the Central Bus Committee who had been overturned by a Delegate Conference in June and were using the Trade Group Committee in a bid to force their original recommendation through. Undoubtedly they were being assisted by those in the T. & G. hierarchy who were keen to maintain the wage freeze.

Before this could happen Hendon Garage came out on strike against the employment of women conductors on September 13th. The strike spread rapidly⁹. By the third day 50% of the Central Fleet were on strike, some 14,500 men and women,
Industrial Relations

including some Tram & Trolley depots. The strike was spontaneous and disorganised. A Central Strike Committee was 'stillborn' and a Three Section Conference was quickly arranged to demand a return to work. Platform commented;

"The baptism of fire of a large number of younger members whose first real fight this was - the education of these men as to just how far the employers, government and trade union leaders will go to resist workers...[has resulted in]...at best a truce and by no means the end of the day." The 1950 strike was aimed both at the L.T.E. and the intrigues of the Union, it was not 'backward' as Fuller comments. The fact that the Central Bus Committee was opposed to the strike rather than prepared to lead it was critical. 'Platform', unlike 'The Busmen's Punch', was never able to campaign openly in C.B.C. elections.

This meant that there was a crucial difference between the strikes of 1932 and 1950. In the former, spontaneity connected with the cohesive politics of the Communist Party resulting in the Rank and File Movement. In the latter, spontaneity, failed to connect with organisation. The Communist Party: slowly moving rightwards, with a declining garage membership and hampered by the bans on rank and file organisation and the Scarborough decision; could not play the same role. The Bevanite movement provided no substitute for the industrial politics of the Communist Party. However the strikes continued and 'Platform' became an increasing irritant for the full-time officials of the Union. Indeed Brandon, the Regional Secretary wrote to all branches 'reminding' them that 'Platform' was an unofficial publication. Whilst Dalston, Bill Jones's garage, became the target of increasingly threatening manoeuvres by the officials.

These reached a peak after a mass meeting at Stratford Town Hall organised by Dalston and attended by over 1,000 bus workers from 80 garages. Brandon and Higgs (The Trade Group Officer) persuaded the Central Bus Committee and
Industrial Relations

Delegate Conference to suspend the entire Dalston Branch Committee, only to discover that they had followed the wrong procedure. When Dalston called a further mass meeting in Shoreditch in August to discuss wages and running times, they did not make the same mistake. In early 1953 the Executive Committee suspended Dalston Branch Committee. The branch opposed the decision resolutely following every avenue of appeal but were eventually defeated.

'Platform' survived and continued to draw attention to such episodes as the growth of the National Busworker's Association in Kent and Sussex, claiming that '...thousands more would leave the Union...A weak and docile membership is but a reflection of a weak and docile leadership...' opposed the closed shop;

"100% present at the paying in table - 100% absent from the branch room is the bureaucrats view of an ideal trade union. The combination of the 'closed shop' and the Scarborough ruling has made this dream of paradise a reality...The 'closed shop' has nothing in common with the old aim of 100% trades unionism based upon the voluntary and class conscious recognition of the need to organise to fight the employers."

Another source of bitterness were the cuts in services. The South London tram replacement which ran through 1950 - 1952, contrary to agreement, cut capacity by a quarter. A resolution to 'strenuously resist' this cut from a delegate conference was lost in the machinery of the Union. Around the same time new Winter Schedules which proposed further cuts were rejected 57 to 4 at a Central Bus Delegate Conference which called instead for a ban on standing passengers. In a series of complex manoeuvres the C.B.C. accepted the cuts, rejected the ban on standing passengers and also accepted a wage award which had already been rejected at a Delegate Conference.

It was becoming increasingly clear that unless 'Platform' supporters controlled the C.B.C. they could be outmanoeuvred by the Officials. On their side were increasing displays of
anger from the garages. In September 1953 Clay Hall, Middle Row and Grays garages struck against the new Winter Schedules which a Delegate Conference had almost unanimously voted to refuse to implement. When the C.B.C. were asked at the Conference whether they would operate the policy, the full time official responsible for the C.B.C., Haines, replied that they would not. In October Dalston and Peckham garages went on strike for two days over deliveries of petrol during a strike by tanker drivers. In November Hornchurch began a ban on overtime and rest day work due to lack of progress with the pay negotiations which was taken up by another 40 garages. Meanwhile outside the Central Bus area Hemel Hempstead garage banned overtime and rest day working for the same reason, circulating their resolution to 14 other garages around the Northern area.  

Elections to the C.B.C. held in December gave `Platform' the chance they were looking for. `Platform' supporters won three out of eight positions. But, even if they had won a majority, `Platform' was very clear that;

"No C.B.C., however militant, however sincere and well-intentioned, can do very much unless there is a healthy and consistent activity at branch level."

The militancy was spreading across the fleet but it was still confined to a minority. Only in the following year did it encompass the majority.

In response to the increasing anger over pay and the continuing problem of staff shortages despite contraction of services, L.T.E. introduced the first one person operation (O.P.O.) experiments at Leatherhead in January 1954. The local Union Official argued strongly in favour of acceptance. Firstly because it would reduce the now widening differentials between Central and Country drivers. Secondly because it offered a solution to the problem of relatively declining wages and thirdly because `...you can't stop progress'. `Platform' was completely opposed to O.P.O. on the basis that;
Industrial Relations

"This is no new 'technique' but the very old one of 'intensification'. It is a retrograde step - not progress. It will create redundancy among conductors, strain the drivers beyond endurance, increase the risk of accidents, worsen the service to the public and benefit only the bondholders.

The issue affects not only Leatherhead - not only Country Services - but the whole fleet. Let us nip it in the bud now."26

Was this an issue like 'Speed' in the 1930's which had launched the Rank and File Movement? O.P.O. was very different. No-one was to be forced to accept O.P.O. working, the introduction was piecemeal and relied on volunteers who would no doubt be encouraged by the extra £1 a week. O.P.O. provided an individual solution to low wages. Shop stewards in the garages who had built up a high level of informal job control through resisting new schedules and placing tight controls over transfers and overtime would see their power gradually corroded by the gradual acceptance of O.P.O. if they could not prevent it. The branch at Leatherhead passed a motion urging;

"...all Country Service Garages to refuse to operate or discuss the operation of large capacity one-man operated vehicles until levelling up of pay with the Central Area has been achieved."

Would they be able to stop volunteers?

In the next edition of the 'Platform' it was reported that Leatherhead 1/282 branch were calling for a work to rule, overtime ban and Saturday strikes until O.P.O. was withdrawn; "...not because we are modern 'Luddites' but because we seek to save - not machines - but human beings - our own brothers - from increased exploitation..." Hemel Hempstead passed a motion in full support. However volunteers were found and in August the L.T.E. announced that O.P.O. working would now be extended to 11 routes each in the Northern and Southern Country Areas. L.T.E. even selected Hemel Hempstead as the next garage for the experiment. Nevertheless the introduction of O.P.O. was very slow, by March 1958 only 111 converted vehicles were
Industrial Relations

operational, only 49 of them on vehicles with 39 or more seats. Elsewhere O.P.O. was proceeding more swiftly.

Why was O.P.O. introduction so slow? Firstly the L.T.E. did not have the funds available for a widespread replacement of the fleet which would have been required. Secondly the 1950's were years of wide-spread militancy in London which served to reinforce the informal structures of job control at branch level. It was by no means clear what response there would have been to an attempt to introduce O.P.O. on a large scale or how much difficulty the T.G.W.U. would have in attempting to enforce such an agreement. What is clear is that the terms on which a radical restructuring of the labour process could take place would depend on the resources which the union could mobilise at branch level. These were significant as the 1954 strike demonstrates.

The strike arose out of yet another low wage settlement in 1953. The South West Division took the lead. Their two representatives on the C.B.C. were both supporters of 'Platform' and both had a long history of Union activity; W. Waters since 1928 and T. Knights since 1930. Bill Waters garage, Kingston, began a ban on rest day and split turn working in support of the wage claim which was quickly joined by Twickenham, Norbiton, Alperton, Shepherds Bush and Enfield. By September 66 garages, some 75% of the fleet were operating an entirely unofficial overtime and rest day work ban. Willesden garage went on strike after two members broke the overtime ban and on September 15th. New Cross came out for three days over new schedules. A Three Section Delegate Conference, lobbied by 400 bus crews, met to consider L.T.E.'s 'buy and sell' offer of about 19/6d. per week increase in return for savings of £600,000 and staff cuts of 3,600. This was rejected by 95 votes to 21, with only four Central Bus Garages in favour. Another stoppage at Isleworth over two crews breaking the overtime ban was settled in under one hour.
Industrial Relations

The overtime ban continued to spread, covering 96 branches by early October. In response to the crisis L.T.E. introduced emergency schedules which provoked a strike. All 17 garages in the South East Division together with a further 26 garages came out on strike from the 13th. October, some 16,600 bus crews in total. After a week, a Joint Delegate Conference ended the strike in return for the withdrawal of the emergency schedules. They also lifted the Overtime Ban in order to hold talks on their wage claim of 25/- a week increase on the basic, the levelling up of Country Services to Central Bus rates, the levelling up of conductors to drivers rates and for the settlement to include Inside Staffs, 900 of whom had supported the strike. One of the biggest unofficial strikes in London transport history ended with no tangible results. Bill Jones compared the strike with a similar unofficial dockers dispute:

"...the Docker's strike was led by ONE COMMITTEE - we had 43 garages on strike without any effective coordination...yet where coordination reached its highest point - there the strike reached its strongest degree of unity...Above all else it is this need for finding a strong United leadership for our fight that we must solve."[31]

With the strike over and overtime ban called off the claim was repudiated by the officials. Tiffin, Assistant General Secretary, referred to the wage claim in the 'Daily Herald' as 'fantastic' and called the delegates 'daft' while Deakin in a speech divined Communist intimidation.[32] L.T.E. responded to the claim with an offer of 9/6d. per week which the Trade Group refused to recommend. At the J.D.C. meeting on the 20th. December no-one could be found to second a motion putting the offer to the branches. Tiffin circulated the whole membership with a statement claiming:

"It is imperative that you should seriously consider acceptance of this offer as we strongly hold the view that it is not possible to improve upon the offer by negotiation or any other means at our disposal at this time."

By January L.T.E. were proposing a 5% cut in services
amounting to savings of 9/6d. per employee in return for an increased offer of 13/6d. Meanwhile a Government Inquiry which had been set up in April 1953 led by the Chairman of I.C.I. recommended a series of major productivity measures.33 In the light of this new potential threat the Trade Group recommended the new offer. The J.D.C. overruled this decision but offered no alternative, the majority of branches voted to accept though 36 branches rejected the offer. There was unity in the leadership of the section but it was based on inactivity. Whilst the J.D.C. could reject all offers it would lay no alternative courses of action before the membership. The anger expressed in the October strike had simply paralysed the J.D.C.

A resolution from Middle Row garage calling for the election of all full-time officials, trade group autonomy and the ending of the ban on Communists holding office collected the support of 24 branches. Meanwhile the strikes continued. In February Highgate, Bexley, Ilford and Loughton were out for three days over the wage claim and against cuts. Significantly the first three of these were Trolleybus garages. On May 2cd. 1955, the Central Bus Delegate Conference unanimously rejected the new Summer schedules which proposed further cuts. The C.B.C. asked Haines, the Trade Group Secretary, to request the G.E.C. receive an emergency delegation from the C.B.C. They also called for an immediate stoppage. On May 4th. when the offending schedules were posted half the garages went on strike, some 15,000 crews. Why did only half the fleet respond? According to ‘Platform’; firstly because the C.B.C. mounted no campaign around the issue and secondly because this was the fourth set of cuts introduced and since the C.B.C. had accepted the previous three cuts it was unlikely that crews would automatically respond to the strike call34.

Two things became clear from the strike; firstly that the G.E.C. were not prepared to accept direct communication from the C.B.C. as had been the case under the Andertons Hotel
Industrial Relations

Agreement of 1922 and as had been the case during the 1937 strike. They insisted that any communications must be routed via the Trade Group and in a telegram to the C.B.C. on the 4th. May demanded that the strike must be called off to enable the G.E.C. to receive a delegation. When the C.B.C. called the strike off after a few hours they discovered that the G.E.C. had sent the telegram at the end of their meeting and were no longer available to meet them. Secondly, the strike call assumed that the membership would respond automatically. Two years before this 'Platform' had warned that a militant C.B.C. in the absence of healthy and consistent activity at branch level would not succeed. Yet because 'Platform' was simply a journal commenting on events and not an organisation it could not fill this gap.

Thus the central problem faced by the militants grouped around 'Platform' was the actions of the full-time officials in delaying, obstructing and generally trying to prevent any action against London Transport. Yet the militants were never able to construct a rank and file leadership and could not gain a majority on the C.B.C. Without this they could not outmanoeuvre the full-time officials. Thus the period between 1950-55 represented essentially a series of guerilla struggles which neither 'Platform' or the full-time officials could win. The problem was rooted in the economics of decline. The L.T.E. could only pay higher wages if they could gain agreement on productivity measures from O.P.O., service cuts and flexibility. Every time these were offered the militants were sufficiently strong to reject them. Industrial relations had reached stalemate as the London bus section was locked into a spiral of decline.

2: Busworkers and Racism.

The relative decline of wages and conditions for bus crews together with a quiescent union leadership which maintained a firm grip over national negotiations did not
Industrial Relations

just lead to spontaneous militancy as in London and also Scotland\(^35\). The 1950's were also marked by a series of strikes aimed at excluding black workers. In London, the 1950 strike contained elements of this sectional exclusivity however it is also notable that women already employed on London Transport supported the strike and that relations between black and white workers were generally good\(^36\). Elsewhere the informal structures of job control within the context of gradual economic decline resulted in agreements to restrict recruitment in order to maintain overtime. In periods of growth general unions usually attempt to become all-embracing, organising all potential labour. In retreat or in periods of stagnation as in the 1950's such unions tend towards exclusivity, erecting obstacles to potential competitors in the labour market. Another way of expressing this same concept is in terms of the role of general unions in the promotion of either class or sectional consciousness; general union growth tends to promote a more class based consciousness whilst exclusivity tends towards sectional consciousness.

In the following discussion some initial comments are necessary. The examination here is quite specifically of institutional racism; meaning deliberately exclusive employment practices which either prevent the employment of black people or discriminate against them. Individual discrimination may take the form of refusing to associate with others at work, using derogatory terms and so on, however this type of discrimination becomes much more serious when reinforced by institutional arrangements. Therefore, whilst a study of institutional racism in employment will not reveal the exact levels of hostility that black workers faced at work in this period, nor will the absence of institutional racism necessarily result in an absence of individual racism, nevertheless a study of the extent of racism, formally or informally incorporated into employment practices will be especially revealing.
Industrial Relations

According to one writer;

"Resistance to the employment of coloured workers on the part of white employees has perhaps received most publicity with respect to public transport. According to press reports, bus company employees in several towns (e.g., Bristol, Coventry, West Bromwich, Birmingham, Wolverhampton, Nottingham and Newcastle-upon-Tyne)...have at various times objected to the employment of coloured workers." 37

Ron Ramdin points out specifically the difference between London where there were "...few initial, difficulties when Blacks joined London Transport..." and "...several provincial cities, [where] there were unofficial strikes or threats of strikes when Indians, Pakistanis and West Indians were recruited for the buses." 38

Attitudes towards this question varied in the West Midlands. Whilst Birmingham recruited extensively amongst black people, in both West Bromwich and Wolverhampton there was industrial action against their employment by a largely white workforce during 1955. It is hard to believe that this can be explained by different levels of individual racism amongst the workers employed by the different Transport Departments. A spokesman for Birmingham City Transport Department assured the B.B.C. that;

"We did face the difficulty that a number of staff thought that we should get so many coloured and that they would cause trouble between the black and white...and although...we've probably got more [coloured] people than any other undertaking of a similar kind in the country anywhere, we can say with some degree of pride that they are now working with the white crews, working with the white public, and I think we can almost say that very often they're not even noticed; no one is conscious that it's a coloured driver or a coloured conductor." 39

This quote is interesting because it reveals the belief that the problem was one of 'coloured' crews working with white crews when in fact the problem was the exact reverse.

However there is a more interesting assumption here which partially explains the gulf between the militant opposition in the T.G.W.U. and the Bevanite left of the Labour Party.
Industrial Relations

The assumption is that this 'difficulty' must be overcome by the employers. Tom Driberg, a leading Bevanite M.P., expounds this position more clearly in a comment on Birmingham City Transport Department:

"It is better that a whole city's transport services should be paralysed and a million people forced to walk to work for a year than that one coloured worker should be banned from a job because of the colour of his skin."40

The Bevanites saw the solution to racism amongst transport workers in terms of tough action against workers and unions.

'The Platform' took a different view. Whilst in agreement with Tom Driberg's sentiments, they argued that militant unionism was the means to defeat racial exclusivity. Driberg's solution, in their terms, would weaken the very forces that could provide a solution. According to 'Platform', the real problem was the poor conditions of transport workers in Birmingham. The Cities Transport Department was at that time 1,000 under strength having had 2,872 staff leave within the past twelve months. 2,000 employees worked a seven day week to maintain services yet in theory had a Trade Union agreement for a 44 hour six day week. 'This agreement...', they said, '...existed only in the documents in Transport House and the fevered imagination of Arthur Deakin.' Persuasion by officials and compulsion by inadequate wages led to 365 day working and weeks of 80-92 hours;

"To this degrading level has the job of 'busmen' - once a proud occupation - been reduced, by a combination of employers greed on the one hand and Mr. Deakin's policy of 'wage restraint' on the other."

The result of this policy, they claimed, was that Transport Departments were forced to try to recruit 'coloured' workers. 'These gentlemen of the Transport Department...', regard it as '...proper and moral to exploit our coloured brothers in jobs that white workers won't touch with a barge pole.'41 The fact that the Transport Department had only recruited six conductors; three Jamaicans, two
Industrial Relations

Indians and one from Pakistan by the end of March, suggested that the real problem was relatively unattractive conditions. Yet Birmingham was actually paying higher than N.J.I.C. rates, rates comparable with London Central Bus Wages, which suggests that the key variable was not simply conditions but the level of and political direction of labour militancy.

Let us examine two specific examples of exclusivity. The first concerns a series of strikes in West Bromwich in 1955 against the employment of black workers. The second examines the operation of a colour bar in Bristol. Let us begin with West Bromwich. In response to the engagement of a Hindu trainee; Mr. Bhikha Patel, West Bromwich traffic staff threatened to strike every Saturday from February 19th. The local paper's Industrial Correspondent reported that:

"This threat to strike seems bound up with the fact that the men claim they can only earn a satisfactory wage because there is a labour shortage making it necessary for them to work overtime. They seem to want that situation to continue, and object, not because a coloured worker has been engaged, but because any move to improve the labour position will affect their wages."

The following day, Wolverhampton Transport Department announced their intention to recruit 'coloured' workers following a previous experiment for a short period in 1949. Meanwhile Alderman Jones of West Bromwich stated;

"The attitude adopted by the employees concerned must amount to the operation of a colour bar despite statements to the contrary."

On the day before the threatened strike, a meeting of the Traffic Commissioners considered requests by Wolverhampton, Walsall and Birmingham Transport Departments to suspend operations into West Bromwich on the day of the strike. Midland Red announced their intention to maintain services to which the Transport Union objected. Alderman Jones was bitterly critical of the neighbouring municipal operators;

"In these circumstances we were entitled to expect that our fellow members of the Municipal Passenger Transport Association would have given us whole-hearted support."
Industrial Relations

On the contrary they seemed anxious to display their timidity by sacrificing principal for expediency. Meanwhile, the West Bromwich T.& G.W.U. members had repudiated the advice of their full-time official not to strike. Local Officials of the Union also came under attack from Transport House for the way in which they had handled the dispute.

In the week after the first strike took place, Wolverhampton Corporation announced that they would run services into West Bromwich in the event of a further strike. The local Union branch immediately refused to do this saying;

"If people will realise we are not supporting the colour bar, they would understand that what we are doing is in the best interests of the coloured bus workers we have in Wolverhampton.

If our crews went into West Bromwich they would undoubtedly come into contact with pickets and that might possibly lead to different action here. We want to localise the strike." This position was adopted by all three neighbouring Union branches. On the second Saturday strike police protection was given to crews who refused to strike in West Bromwich.

Arthur Deakin made a press statement claiming that the men were motivated by fear of unemployment, which evaded the substantive issue. John Baird, Labour M.P. for Wolverhampton North East responded to the local press;

"We are told that this is an unofficial strike, yet the local T.G.W.U. officials have taken a lead in ordering the men not to go into West Bromwich. Mr. Arthur Deakin’s statement was certainly not a condemnation of the strikes and I think we have a right to ask if he and his Union are opposed to a colour bar."

A meeting of the Union and the Transport Committee resolved the dispute by agreeing to an unofficial quota on 'coloured' labour. In September 1955 an overtime ban in Wolverhampton attempted to achieve the same result, the Branch Secretary claiming;

"We are not operating a colour bar. The men have made friends with the coloured men on the job, but we don't
Industrial Relations

intend to have the platform staff made up to it's full strength by coloured people only.47 The Union branch called unsuccessfully for a quota of 52 out of 900 workers, despite the fact that 68 black workers were already employed. The Transport Committee refused this request.

Thus the example of West Bromwich demonstrates how far the Union was implicated in this affair. It also demonstrates the complete separation of workplace issues and politics. For the Bevanites only solution to this problem was to pressurise Labour controlled Local Authority employers to stand firm against these strikes. The real solution to this situation lay with the leadership of the Union who had, by co-operating with wage restraint, created the circumstances in which local action aimed at excluding black people was a logical course of action. Condemnation by the leadership, especially as half-hearted as Deakin's, was by no means sufficient.

The extent of quotas and colour bars operating in the industry in the 1950's is extremely difficult to determine for the obvious reason that they were usually the result of some unofficial agreement. Despite the official position of the Transport Union of opposition to colour bars undoubtedly the Union were implicated in operating them. Despite the protestation of a local T.& G.W.U. Official that; ..I do not think there is any racial antagonism behind this...48, there clearly was. The key question is why were racist ideas able to take such a hold in certain areas and why were some local Trade Union Officials and the employers prepared to go along with them? The key problem was low wages which could only be maintained by overtime working. If the Union seemed unable to fight for better wages and indeed carried out a policy of wage restraint then it became very difficult for officials to oppose racist solutions to the problem. In other words, since the leadership of the Union had failed to fight effectively on the question of wages and conditions
Industrial Relations

which could and did encompass racism.

The 'victory' of the Union branch in Wolverhampton had an impact elsewhere. In Coventry in the same year a colour bar was installed. According to one researcher writing about Bristol:

"...in the late 1950's the colour bar was virtually common knowledge in some circles. Yet no-one on the Council or in the local leadership of the Transport and General Workers' Union seemed to have moved a finger to get it lifted. In fact, it seems, the Bus Company initiated the ban after a union ballot of workers in 1955.

The Passenger Group of the TGWU in Bristol reportedly passed a resolution in January of that year that coloured workers should not be employed as bus crews. The maintenance section however, voted the other way and black people were soon taken on in the garages."49

The colour bar was reinforced by calls for stricter controls on immigration, particularly West Indian immigration, at the Bi-ennial Delegate Conferences of the Union in both 1955 and 1957, in the latter year the motion passed.

It was not until 1963 that the Colour Bar was challenged by a number of organisations including the West Indian Development Council and the Campaign Against Racial Discrimination. The details of the campaign are available elsewhere. From the point of view of the discussion here what is interesting are the various justifications and evasions presented by the participants.

Despite a severe shortage of labour resulting in services being withdrawn the Manager, Mr. Patey, explained:

"...We don't employ a mixed labour force as bus crews because we have found from observing other bus companies that the labour supply gets worse if the labour force is mixed."50

This was less openly racist than Walsall's pronouncement that '...coloureds can't react fast in traffic..' or Bolton's refusal to engage '...riff-raff'.51 The Union responded purely defensively, as Ron Nethercott, Regional Secretary, put it;
Industrial Relations

"It wasn't a matter of coloured people, it was a matter of taking away people's ability to earn overtime to live! ...Basically this was a problem of people's conditions of work. Low paid busmen... were very badly paid... and the two or three pounds extra they were getting in terms of overtime was the difference between living... and existing." 52

Clearly then, as this was the case, if the Union wanted to oppose racism then it would have to fight effectively on issues like pay and conditions, and in a period of chronic labour shortage, surely this would have been relatively easy. If the Union neglected these issues at national level, then at local level restricting the labour supply by quotas and colour bars was the only other option.

This interpretation is confirmed by the outcome of the bus boycott campaign. Ostensibly the colour bar was lifted after pressure from London on the local management and after a mass meeting of the Union branch. However as one branch official recalls; `...the upshot of the thing was that it was agreed that 5% of the staff could be engaged as (coloured) conductors.' 53 In other words a bar had been replaced by a quota. If this was the true outcome then it would explain why two years later only 39 conductors and 4 drivers of Black or Asian origin were employed, less than 50% of the 5% quota. By comparison, the majority of Wolverhampton Transport Department's employees were now of Black or Asian origin. 54

This brief examination of the colour bar in Bristol should confirm the general analysis, that at local level the T.G.W.U. was implicated in a whole series of deals which were aimed at limiting the supply of labour so as to maintain overtime payments as a substitute for campaigning for a higher basic wage. The militancy of the late 1940's was gradually dissipated into a series of squalid strikes which propelled individual prejudice into institutionalised racism which reinforced the prejudice. Whereas the T.U.C. had, in 1955, passed a resolution condemning `...all manifestations of colour prejudice whether by governments,
Industrial Relations

employers or workers... it was notable that '..the largest unions representing manual workers (the T.G.W.U. for example) made no contribution to debates on 'race' and failed consistently to make a contribution to anti-discrimination motions.'^55 Whilst it may be true, as one Bristol Union Official explained, that:

"...it had been a rigid union rule for many years that there should be no discrimination against coloured men..."^56

And that:

"...If one depot passed a resolution [against the employment of black people]..it did not mean it would be endorsed higher up.."

This lack of endorsement does not equal opposition.

Not only did the T.G.W.U. fail to act against racism, the actions of many local officials reinforced it. In the 1960's the results of this failure manifested itself particularly over one issue; '...The question of whether a Sikh bus conductor should be allowed to wear a turban instead of the regulation cap...' A question which to most people '..would seem too trivial to merit particular attention.'^57 An issue which was used time and again to divide union branches against each other and divert attention from the serious relative decline in pay and conditions. The decline in the industry contributed to the growth of racism, indeed it is notable that the worst manifestations of racism inside trade unions occurred generally in declining industries, especially transport. Yet London's road passenger transport suffered the most serious decline of all. Why was racism less of a problem? The main explanation is that unlike Walsall, Wolverhampton and Bristol there was a far more developed sense of class as opposed to sectional consciousness. London was not free from sectionalism but the existence of 'The platform' ensured that attention was continuously focussed on the actions of the officials and not on immigrant workers. It can also be seen from the discussion of Bristol that the change in leadership from Deakin to Cousins was not sufficient to solve the problem of
Industrial Relations

racism. Nevertheless Cousin's appointment to General Secretary, following the deaths of both Deakin and his chosen successor Tiffin, was to have major implications.\textsuperscript{58}

3: The 1957 Provincial Strike

The election of Frank Cousins as General Secretary had an immediate impact both on the Union and the T.U.C. In the early 1950's Deakin along with Lawther of the Mineworkers' Union and Williamson of the General and Municipal had ensured that the T.U.C. continued with the cautious policy of wage restraint begun under the Attlee Government.\textsuperscript{59} At the 1956 Congress, the General Council's position was unchanged declaring '...Every trade unionist...has the responsibility of helping to overcome the country's economic problems...' In his first speech at the T.U.C., Frank Cousins moved a resolution which was in direct opposition to the conventional wisdom. It read:

"Congress asserts the right of Labour to bargain on equal terms with Capital and to use its bargaining strength to protect the workers from the dislocations of an unplanned economy. It rejects the proposals to recover control by wage restraint and by using the nationalised industries as a drag-anchor for the drifting national economy."

'We are not prepared', he said, 'to sit down and see our members conditions worsened'.\textsuperscript{60}

The motion passed to sounds of general jubilation according to one journalist who was there. Cousins had reversed ten years of T.U.C. policy in his first speech. The challenge had been made. Could the T.G.W.U. stem the declining relative wages of large sections of its members? Could it stop the nationalised industries being used as a drag anchor to restrain wages? Cousins was proposing a reassertion of trade union power, beginning in his own union over the issue of provincial wages. The problem was that this new policy failed to address the gradual economic decline of the industry.
Industrial Relations

The shift from a policy of wage restraint to free collective bargaining was a vital part of reversing the legacy of Deakinism. Nevertheless the change in policy did not include the encouragement of rank and file militancy. For example in May 1956 two delegates to the General Executive Council of the Union, Howells and Farquhar (who had replaced Jones and Papworth after the Scarborough decision) were expelled for supporting the unofficial strike at Smithfields, along with eight dockers who had led unofficial strikes in sympathy with the N.A.S.D. (the breakaway National Association of Stevedores and Dockers - the 'Blue Union'). In July the Rules Revision Conference supported Cousins in upholding the Scarborough ruling by 69 to 27 votes.61 Any attempts to break through on the wages front were going to be on the leadership's terms. The immediate parallel that springs to mind is that of Bevins first few years as General Secretary; a militant leadership which at the same time controls the membership.

Early in 1957, Cousins had the opportunity to display the new direction in the T.G.W.U. leadership. The provincial bus workers had placed before the N.C.O.I. a 'substantial claim' of 22/- per week in view of the differential of 30/- that existed between London and the provinces. The employers, the majority of whom were controlled by the B.T.C., replied with an offer of 3/-. Of eight previous wage applications, five had gone to arbitration and three to Courts of Inquiry. As the National Industrial Officer of the N.U.G.M.W., Reg Cook, put it:

"In no other section of British Industry has the attitude of opposition by the employers side of any National Council been so adamant and persistent. With such an attitude of mind joint consultation is impossible."62

On Saturday July 20th, 1957, 100,000 provincial members were called out on the first ever official national strike. Despite the fact that unlike London there had been no
Industrial Relations

unofficial strikes since the late 1940's the membership responded unanimously and enthusiastically. In Aldershot & District, the 10% of non-unionists joined the strike and in Portsmouth it was reported that 100 had joined the Union. Where the employers tried to break the strike there was often an angry response. In Swansea on the first day pickets prevented Inspectors operating private hire services, in Nottingham police were used to force buses driven by non-members through picket lines and in Preston there was one arrest. In Barnsley on Monday 'hundreds of pickets outside Yorkshire Traction' prevented private hire coaches breaking the strike, whilst at Carlton Pit a lorry was used to block the path of a coach.

The involvement and ingenuity of the membership in the strike was impressive. In Blackwood pickets prevented a bus chartered for a nylon factory from reaching its destination by removing the factory sign and the tyre valves, whilst in Oxford 500 marched through the town. At Swinton in Lancashire cars were used to block the entrances to the depot. On Thursday in Oxford 200 pickets lined the roads leading to the Morris Cowley and Pressed Steel Works both of which had been forced to cut production, preventing all but three coaches passing. 200 marched through Southampton, 500 in Leeds and 1,000 attended a meeting in Bristol to protest at the General Managers remarks on the strike calling them '...an insult to our intelligence and integrity...' In Edinburgh there were complaints after a coach with police aboard drove at pickets injuring three. There was also considerable support from Municipal bus workers either in the form of money as in Southend, Southport and Coventry or in action designed to support the strike and advance their own claims coming before the N.J.I.C. such as the work to rule, overtime ban and refusal to operate over the boundaries such as in Liverpool.63

After one week the strike was settled at a Delegate Conference with only half the issues resolved. The pay offer
Industrial Relations

was raised from 3/- to 11/- per week, holiday entitlement was to begin after six months, but the question of women’s pay was undecided as was the rate of pay for Saturday afternoons. The claim had been for pay at time and a half after 1.00 p.m. instead of time and a quarter and would have bought the N.C.O.I. in line with the Municipal N.J.I.C. rates. The vote was 55 to 34 but in North East Scotland 450 stayed out until six men joined the Union and in Western National at Plymouth crews came back out on strike after suspensions of drivers in Liskeard for refusing to work with non-union men.

The 1957 Provincial strike was the largest ever strike in the history of the industry and was a direct result of the new attitude within the T.G.W.U. leadership over the question of wage restraint. It marked a turning point in the affairs of the section in demonstrating the willingness of the provincial membership to take action. Nevertheless it was not the product of a rising tide of unofficial action such as had taken place in 1935-7 or 1945-8. The key characteristic was that of a ‘mass bureaucratic’ strike meaning that firstly it involved large numbers of workers in the industry, many of them on strike for the first time ever. Secondly that it was organised, controlled and ordered by the official leadership of the Union not to protest at the system of arbitration and industrial relations which had resulted in long working hours, poor conditions and low wages but rather to reinforce the operation of the N.C.O.I. All previous strikes in the provincial sector had been aimed firstly at the employers but secondly and as importantly at the method by which the Union full-time officials seemed to collude with management in holding back militant sections in order to enforce one rate of pay and conditions in the industry. The revolt from 1935-7 was the result of far reaching changes in the labour process, organised on a sectional basis at branch and company level. The strikes of the late 1940’s were the result of extreme dissatisfaction with the results of national bargaining or the
Industrial Relations

interpretation of new agreements and against individual cases of perceived victimisation.

The strike of 1957 resulted from the new attitude of the trade union leadership towards the N.C.O.I. and was largely a demonstration of union strength aimed at pressurising the employers during the course of the Industrial Tribunal. Consequently the strike did not lead to an upsurge of sectional militancy amongst provincial bus workers principally because the chief effect of the strike was to reinforce the N.C.O.I. machinery. Subsequently in 1961 and 1965 there were to be outbreaks of unofficial action aimed at putting pressure on the national negotiations. In 1965 over 36,000 provincial busworkers engaged in token strikes to back up the demand for an Inquiry into pay. Thus Cousins' militancy did not represent a break with the form of the national negotiating structure, but a reinforcement of it. An inevitable consequence was that the consequences of economic decline would have to be resolved within the framework of the nationalised industry rather than through an economic reconstruction of the industry. In short it would increase the pressure on the union to resolve the issue of low wages as a consequence of economic decline not through reversing the policies responsible for that decline at a political level but through the national negotiations themselves. The inevitable result in the later 1960's would be productivity dealing of which the primary component would be the widespread introduction of One Person Operation.
Industrial Relations

4: The 1958 London Strike and After.

The provincial strike had some effect on London country operations. Garages engaging in sympathy action were ordered to stop by the local Union official. "Platform explained:

"We must understand that a new and efficient General Secretary is little use without good and energetic assistants and we should demand a thorough house-cleaning throughout the Union. We must never again witness an E.C. advising members to blackleg officially..."

The illusions in Cousins were to continue for a while longer.

In September 1957 a 25/- per week claim went forward from the Trade Group to the G.E.C., in November this was rejected. Rumours were circulating to the effect that the L.T.E. proposed to offer 12/6 to Central Drivers, less to Conductors and nothing to Country Drivers and Inside Staffs. The reason offered was that the B.T.C. feared that a big increase would cause further pressure from the provincial sector for 'levelling up' therefore they wanted to offer as little as possible especially to London Country Drivers as these were the basis of comparison. On February 3rd, 1958 the Area Trade Group Committee met with Cousins who tried unsuccessfully for five hours to persuade them to go to arbitration. This was rejected by 11 votes to 1.

There then followed a full Joint Delegate Conference which considered three motions. The first called for plenary powers to allow a strike together with a national conference of all passenger workers to allow a common claim to go forward. The conference split over this issue, Country and Trolleybus branches voting overwhelmingly in favour and the Central Bus by a small majority against. Although the motion passed by 83 to 48 this was not a sufficient two thirds majority. The sectionalism of the Central Bus branches in refusing to support the idea of a National Conference for fear of 'levelling down' rather than 'up' meant that the
only motion calling for plenary powers, in other words a strike, was lost. The second motion calling for arbitration at the Industrial Court and a National Conference passed by 85 votes to 46 but also failed to get a two thirds majority. The last motion calling for the matter to be taken to the Industrial Court reached the required majority with 92 votes to 40. `Platform' called this `...a tactical mistake of the first magnitude...' which handed conference `...trussed up on a plate to Frank Cousins...'

The Industrial Court refused to consider either Country Services or Inside Staff and on March 13th. offered 8/6d. to Central Bus and Trolley Staff only. Cousins requested that the L.T.E. spread this amount over all staff which would result in an increase of 6/6d. This was turned down and on March 25th. the Central Bus Committee proposed to the J.D.C. a claim of 10/6d. The Conference voted 128 to 4 in favour of strike action. On April 2nd. the Finance and General Purposes Committee granted plenary powers to the section for the first time since the Coronation Strike of 1937.

The strike faced a number of immediate problems. Firstly the hands of the L.T.E. were tied by the Conservative Government's pay norm of 3% whereas the claim of 10/6d. represented just over 5%. As Sir John Elliot of the L.T.E. later told Geoffrey Goodman;

"We were under every kind of pressure from Downing street not to concede. The whole thing was laced with politics. They [the Government] were gunning for Frank Cousins. We had no written instructions but...we were not free agents."66

Secondly the T.U.C. were anxious to avoid confrontation with the Government and went to extraordinary lengths to prevent it, including regular consultation between Sir Victor Tewson, the T.U.C. General Secretary and Harold MacMillan, the Prime Minister. These talks went on without the knowledge of Frank Cousins67. Thirdly the economic importance of buses had declined quite drastically so that by 1958 of the 1,143,000 people who travelled to work in
Industrial Relations

Central London by public transport only 260,000 used buses whilst 470,000 travelled by Tube and 413,000 by Rail. Clearly the attitude of the N.U.R. towards the strike would be crucial. Not only this but the Summer schedules introduced a further round of cuts; as 'Platform' commented '...Never in the field of London Transport will so many wait for so long for so few.'

On May 4th. 1958 50,000 London bus workers came out on strike. Despite suggestions that work would be provided for anyone who reported in, at no point during the strike did more than a handful attempt to work. 'The Times' on Tuesday May 6th. reported that 4 drivers and 5 conductors had turned up for work but no bus left a depot. Just as in the previous strikes of 1951 and 1954 there was no clear rank and file leadership operating independently of the officials, no Central Strike Committee and no attempt to involve either Tube or Rail workers other than through official channels. 'Platform' in a special strike edition called the strike the 'folded arms strike', because the rank and file played the part of spectators, watching the machinations of the Ministry of Labour, the L.T.E., the T.U.C. and Frank Cousins. In every case where the strike could have been taken forwards, the policy of the C.B.C. was to focus on official channels. The first test of this policy was the N.U.R.

The first week of the strike took place under the shadow of a looming national rail strike over the question of pay restraint. By Friday May 9th. Sidney Greene, N.U.R. General Secretary, delayed the strike pending talks with the Minister of Labour and the B.T.C. By the following Wednesday it appeared that the threat of a strike was receding after an offer of 3% (the pay norm) at the end of June plus an Inquiry into Railway pay. Whilst the majority of the executive were clearly in favour of a settlement the London District Council of the N.U.R. voted 89 - 1 to reject the deal and in favour of an immediate all out strike. As they
Industrial Relations

stated to 'The Times';

"An important aspect of the settlement, if it is concluded, is that it will leave Mr. Cousins and his London Busmen alone in their struggle against the Government's wages policy. It may well be that there will be suggestions of the bus dispute along similar lines...[when]...the arbitration proceedings on the claim for London Underground workers, fixed for the end of this month, are likely to be affected by what has happened on the main lines."69

On the following day the T.U.C. General Council decided to give no more than financial support to the strike. On Wednesday May 21st. the Underground workers agreed to the same deal of 3% plus a pay review. On the same day Sir Wilfred Neden, from the Ministry of Labour, decided to meet Sir John Elliot and Frank Cousins. The talks founder on the question of Country Bus pay and the refusal of Sir John to meet the full negotiating committee. Cousins accused him of joining "...the ranks of those who want to teach the London busmen a lesson..."70

In the fourth week of the strike, with no talks in sight, it appeared that Cousins intended to ask the tanker drivers and members of the Union's Power Workers Group to disrupt electricity generation at the three L.T.E. power stations supplying the Underground. Last time petrol tanker drivers had taken unofficial action in October 1953 within two days London had run out of petrol and over half of all taxis were out of service. The Government announced immediately that troops would be used to maintain supplies. The T.U.C. General Council met to discuss this threat no doubt having already communicated their intention to do nothing. The N.U.R. and A.S.L.E.F. responded by refusing a meeting to discuss overcrowding on the Underground. Meanwhile the Power Workers Group insisted that electricity supplies to the Underground could only be stopped by stopping all electricity generation in London which would require the assistance of the Communist led E.T.U., who promptly refused. Meanwhile the T.U.C. met with Harold MacMillan, the
Industrial Relations

Prime Minister and Ian Macloud, the Minister of Labour, and insisted that there was some scope for a settlement since the Prime Minister would not intervene to stop a pay review in the Summer along the lines of the Railways. Cousins was forced to reassure the T.U.C. that he had not in fact asked the tanker drivers and power workers to strike but merely to consider what help they would give to the bus workers.

Meanwhile, against this background, an unofficial strike which had begun at Smithfield and spread to Covent Garden and then to Tooley Street Docks had resulted in 93 ships idle and 15,272 dockers on strike. Cousins refused to link the two disputes despite being, according to Goodman:

"...under constant pressure to do so both from within the T.G.W.U. and from militant forces outside the union and his refusal to be budged bought a great deal of criticism on his head. The truth was that he did not want to get the two disputes combined together because he feared it would weaken his bid for the T.U.C.'s political support - which to be sure, it would have done, slender though his chances were of getting such support at any time."

Cousin's strategy of relying on the T.U.C. rather than on other members of the union was not criticised by the C.B.C. Worse still the two special strike editions of 'Platform' made no mention of why this unofficial strike had spread so successfully when the busmen, through pursuing official channels, had run up against a brick wall. In the middle of the 1937 strike Papworth had devised a strategy for spreading the dispute involving:

"...picketing every tram and trolley-bus depot, every tube station, in addition to the Main Line railways..."

In 1937 it had never been attempted. In the 1958 strike it was never even suggested and yet, as we shall see, the possibilities for success of such a strategy were greater in 1958. In a rally on June 1st. in Trafalgar Square Albert Baker, a C.B.C. member but not a 'Platform' supporter praised Cousins and castigated the T.U.C.;

"...It is not good enough to make appeals or to mediate or to ask for financial support. They have got to do
Industrial Relations

something more positive if this strike takes a more serious turn at the end of the week."73 Baker, like the rest of the C.B.C., could not see that simply criticising the T.U.C. merely bound them closer to Cousins who, because of his orientation on the T.U.C. was preventing the strike spreading and consequently guaranteeing failure.

As the position of the T.U.C. became clearer; on June 5th. they confirmed that they would take no action if troops were used to deliver petrol; Sir John Elliot began to take a much harder position. After talks at the beginning of June in which Cousins had asked for a 4/- interim pay award for Country Services prior to the Pay Review as the basis for a settlement, L.T.E. announced a further immediate 10% cut in services with at least another 500 buses and 2,500 jobs to be cut in the Winter Schedules. Sir John Elliot's position was clear;

"...With the congestion in the streets, the heyday of the bus has gone. We must get people Underground. It is our hope that some of the traffic that has gone to the Underground will stay there."74 The strike had run up against the consequence of the economic decline of London road passenger services.

The Union had other opportunities to broaden the strike. The municipal N.J.I.C. pay negotiations began on the following Friday and the N.C.O.I. on the Monday. Meanwhile the Eastern National depot at Chelmsford came out on unofficial strike to protest at the management's refusal to discipline a driver who had broken the branch's ban on operations over L.T.E. territory. Finally, a delegate meeting of Underground workers issued a circular calling for regular unofficial strikes on Monday's in support of the Bus workers, which Sidney Greene immediately called on branches to ignore.

The very next day Elliot offered a definite date for the Country Bus Pay Review. This was rejected by a Delegate
Industrial Relations

Conference of bus workers on June 6th. At the same Conference a motion calling on the T.G.W.U. to stop distribution of petrol was defeated by 71 to 60, after Cousins pleaded with the Conference. On the same day the Municipal N.J.I.C. agreed to refer the wages question to a sub-committee to meet on June 17th. procedure required that this sub-committee would have to report back to the N.J.I.C. and then if no agreement was reached the negotiations would then have to go to arbitration. On Monday the same fate awaited the N.C.O.I. negotiations. The strike was now almost completely isolated with the exception of the unofficial Underground strikes.

On Monday 9th. June, 'The Times' reported that 10% of tube trains did not run due to unofficial action. The number of strikers was estimated at 230 mainly at Neasden, Croxley Green and Queens Park depots on the Bakerloo Line, Ruislip, White City and Hainault on the Central Line and Edgeware, Golders Green and Morden on the Northern Line. Had the bus workers organised pickets of these depots the strike would have been far more effective, yet sectionalism prevailed with not even 'Platform' able to suggest ways of breaking down their isolation. The fate of the strike was now effectively sealed. On Friday a Delegate Conference called for Garage Votes to call off the strike on the basis of a definite increase for the Country Bus section within two weeks, provided that negotiations could begin immediately and the strike would be ended smoothly. The Conference voted 94 to 32 on a resolution which stated that:

"...given the forces ranged against us this Conference is of the opinion that to continue the struggle would not be in the interests of members..."75

The Garage Vote rejected the ending of the strike by 64 to 54 garages; Central Buses rejecting by 33 to 30, Trolleys accepting by 13 to 11 and Country Bus rejecting by 20 to 11 garages. There were two reasons for this rejection despite the absence of any clear alternatives. Firstly the statement
Industrial Relations

on Country Bus pay was too ambiguous. It read;

"...any decision arising from the Review shall not leave
the wages of such staff in an unfavourable position
compared with other staffs inside L.T.E. services or
comparable grades elsewhere."

Did this mean that Country Bus wages should compare with
Central Bus or with Provincial wages? Secondly, when members
returned to the garages to vote they found new duties with
some 10% of pre-strike operations cut. Further negotiations
resulted in a return to the old duties. A second Conference
recommended a return by 113 to 5 votes and the garages
subsequently voted to return by 94 to 24. The 8/6d. which
had been awarded to Central Bus crews by the Industrial
Court remained though the publication of the Retail Price
Index during the strike showed that between 11/6d. and
13/6d. was required to lift wages back to the level of the
previous November. The Country Bus crews had to wait until
July to hear that they had been awarded a mere 5/-, well
below the award to Central Bus, the N.C.O.I. and the
N.J.I.C. The longest strike in the history of the section,
despite the leadership of Frank Cousins, had ended in
defeat. As Fuller points out "...the negative lessons of
1958 would be retailed in garage canteens for years to
come." 76

The 1958 strike marked a watershed in the affairs of the
London Bus Section. It was the end of the long period of
spontaneous militancy which had begun in 1947. It was a
critical test for the strategy of the 'Platform'. The defeat
of the strike decisively weakened the power of shop stewards
to bargain at local levels over issues of job control.
Spontaneous militancy which had reinforced the power of shop
stewards at local level to resist changes in the labour
process was now fatally eroded. London Transport now
embarked on a search for major productivity improvements.
'Platform' had to devise a new strategy to resist.

Despite the seriousness of the defeat, 'Platform'
remained extremely influential in the London Bus Section.
Industrial Relations

Circulation rose to probably as high as 10,000 during the strike. Table Twenty-Four is an attempt to measure this influence, although not with any statistical significance, since accurate circulation figures are not available. The first columns attempt to measure militancy on the basis of six crucial votes, the garages with the most asterisks equal the most ‘militant’. Garages have been ranked according to these votes. These rankings can then be compared with the top ten or top twenty ‘Platform’ sales. There is a problem with this method since this gives a ranking of absolute rather than relative totals for sales, thus a small garage will always appear lower than a large garage irrespective of the proportion of crews actually buying the paper. The Country garages, which are generally smaller are dealt with separately.

The conclusions that can be drawn from this table are that ‘Platform’ sales were clearly connected with the way in which garages voted. The higher the sales, the more likely the garage to display militancy, although there is not a direct connection. For example Harrow Weald and Hackney both appear in the top seven most ‘militant’ garages and yet ‘Platform’ sales do not appear to have been significant. In general there is a clear connection. In April 1958 ‘Platform’ gave figures for sales in the top six garages. These were: Dalston 362, Southall 284, Middle Row 275, Catford, Uxbridge and Holloway all 225.

The second conclusion that can be drawn is that ‘Platform’ had a solid and remarkably stable level of support. The same garages tend to feature over the seven years covered. It suggests that ‘Platform’ tended to reflect events rather than attempt to lead the section. For example, on the question of O.P.O. operation on Central Buses, Bill Jones and ‘The Platform’ took very different positions. Yet ‘Platform’ sales remained the highest in London at Dalston Garage. The tendency was for ‘Platform’ to reflect the politics of the left-wing officials rather than criticise
Industrial Relations

---

### TABLE TWENTY-FOUR

**COMPARISON OF MILITANCY AND SALES OF PLATFORM AT ALL LONDON TRANSPORT GARAGES 1954 - 1963**

(See Footnote 77)

---

**EXPLANATION OF COLUMNS**

- *(*)* = a vote in favour of more militant action.
- (1) In favour of the overtime ban in September 1954.
- (2) Rejecting wage settlement of March 1955.
- (3) In favour of continuation of 1958 strike.
- (4) Against Bonus Scheme and O.P.O. proposals July 1960.
- (5) Against Second Bonus Scheme October 1960.
- (6) Against 10/- Wage Award April 1963.

**TOTAL** = Sum of votes (1) to (6).

**RANKING** = Crude index of militancy.

**SALES** = Position in Platform Sales 'Top Ten' or 'Top Twenty'.

**Twenty** (a) April 1956 (b) February 1962 (c) April 1963

---

### TROLLEY BUS GARAGES

<table>
<thead>
<tr>
<th>GARAGE</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>TOTAL</th>
<th>RANKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bow</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>4</td>
<td></td>
<td></td>
<td>=18</td>
<td></td>
</tr>
<tr>
<td>Bexley</td>
<td>*</td>
<td>*</td>
<td>5</td>
<td>56</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carshalton</td>
<td>*</td>
<td>*</td>
<td>3</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clapton</td>
<td>*</td>
<td></td>
<td>2</td>
<td>56</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colindale</td>
<td>*</td>
<td></td>
<td>closed. 0</td>
<td>81</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edmonton</td>
<td>*</td>
<td></td>
<td>2</td>
<td>56</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fulwell</td>
<td></td>
<td></td>
<td>0</td>
<td>61</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finchley</td>
<td>*</td>
<td></td>
<td>4</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hammersmith</td>
<td></td>
<td></td>
<td>2</td>
<td>56</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hanwell</td>
<td></td>
<td></td>
<td>3</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highgate</td>
<td></td>
<td></td>
<td>2</td>
<td>56</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ilford</td>
<td></td>
<td></td>
<td>4</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Isleworth</td>
<td></td>
<td></td>
<td>5</td>
<td>16</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lea Bridge</td>
<td></td>
<td></td>
<td>2</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poplar</td>
<td></td>
<td></td>
<td>3</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stanford Hill</td>
<td></td>
<td></td>
<td>2</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stonebridge</td>
<td></td>
<td></td>
<td>4</td>
<td>18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Walthamstow</td>
<td></td>
<td></td>
<td>1</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wood Green</td>
<td></td>
<td></td>
<td>1</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### COUNTRY BUS GARAGES

(Note 'RANKING' and SALES (a = October 1958 b = January 1963) in comparison with other Country Garages only.)

<table>
<thead>
<tr>
<th>GARAGE</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>TOTAL</th>
<th>RANKING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addlestone</td>
<td>*</td>
<td>*</td>
<td>3</td>
<td>7</td>
<td></td>
<td></td>
<td>=7</td>
<td>5</td>
</tr>
<tr>
<td>Aylesbury</td>
<td>*</td>
<td>*</td>
<td>3</td>
<td>29</td>
<td></td>
<td></td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Chesham</td>
<td></td>
<td></td>
<td>3</td>
<td>17</td>
<td></td>
<td></td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Crawley</td>
<td>*</td>
<td>*</td>
<td>4</td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Dartford</td>
<td></td>
<td></td>
<td>4</td>
<td>29</td>
<td></td>
<td></td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Dorking</td>
<td></td>
<td></td>
<td>1</td>
<td>23</td>
<td></td>
<td></td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Dunton Green</td>
<td>*</td>
<td>*</td>
<td>3</td>
<td>7</td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>East Grinstead</td>
<td>*</td>
<td>*</td>
<td>3</td>
<td>17</td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Epping</td>
<td></td>
<td></td>
<td>3</td>
<td>17</td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Garston</td>
<td></td>
<td></td>
<td>3</td>
<td>7</td>
<td></td>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Grays</td>
<td></td>
<td></td>
<td>3</td>
<td>7</td>
<td></td>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Godstone</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Guildford</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Hadfield</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Hemel Hempstead</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Hertford</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>High Wycombe</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Hitchin</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Leatherhead</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Luton</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Northfleet</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Portswood</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>St. Albans</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Stevenage</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Swanley</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Tring</td>
<td></td>
<td></td>
<td>2</td>
<td>17</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Tunbridge Wells</td>
<td>*</td>
<td>*</td>
<td>closed...</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Industrial Relations

## TABLE TWENTY-FOUR

<table>
<thead>
<tr>
<th>GARAGE</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
<th>(4)</th>
<th>(5)</th>
<th>(6)</th>
<th>TOTAL RANKING</th>
<th>(a)</th>
<th>(b)</th>
<th>(c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbey Wood</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>0</td>
<td>81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alperton</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Athol Street</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barking</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>3</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Battersea</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brixton</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bromley</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Camberwell</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catford</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chalk Farm</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chelverton Road*</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clapham</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clay Hall</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Croydon</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cricklewood</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dalston</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edgware</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elmers End</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enfield</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest Gate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hackney</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harrow Weald</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hendon</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Holloway</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hornchurch</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hounslow</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kingston</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leyton</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loughton</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Merton</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Middle Row</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortlake</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muswell Hill</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Cross</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norbiton</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Street</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norwood</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Old Kent Road</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Palmsers Green</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peckham</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plumstead</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potters Bar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Putney</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Riverside</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rye Lane</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seven Kings</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shepherds Bush</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidcup</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southall</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streatham</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stockwell</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sutton</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thornton Heath</td>
<td></td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tottenham</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnham Green</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td>*</td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Twickenham</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upton Park</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uxbridge</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Victoria</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Walworth</td>
<td>*</td>
<td></td>
<td>*</td>
<td></td>
<td>*</td>
<td>*</td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wandleworth</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Green</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Willesden</td>
<td></td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
<td></td>
<td>4</td>
<td>=73</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Industrial Relations

all officials. However this was only a tendency, 'Platform' continued to call for the election of all officials and for the ending of the Scarborough ruling.

This relationship with the militants meant that 'Platform' acted to bind together the section, to give it a separate identity. It was problematic because it represented an accommodation to sectionalism, rather than an attempt to break out of isolation. Because 'Platform' adopted a syndicalist attitude to militancy, then inevitably after the defeat of 1958 it moved rightwards in order to retain influence in the section. The 'Busmen's Punch' had operated in a very different fashion, attempting to increase the influence of a minority of militants by arguing against the majority, the paper was but one part of a larger strategy which focused on building an organisation. It also ceased to operate after the Coronation strike. 'Platform' tended to reflect the politics of the section. Thus in the 1958 strike it was not only the C.B.C. who were handed 'trussed up on a plate to Cousins... ', 'Platform' went along too.

Let us now examine the wider significance of the 1958 strike. According to Goodman the strike was unique in the post-war history of industrial relations;

"...until the miner's strikes of 1972 and 1974 it remained the outstanding example of a government decision to take on a union in the public sector in an attempt to force through a general policy of wage restraint."

London bus workers had fought and lost not simply the strike but the whole argument about the maintenance of public transport in London. From 1958 onwards the policy of the L.T.E. was to cut, cut and cut again, in the vain hope that the services would become profitable. This did in fact happen but only on the basis that services were cut faster than public demand. In the teeth of competition passengers were forced off the buses, a pattern which would be repeated in every sector of the industry later. The militancy which had built up from 1949 onwards was destroyed along with the
Industrial Relations

shop steward system in the garages. Not until 1963 were there any unofficial garage strikes and these never spread across the fleet unlike the 1951 and 1954 strikes.

There were two different responses to the defeat and decline in the industry; Frank Cousins began a long campaign against the right wing of the T.U.C. over wage restraint and against the right wing of the Labour Party over their gradual abandonment of any meaningful content for the policy of nationalisation. On the ground the Union was faced with increasing pressure over productivity, especially the introduction of one-person operation (O.P.O.) which they campaigned against as part of a demand for a public inquiry into L.T.E.'s finances. As a result of the failure of industrial action which itself was a product of a failure to understand and counteract the sectional nature of the leadership of the T.G.W.U. and the N.U.R., the militants of the bus section now found themselves deprived of their greatest weapon. Their ability to organise in the garages. They were now forced to fight on terms which would bind them ever closer to the leadership of the union. Despite their criticisms that;

"...no trade union leadership in this nation has so failed its members as the national passenger officers of the T.G.W.U..."

Nevertheless;

"...On the big political issues of the day - now being fought out in the labour movement - the London busmen - far from being at loggerheads with Frank Cousins - are in the very front rank of his supporters. And that goes for this journal too."

This point requires some clarification. I am arguing here, not that the problem was 'Platform's support for Cousins against the right wing in the T.U.C. and Labour Party, rather that their failure to develop a workplace politics in the 1950's which could have united bus and tube workers in London against L.T.E. and the British Transport Commission regardless of their own Union leaderships meant that in the aftermath of defeat, deprived of their own
garage based power, 'Platform' were forced to fight on the terrain of national politics in circumstances which inevitably favoured the trade union bureaucracy. They did not overcome the divorce between workplace and national politics so evident in the 1950's, instead they were forced to accommodate to it and in the process to their own union leadership. It can be no accident that some of the most prominent 'Platform' supporters, for example, Larry Smith, went on in the 1960's to become senior full-time officials of the union, whilst others like Bill Jones became senior lay members serving on the General Executive Committee and the Finance and General Purposes Committee.

During the years following the 1958 strike London Transport refused to negotiate over pay increases unless they were directly tied to increases in productivity and control over the labour process. The process took six years which ended with a restructuring of London Transport's finances in return for a restructuring of the labour process. It is worth discussing in some detail because the solution to London Transport's financial problems, which became acute much earlier than the rest of the industry, were subsequently transferred in broad measure to the rest of the industry during the Wilson Governments of 1964-70. London, which had set the pace for wages and conditions for fifty years, was now to set the pace for a restructuring of the labour process.

At the end of 1958 L.T.E. announced that the first experiment in O.P.O. in the Central Bus area would begin at Kingston in the following Summer. Various bonus schemes were also put forward which would increase discipline through attendance, accident and good conduct allowances. At the same time the C.B.C. was under threat from the reorganisation of the section following Trolley-bus withdrawals; a reduction in the annual number of Delegate Conferences from six to two, a change from a C.B.C. elected by ballot of all the members to one selected by the new
Industrial Relations

Delegate Conference, together with a scheme for compulsory arbitration. Bill Jones and the C.B.C. regarded O.P.O. as the least objectionable and suggested that by demanding a 55% O.P.O. bonus it could be halted. It was noticeable that the J.D.C. was composed of 90% drivers whilst the C.B.C. was 100% drivers. 'Platform' turned on one of their strongest supporters ridiculing the notion that the C.B.C. at one and the same time was 'too weak' to prevent O.P.O. and 'strong' enough to demand a 55% bonus;

"And when actual redundancy shows amongst our conductors - what about the women? How long before we hear the cry - let's chuck the women out? Yet these women come onto the job with the agreement of our union. They are members of our union too. Isn't it our job to protect them? And what will be our attitude when some hero shouts - let's get rid of the coloured men? Shall we do a Little Rock on them too?"

No scheme that was ever cooked up in the Board room of 55 Broadway was designed to benefit the staff. Surely, everyone must agree that one-man buses provide an inferior service for the public? Surely everyone must see that one man operation worsens the job for the driver. Surely everyone can see that only L.T.E. stands to gain?"81

The heart of the matter was grasped by a motion passed at the May 1960 conference of the London Labour Party put forward by Albert Baker, member of the C.B.C. and Alderman of Islington, and the National Union of Vehicle Builders. It read;

"It is our view that transport in this area is a social service and a financial loss on its operations should not be allowed to prevent its proper operation.

Conference therefore urges all London and Middlesex M.P.'s to demand that L.T. be relieved immediately of its heavy financial burden and the present Executive be replaced by men and women who believe in nationalisation and are determined to make it serve the needs of the travelling public."82

In August a number of garages dubbed the 'group of 41' began a campaign to demand a public inquiry into London Transport. A mass meeting in St. Pancras Town Hall, a petition of 150,000 signatures, a publicity stunt involving a Number 11 Bus from Dalston covered in campaign posters which L.T.E. had refused to display as advertisements was photographed by
Industrial Relations

the B.B.C. and the Evening Standard and a lobby of Parliament followed. John Stevens, from Putney Garage, and a new C.B.C. member began what Fuller describes as a 'one-man media campaign'. The campaign was supported by 46 garages, 4 Labour M.P.'s and 20 borough Councils. By March 1961 50 out of 64 borough Councils were calling for a Public Inquiry.

Meanwhile the government refused an inquiry, published a White Paper which proposed the breaking up of the B.T.C. and appointed Doctor Beeching as the new head of the B.T.C. at the huge salary of £24,000 per annum. Right wing Conservatives began to propose the splitting off of profitable parts of the B.T.C. and returning them to the private sector. In August 1962 the ex-Minister of Transport, Harold Watkinson, joined the Board of Drayton Investment Trust which controlled B.E.T. Nationalisation itself was now under attack.

Meanwhile L.T.E. proposed a further 4% cut in services though held off from imposing O.P.O. when Kingston and Norbiton Garages threatened immediate strike action in response. Further challenges were on the horizon when L.T.E. ordered 30 larger Routemasters (72 seats instead of 64) without consultation. The problem this posed was that 60% of passenger journeys were under one mile, larger vehicles on bigger headways threatened both passenger carryings especially on short distances and ultimately conductor's jobs. Yet by December the renamed Central Road Services Conference voted to accept these vehicles for a trial period at Finchley in return for 20 minutes per day 'easement' of schedules (i.e shorter rostered duty) by 39 to 36 votes.

The campaign for an inquiry continued though with one serious setback. At the Union's Biennial Delegate Conference the following motion was moved by Bill Waters and Larry Smith;

'We believe there is the need for a national inquiry
Industrial Relations

into this most depressed industry because the Road Passenger Transport Industry in this country is being used by the government as a medium to discredit nationalisation. The intention of those who planned the nationalisation of this industry was to provide a co-ordinated and efficient system for both those who travel on and those who operate the services.

Right from the outset this government has embarked on a policy of so-called economy by cutting out vehicles and reducing service frequencies in the interests of finance at the expense of adequate services. "107"

The motion was withdrawn after extensive criticism from both provincial delegates and Frank Cousins.

Thereafter the campaign focused on a Public Inquiry for London Transport setting up the London Transport Passenger Campaign Committee with the support of 25 Trades Councils, 13 Trade Union District Committees and 72 Trade Union branches. The campaign foundered until confidence in industrial action returned to the section. The retreat into public campaigns had not been successful precisely because the reason for the retreat, namely the lack of confidence to take industrial action by the membership, was the same reason that undermined the campaign. The first part of the campaign had involved hundreds of transport workers themselves and resulted in a petition of 150,000 signatures and a large lobby of Parliament. The Passenger Campaign Committee despite attempting to collect one million signatures collected only 22,000 and organised a parliamentary lobby of only 25 people. Public campaigns were no substitute for industrial action.

By 1962 L.T.E.'s productivity proposals amounted to a package of:
(i) The conversion of Green Line coaches to double-deckers.
(ii) The introduction of 'standee' buses holding up to 35 standing passengers.
(iii) The conversion of the suburban parts of the Central Area to O.M.O.
(iv) The extended operation of R.M.L. 72 seat buses.
(v) The conversion of the existing fleet of double-deckers from R.T.'s to Routemasters. Despite L.T.E.'s increasing surplus on operations, increasing debt charges were soaking up this surplus.

The outcome of any inquiry into the finances of L.T.E. would have obvious repercussions on these attempts to solve the staff shortage by raising productivity and wages. From the bus section's point of view the key question would be obtaining the maximum unity against the whole of the B.T.C. The possibility of mounting a national bus campaign had been closed off by the B.D.C. The next possibility was to mount a joint campaign with the N.U.R. over the cuts now being proposed by Beeching. Since the bus section could not realistically affect the continuing refusal of the N.U.R. and T.G.W.U. leaderships to begin a joint campaign, the most important opportunity lay with Tube workers.

In January 1962 an unofficial strike of Tube workers in protest at the 13 month delay to their wage claim due to Selwyn Lloyds 'pay pause' resulted in a missed opportunity for joint action. The C.R.S.C. (successor of the C.B.C.) voted 71 to 3 in favour of sympathy action but delayed garage meetings necessary to organise it until after Christmas. They then delayed the decision again until after fresh wage negotiations on January 16th. Finally they delayed any decision again until a final decision by the tube workers on Thursday January 25th. On Friday morning 11 garages voted to strike in sympathy, by the afternoon Fleet Street were reporting that a majority had voted against the action using the simple device of including the vast majority of garages who had not yet held meetings in the total vote against. Ironically, on the morning of the tube strike, only one garage, Hanwell which had actually voted against striking, supported the action.

With the N.U.R. nationally accepting the 'pay pause' and the subsequent 2.5% limit, the C.R.S.C. had now missed any
Industrial Relations

opportunity to fight against it. Despite a rejection of the pay deal worth between 5/- and 7/-, the vote was so low as to be meaningless. One garage of 800 recording a vote of 19 to 9. 'Platform' announced the 'crisis of leadership' in the following terms:

"Are we to conclude that such members are satisfied with their pay - are they registering contempt for the size of the offer? Or are they showing a complete lack of confidence in the ability of the union to represent them?...The branch is the living heart of trades unionism. The stronger it beats the more effective the union becomes as a whole. A powerful blood transfusion is required immediately!"85

The demoralisation led to a significant rise in racism in the garages, with letters to 'Platform' suggesting that only white crews be taken on. There were complaints about the £20 allegedly provided by London Transport to new recruits from Barbados when in fact this was in the form of a loan for fares provided by the Barbados Government. In 1958, according to one conductress interviewed by Brookes;

"...immigrant workers stuck by the union in the big strike when no one expected them to. It was O.K. after that."86

This experience together with strong opposition in 'Platform' seems to have been sufficient to prevent individual racist ideas permeating the collective organisation of the section. When one Country garage passed a resolution proposing recruitment of British labour only, an article strongly critical of this decision, racism and immigration controls appeared in 'Platform' 87. However the issue reappeared over London Transport's recruiting drive in Malta in 1963.

In 1962 the N.U.R. voted for a one day strike against the Transport Bill set for October 3rd. Relations between Sidney Greene and Frank Cousins were at an all time low with various allegations over the 1958 strike. When the C.R.S.C. voted 44 to 32 in favour of joining the strike on 26th September, they were informed by Cousins that under no circumstances would he support the strike. When a delegation
Industrial Relations

was sent to persuade Cousins to change his mind, he instead persuaded the delegation to call an emergency conference which overturned the original decision. Meanwhile the number of garage strikes was increasing; in June Cricklewood had struck for two days over summer schedules, in October Edgware struck for three days, and Dalston, Catford, Bromley, Southall and Hanwell for one day over various issues related to the forthcoming productivity package. Hanwell in fact supported the N.U.R.'s strike over proposed cuts in staff on the railways of 33%. By December over 20% of the fleet had been involved in one day strikes yet still the 1962 pay claim and productivity package was unresolved.

In March 1963 'Platform' commented bitterly;

"For the past seven years we have had the 'left' Frank Cousins as our chief - with the theme song 'genuine socialist policy' installed in the Transport House juke-box. Yet never, in the long reigns of Bevin and Deakin was the T.G.W.U. so publically humiliated as it has been in connection with the London Busmen's current pay claim."88

By March 1963 there was an unofficial strike motion circulating and a rank and file meeting to discuss action attended by 42 different branches. Whilst the N.J.I.C. settled for 4.5%, L.T.E. offered only 4.2% which was accepted by the C.R.S. Conference by 63 votes to 5. This offer was followed in September by a 6/- a week scarcity agreement to drivers only in the light of driver shortages of over 13% in the Central area. Southall meanwhile began an overtime ban over service cuts which was joined by Edgware, Hanwell, Fulwell, Harrow Weald and Cricklewood (all in the North Western Area). On October 30th. the overtime ban spread to the rest of the Central Area with only 7 garages against and these were calling for strike action instead. Within a week 12 Country Garages had joined the overtime ban as well. Within three weeks the Government announced a Public Inquiry. The overtime ban begun unofficially achieved more in three weeks than three years of campaigning.

The Phelps-Brown Committee of Inquiry looked at all
Industrial Relations

aspects of working conditions and pay. The question of the financial structure of London Transport had already been decided under the 1962 Transport Act which split the B.T.C. into Boards controlling the Railways, London Transport, the Transport Holding Company (controlling Tillings and Scottish), Docks and Waterways. The 1948 settlement which resulted in £1,200 millions of capital debt repayable at the rate of 3% per annum had now turned into £1,950 millions of debt repayable at rates between 3.11% (T.H.C.) and 5.58% (the Railways). Annual interest payments had risen from £36 millions to £61 millions. Clearly the terms of the debate had already been set, for any recommendations that Phelps-Brown made would have to be financed by a combination of higher fares and increased productivity. The Committee made an interim award in order to end the overtime ban of between 8/6d. and 10/- for conductors and between 11/- and 15/- for drivers. Together with August's scarcity payment to drivers only, 1963 represented the highest increase in differentials in the history of the section, despite the Union's policy of 'levelling up'.

The interim report had referred to two problems which it proposed to address;

1. - "The favourable position of the London Busmen was lost during the war and has never been regained. The basic rate is, indeed, among the very few which have risen, since before the war, less than retail prices."

2. - "By it's very nature, the job of the busman has features which many would find very unattractive. He often has to start his day before other workers or finish after them, his terms of duty are constantly changing and he must work Saturdays, Sundays and Public Holidays as part of his routine."

In May 1964 the Committee proposed a significant but unspecified increase in wages, a 40 hour week, longer holidays, better sick-pay and pensions, double-time on Sundays, and an agreement on a substantial bonus in return for 'technical developments' (productivity agreements). The
Industrial Relations

door was now opened to a series of productivity bargains involving the massive extension of O.M.O., the introduction of 'standees', the introduction of larger buses with no 'easement' on schedules, bonus payments and cuts in services. After many variations a deal worth 31/- for drivers and 26/- for conductors was accepted. It is worth looking at the deal in some detail as the forerunner of virtually all subsequent pay deals in the industry where pay increases are paid for in productivity increases.

The final deal consisted of the following elements:
a) Wages increase of 16/- per week. (18/- on rostered work)
b) Productivity bonus of 20/-, 10/- immediately and 10/- in 3 months.
c) Fares bonus at 3d. in the £ paid on fleet basis.
d) Seat bonus 2d. per seat per duty on all vehicles over 48 seats, paid on depot basis. (L.T. estimates seat bonus will vary from 14/8d. at Edmonton to 7/4d. Kingston)
e) O.M.O. payment of 15% + 1d. per duty per seat.
f) Standee payment of 5% + 1d. per duty per seat.
g) Hours at present but with one extra rest day per month.
h) Extra week on Summer holiday (+ 3 days in Winter to longer service staff).
i) Wages to be reviewed March 1965 and every March in line with engineering wages.

In return the Union conceded;
a) Cuts in the bus fleet from 7,600 to 7,100.
b) Redundancies of 700 drivers & 700 conductors.
c) O.M.O. operation on further 183 Country and 600 Central buses.
d) The introduction of the 'dual purpose' (O.P.O. outside rush hours) bus.
e) Introduction of O.P.O. 'standee' up to 88 passengers.
f) 72 seater R.M.L.'s to be introduced along with other 70 seaters with no 'easement' of schedules.
g) More 'flexibility' in rostering when 5 day week introduced in 1965, more 'flexibility' in spreadovers
Industrial Relations

immediately.

This agreement allowed every 'technical development' that London Transport wanted for a pay increase which although quite large was still insufficient to prevent wages lagging behind comparable groups of workers. O.P.O., which the C.R.S.C. claimed would only be allowed for a 55% bonus had been introduced for a great deal less. It was also hard to see how the productivity proposals would only lead to 1,400 redundancies given that the O.P.O. proposals themselves would lead to over twice this figure. It also introduced, for the first time, different payments in different garages, even when crews would be sharing the same route. This would, no doubt London Transport hoped, reduce the propensity of garages to strike in support of each other. 'Platform' estimated that the savings due to London Transport together with the July fare increase and the raising of the 3d. fare to 4d. would result in a net benefit of £10,757,000. The cost of the interim and final awards was only £4,267,000.89

None of these technical changes would solve the central problem of declining passenger use, in fact they would make it worse. The fundamental problem of a financial structure which ensured that the interests of the shareholders and the banks came before those of the workers and consumers of the service was not tackled. The content of nationalisation, sixteen years on, looked identical to private ownership. The crisis in London Transport was resolved (temporarily) by making fewer workers work harder to produce a worse and more expensive service. The failure of militancy in London with the defeat of the 1958 strike left open two possibilities for the future. The first was that the campaign by the London bus section to restructure London Transport's finances would be taken up by the union and eventually pressed on to a future Labour Government. The second possibility was that, with union resistance at local level weakened, and with the national Union leadership concerned to resolve the crisis within the existing economic framework
Industrial Relations

of nationalisation, the only way forward would be a fundamental restructuring of the labour process to increase productivity.

Conclusion

These four episodes from industrial relations in the bus industry illuminate the general pattern of events between nationalisation and the fundamental restructuring of the latter 1960's. A comparison of the first two case studies demonstrates how the same pressures on industrial relations resulting from economic decline could produce either spontaneous militancy or racist exclusivity. They further demonstrate in different ways the emergence of a bifurcated system of industrial relations. On the one hand the national Union leadership, as a result of increasingly close connections with the state, regardless of the political party in control, could significantly modify policy in line with their perceptions of the national interest. The question of whether the policy of wage restraint is best explained in terms of a process of "political exchange" or the consequence of "corporatism" or whether it is more directly the result of a separation of politics and economics, the decoupling of politics from the economic and social structures through which Labour mobilised support, seems fundamentally a false question. Theories of corporatism and political exchange tend to overstate the independence of trade union leaders from their members. The latter theory whilst accurately characterising the gulf between work place unionism and the national Union leadership, seems to sever the connection between the behaviour of the national Union leadership from the membership at the level of workplace unionism.

The latter two case studies confirm this analysis. Frank Cousins represented the most militant trade union leader of any large union in the 1950's. The 1958 strike was a direct
Industrial Relations

attack on the government pay-pause and the most overtly political strike until the two miners’ strikes of 1972 and 1974. It would be highly implausible to propose that Cousins was integrated into a corporatist system of wage negotiation. Equally it would be hard to suggest that the 1957 provincial strike was the result of a process of political exchange. Yet the reality, especially in London where the problems of economic decline were most severe, was that militant trade union leadership alone was insufficient to challenge the economic realities of decline. Indeed the effect of the 1958 strike, and in the longer term the 1957 strike (as we shall see in the next chapter), was to increase the economic pressure on the industry. Yet it was within the very nature of trade unionism that this pressure would be resolved within the context of national bargaining through productivity dealing. In this sense both Deakin and Cousins were operating within the same framework of separating the economic and political questions thrown up by the economic decline within a nationalised industry.

Finally there is a useful comparison to be made between the second and third case studies. The development of colour bars, quotas and racist strikes were, it was argued a consequence of relatively declining wages and the need, within the context of a failure of national negotiations to improve conditions, to protect overtime working. Yet surely following this argument, the success of the 1957 strike should have undercut this development? However the reason why racist solutions did not gain ground in London as elsewhere was to do, not simply with the presence of strike activity, but also the nature of that strike activity. The difference between London and elsewhere was the way in which militancy was rooted in local job control at garage level. It was ‘Platform’ which prevented this militancy turning to exclusivity. This argument, it may well be objected, presents racism as a purely economic phenomenon, ignoring the ideological importance of Empire, the politics of immigration and so forth. These are vitally important in
unravelling the ideology of racism. The argument presented here is simply that a study of the labour process and the process of mediation provides an understanding of the reasons that racism can become institutionalised within employment relations in some circumstances and not others. Much research remains to be done on the way in which racism came to permeate many of the general unions, especially in transport, during the 1950’s.

By the early 1960’s Labour was committed to "...national plan for transport covering the national network of road, rail and canal communications, properly co-ordinated with air, coastal shipping and port services."⁹⁰ Left out of the discussion was how this would be financed. The plan for transport did not mention the mountain of debt that had built up since 1948. It also included no plans for the redistribution of power within the nationalised industries but simply assumed that by definition state ownership was better than private ownership. The price of these reforms was to be incomes control, despite Cousins warning that: "...we will not have wage restraint, whoever brings it and wraps it up for us."⁹¹ Instead of restraint, Cousins explained: "...we want a planned economic rate of growth which will enable us to have improvements in our real standards of wages."⁹² In the context of unrestricted competition on the roads and a nationalised industry overburdened with debt, higher wages could only increase the rate of decline. The restructuring of the labour process to increase productivity was no more than a temporary solution. For every increase in vehicle size and speed and for every conductor made redundant, there was a corresponding decline in the level of service, both in quality and quantity, leading to a further decline in passenger use and a further increase in road traffic. The next chapter examines this process of restructuring.
Notes - Industrial Relations

1. As Deakin stated in "The Daily Mirror": "We have advocated a policy of wage restraint and I don't apologise for it. If we force prices up by pursuing unsound economic policies we are the people who will carry the can back." - 9th. July 1952 - see also "The Platform" - No. 31 August 1952.

2. See his speech to the 1956 T.U.C. quoted later in this chapter.


"Platform" explained the way in which Deakin's right-wing leadership was reflected at the Labour Party Conference thus:

"When Deakin threatens to cut off financial support from the Labour Party, it is the millions of pounds of your money which he treats as his own personal property to bludgeon his opponents.

This man, who holds his own position on a minority vote and is not subject to re-election - this man has surrounded himself with an army of stooges, all of whom are "appointed" and none "elected"; this man who sits with an Executive Committee from whom all militants have been "purged"; this man who denies to every one of his 4,000 branches, the right to even freely elect a branch chairman - this is the man who presents himself as the self-appointed "saviour of Labour's soul".

And in the very Conference Hall in which he performed, sat a delegation from the T.G.W.U. all of whom were "hat-picked". No branch elected these "delegates" or even knew who they were - no branch studied the conference agenda or even knew where the conference was to be held, no branch expressed a view or manadated a delegate - yet that million fingered hand went up to crush every progressive motion raised." Quoted in "The Platform" - No. 33, October 1952.

5. In the course of a press conference on the 16th. September 1950 Deakin demanded the outlawing of the Communist Party and the supression of the Daily Worker. The outburst was provoked by further trouble arising in the docks and amongst road haulage workers and especially an unofficial strike of London busmen. Tribune, a key part of the Bevanite movement, in an article entitled 'Chuck it Deakin!' complained about the remoteness of the Transport Union leadership from the rank and file and the bureaucratic structure of the Union. Deakin then demanded that Tribune should no longer receive financial support from the Labour Party, which was duly observed. See Mark Jenkins op. cit., pp. 79 - 80.

6. In March 1950 a three section conference voted against the employment of more women conductors. On June 28th. a Bus Delegate Conference referred back the latest wage offer
which the Central Bus Committee had recommended. On 31st. July a second Bus Delegate Conference rejected the Loan and Transfer Proposals by 46 votes to 3.

7. The Loan and Transfer Agreement limited spreadovers to 10 hours for those moved which was longer than the 9 hours 20 minutes the Trade Group had voted for.


9. The original 650 at Hendon were joined by a further 1,800 from Mortlake, Hammersmith and Battersea. A meeting of delegates from Mortlake, Sutton, Merton, Victoria, Kingston, Catford, Shepherds Bush and Forest Gate that evening resolved to join the strike from midnight and to refuse to work with new women recruits. 36. "Daily Worker" - Thursday September 14th, 1950.

Fuller op. cit. p. 221. gives an account of a mass meeting in Stratford organised by Dalston (Bill Jones' garage) a few days before to "..let both the General Executive Council and our Trade Group Representatives know by resolution that they have lost our confidence... and to refuse to relax the Loan and Transfer Agreement, to press for a Fleet overtime and rest-day work ban and to demand "...the rescinding of the G.E.C. agreement with the L.T.E. along the lines of "one woman in - all out". By implication is the suggestion that this is where the strike was planned. This was certainly seized on by Deakin in his 'Red Plot' story leaked to the 'Daily Express'."


Under causes of dispute the Gazette records; "...objection to recruitment of additional women conductors on the ground that there employment would prejudice a demand for higher pay; and dissatisfaction with the refusal of the T.G.W.U. Executive to submit claim for £1 a week increase."

11. At this the Mortlake Delegate urged a return and the Central Bus Committee claimed the strike was 'premature, precipitate and ill-conceived', the Chairman of the Central Bus Committee confessing that he had been mistaken in supporting Mortlake at the unofficial delegate meeting.


13. The Scarborough decision forced some Communist Party members to leave in order to play a role in the Union. Fuller quotes from an interview with Harry Selmes, who was on the Central Bus Committee for a long period and who left the Communist Party in order to be on it; "We would get nothing by me stopping outside and I could see that the leadership was going the wrong way. I could have stopped outside in the wilderness for ever. But to me it was not a bit of good coming to the branch and voicing opinions when I knew perfectly well that the officers of the branch were in no way prepared to further it. So I thought: alright, get inside and take over. And that's what happened." - Quoted in Fuller op. cit. p. 221.

Meanwhile the C.P. had shifted from an explicitly revolutionary organisation to an openly reformist one; a process which had been developing since at least the mid-1930's popular Front period. However it was not until 1952
with the publication of the British Road to Socialism that the Party committed itself fully and openly to Parliament in the following phrase;

"The enemies of Communism accuse the Communist Party of aiming to introduce Soviet Power in Britain and abolish Parliament. This is a slanderous misrepresentation of our policy...British Communists declare that the people of Britain can transform capitalist democracy into a real People's Democracy, transforming Parliament, the product of Britain's historical struggle for democracy, into the democratic instrument of the will of the vast majority of her people."

Compare this to an interview in 1939 given by Harry Pollitt in answer to the question; 'How does the CPGB contemplate getting into power?'

"The existing social order is based on the domination of the ruling capitalist class. This power has to be broken before it is possible for the working class to take over the means of production. This can only be achieved by the organised working class once it has reached consciousness of its class aim. To realise this conquest of power and the building of socialism, it is the task of the Communist Party to build the unity and organisation of the working class..."

[Interview in 'Picture Post' August 5th, 1939.]

The loss of membership became more serious for obvious reasons after the invasion of Hungary in 1956; nevertheless from 1942 (December) to 1948 membership fell from 56,000 to 43,000.

14. Mark Jenkins op. cit. claims that David Coates is wrong when he writes that the Bevanites had "...no organised working class roots outside constituency parties, as had the I.L.P., nor did they manage to mobilise rank and file support in the trade union movement." (See Coates 1975 op. cit.) Jenkins claims this is a superficial judgement since "...Bevan did carry the struggle into trade union organisation at all levels. This is certainly incorrect as far as the bus section of the T.G.W.U. is concerned, neither is it true of the Dockers. Apparently Bevan's campaign is proof of the superfluity of 'rank and file' organisations since Bevan's supporters in the Unions were "...busy asserting their rights and taking hold of their unions' organisations." How, we may ask, were they taking hold of the T.G.W.U. as an organisation when it consisted entirely of appointed officials? When Jenkins 'evidence' is examined it amounts to the role of 'Tribune' as "...crusader against bureaucracy of every hue" which apparently led to "...substantial and lasting victories on the issues of democratic procedure in the unions." Quite what these lasting victories were is never specified. Did the T.G.W.U. end the Scarborough ruling?, were officials to be subject to election instead of being appointed? Jenkins own figures for the circulation of Tribune are themselves highly suspect since they were not subject to the Audit Bureau of Circulation. We are told that they peaked around 1954-5 and then declined though not as fast as other left-wing
Notes - Industrial Relations

journals. Even if we accept the circulation as 40,000 it is hard to see how this would be sufficient to change the views of 8.5 million trade union members. The problem with Jenkins analysis is that he confuses the trade union leadership with trade unionists, thus for him 'rank and file' organisation certainly would be superfluous for the key concern of the Bevanites was not the rank and file but the leaderships. In 1955 alone nearly 10% of Labour Party members left the organisation, if there was a 'Bevanite' surge in the Trade Unions surely membership would have continued to rise. The only thing that rose after 1955 was the size of the block vote in favour of the left and this was not the result of a mass Bevanite movement inside the unions, indeed it owes far more to the simple fact of Tiffin's unexpected illness interrupting the succession inside the T.G.W.U.

15. Deakin had denounced 'Platform' as a 'Red Plot' for supporting the strike. In April 1951 'Platform' published details of the latest increase in full-time officials salaries of £1 a week and compared this to the 7/- wage award to bus crews. See 'The Platform' - No. 16, May 1951; and No. 25, February 1952.

16. Some examples of the special treatment that Dalston received from both the Union and the L.T.E.: One Official was sent to Dalston Garage and by various devious means collected the Branch Minutes book. However after threats of legal action the Branch Minute book was returned. In January 1952 Dalston went on strike over the suspension of three drivers who refused to work new schedules claiming that they were outside of agreements. An enormous effort was made to persuade crews to cross picket lines by the District Superintendent, his Assistants and six Inspectors. For the first time in twenty years some crews worked through the dispute, but only thirteen buses went out of the depot on the first day and this fell to eight on the second. The strike was victorious.

17. Unfortunately for them, they justified the suspension under Minute 524, but ignored the more important rule that 'Only the E.C. shall have the right to suspend members for any other reason apart from financial defalcation'. Under threats of legal action Brandon reversed his decision. See 'The Platform' No. 32, September 1952.

18. Ward, a full time official, called a special branch meeting at dalston attended by 140 crews who refused to nominate anyone but the old branch officers. A petition signed by 700 out of the 712 crews at Dalston was presented to the Appeals Committee at the end of January. Tiffin, the Executive Officer, refused the appeal. On February 4th a full three section Delegate Conference upheld the ban on Dalston, though resolutions from the floor were not allowed and none of the suspended branch officers were allowed to speak. A week later a Second Joint Delegate Conference which considered an appeal refused to allow the suspended officers to attend. After four separate attempts to persuade the Dalston membership to stand other candidates, some of those who had worked during the strike decided to stand forcing an
Notes - Industrial Relations

election.

19. In March 1952 the Union had accepted N.C.O.I. proposals which worsened conditions in Kent and East Sussex. Despite voting against acceptance by a majority of branches the Union refused to act. Three weeks of working to rule and Saturday strikes followed and in Kent 600 joined the National Busworkers Association whilst 300 left the Union completely.

20. 'The Platform' No. 29, June 1952. A letter in the following months Platform from the Secretary of the Hastings branch of the N.B.A. which claimed 140 members and a national membership spread across 16 companies, stated his reasons for leaving the T.G.W.U. This included:
1) The Union co-operated with the company side of the N.C.O.I. against the interests of the men.
2) The experience of the Rank and File Movement proved that it was impossible to change the Union.
3) An official had stated to him that 100 votes of no confidence would make no difference.
4) And that it was impossible to work for an organisation in which I have no faith.


22. The original proposal was for the replacement of trams by buses on a ratio of 2:3. That is 824 trams by 1,236 buses. In the 1949 Annual B.T.C. Report this target was lowered to '1,000 new buses of the latest type'. At the 1952 Pares Tribunal, L.T.E. had claimed there would be 17% more buses than trams which represents 964 buses. In 1950 130 buses replaced 93 trams, in 1951 385 buses replaced 350 trams and in 1952 281 buses replaced 381 trams. The outcome was thus a replacement of 824 trams by 796 buses, a total cut in capacity of 25%.

23. 'The Platform' Nos. 33, 34, 35. October, November and December 1952.


25. This is not strictly true in that to quote Fuller; "One-man buses were first introduced at Uxbridge, Sidcup and Slough garages as early as 1930. At the time the Central Bus Committee's demand for an increase of 10% in the wages of the drivers concerned was refused by the LGOC, but it was anticipated that a maximum of only 25 vehicles would be introduced and they would be confined to the outlying areas. By November 1930 J.J. Mills, the London District Secretary, was suggesting that the company re-open discussion of the principle of one-man operation (O.M.O.), as in the union's opinion experience had demonstrated the inadequacy of this form of operation. Frank Snelling warned that the members of Merton would resist the introduction of O.M.O. vehicles on route 103, a stance which the LGOC warned would be 'seriously regarded by the Company'. Things went from bad to worse. Soon the Company was using drivers trained in O.M.O. as conductors on crew routes. When Cassomini, acting as London District Secretary in Mills absence, demanded that the practice cease, he was met with a blank refusal. During
the Second World War, however monetary compensation was conceded - in principle at least - with an allowance of 5 shillings for all such drivers on routes authorised to take 6 standing passengers." (pp. 211 - 212.)
27. The savings amounted to £13 per bus per week, the driver received £1. The Outer London District Committee claimed that this was a breach of agreement, since L.T.E. had now decided that the 'experiment' was permanent. (Ibid. - No. 98, April 1958.)
28. The summary of Annual Reports of licensing Authorities showed that the number of dispensations for O.P.O. which had been given was 65 in the Northern Area, 49 in the West Midlands Area compared to 6 in the Metropolitan Area. (Ibid. - No. 64, April 1955.)
29. The 1953 wage claim was settled only in early in 1954 at an across the board rate of 7/- per week.
30. Ibid. - No. 58, October 1954. The garages operating the ban were:
Alperton, Amersham, Brixton, Battersea, Barking, Chelverton Road, Croydon, Clapton, Catford, Clay Hall, Clapham, Cricklewood, Crawley, Dalston, Enfield, Elmers End, East Grinstead, Fulwell, Hounslow, Harrow Weald,, Hammersmith, Hanwell, Hackney, Hornchurch, Holloway, Isleworth, Kingston, Loughton, Leyton, Middle Row, Mortlake, Muswell Hill, Merton, Norbiton, North Street, New Cross, Norwood, Northfleet, Old Kent Road, Peckham, Potters Bar, Palmers Green, Plumstead, Putney, Rye Lane, Riverside, Reigate, Stamford Hill, Stockwell, Shepherds Bush, Sutton, Seven Kings, Southall, Sidcup, Stonebridge, Turnham Green, Twickenham, Uxbridge, Upton Park, Victory, Willesden, Wandsworth, Walthamstow, West Green.
32. Deakin commented on the strike in a speech at Birmingham;
"They [...the busmen...] are a privileged section of our union...their conference was called on 5th. October at Caxton Hall. An attempt was made by Communist Busmen to prevent the meeting taking place. They tried to rush the building...they were intimidated - men were in fear." ("Daily Herald" 20th. November 1954 quoted in 'Platform' - No. 60, December 1954.)
33. Among the proposals were a series of measures to reduce costs including cuts in Inside Staffs, less cleaning of vehicles, fewer off-peak buses, increased speeds, heavier loadings, staggering of working hours and the abolition of the L.T.E. or at least separation from the R.T.C.
35. Of the nine strikes outside London, listed in the Ministry of Labour Gazette from 1950-55, four took place in Scotland. These were; at Falkirk in January 1950 and involved 590 drivers/conductors over; 'the demand for reinstatement of conductress dismissed for disciplinary reasons.' (1950 p. 67 & p. 358) They were joined by 800 from
Notes - Industrial Relations

Perth, Steppes, Dundee, Crieff & Alloa. In May 1953 1,300 drivers/conductors from Central Lanarkshire over; 'the proposed sale of season tickets on buses from intermediate stops instead of the companies offices'.(1953 p. 221) On Boxing Day, 1954, 7,120 Bus and Tram Drivers/Conductors in Dundee and Glasgow struck over; 'non-recognition by the crews of agreements made by the N.J.I.C.'(1954 p. 397)

Of the nine strikes, four were concerned with schedules, three with discipline and one with season tickets. Only the Glasgow and Dundee strike concerned national negotiations. Another concerned the non-recognition by the crews of agreements made by the N.U.R. on their behalf. This strike by 1,400 Drivers/conductors and maintenance workers at Hants and Dorset was over duty schedules. One picket was killed during the strike. The breakaway union involved was the National Busworker's Association which was largely a breakaway from the N.U.R. According to Richard Storey; "By May 1952 the N.B.A. was claiming branches in sixteen undertakings, of which two were corporations (Portsmouth and Southampton) and some others not N.U.R. organised (such as Maidstone & District, and Hants & Sussex). However the main impetus of the breakaway came from bus staff in the Hants and Dorset concern, and other companies where busmen were represented by the railway union were listed among the sixteen (Western Welsh, Lincolnshire Road Car Co., United Automobile)." (See "Sources for the National Busworkers' Association" - Richard Storey, Journal of Transport History 3rd. Series, Volume 4, Number 1, March 1983. pp. 81-3.) By 1954 the N.B.A., like the N.P.W.U. before it, had almost died out. I am grateful to Richard Storey for drawing my attention to the above.

All the other strikes arose from local grievances. There was a one day strike at Bridgend and Port Talbot over Christmas Rosters in December 1951 involving 540 crews. From the 14th/17th. June 1953, 320 drivers/conductors struck at Torquay, over alleged insufficient time on new schedules. From the 15th/24th. August 1953 820 Drivers and Conductors went on strike at Coventry over the introduction of new operating schedules. And from the 2nd/10th January 1955, 520 crews at Wales and Monmouth struck over the suspension of five men for refusing to report to employer's head office for interview.

Thus under peakin, strikes were mostly over local grievances and reflected an increase in attempts by stewards to assert localised job control. There were of course many more strikes than those listed in the Ministry of Labour Gazette, nevertheless these are more likely to be over local issues of job control.

200-201.
41. Ibid.
42. 'Wolverhampton Express & Star' - Wednesday, February 16th. 1955.
43. Ibid. Thursday, February 17th. 1955.
44. Ibid. Saturday 19th. February 1955.
47. Quoted in Glass op. cit. p.80.
48. 'The Times' - March 5th. 1955.
49. See "Black and White on the Buses - The 1963 Colour Bar Dispute in Bristol" - Madge Dresser, Bristol Broadside, Bristol 1986. I am indebted to this book for most of this section.
50. Ibid. p. 20.
52. Dresser op. cit. p. 39.
55. Ramdin op. cit. pp. 343 - 357.
56. Dresser op. cit. p. 47.
58. On May 1st. 1955, in Leicester, Arthur Deakin collapsed and died. As had been the case with Bevin, Deakin, who had in any case planned to retire, had already planned his succession. Jock Tiffin, Assistant General Secretary, had already been provided with the benefit of a centre page spread in 'The Record' in March, the place usually reserved for the General Secretary. Charles Brandon, the London Regional Secretary was the most likely alternative. Among the other candidates was Frank Cousins, a full-time organiser in the Road Transport Section since 1938, National Officer for Road Transport since 1944 and National Secretary since 1948. Cousins was popular with the left and disliked intensely by Arthur Deakin following an incident in 1947 when Deakin was shouted off the platform at a meeting by lorry drivers during an unofficial strike. The strikers refused to give Deakin a hearing and called instead for Cousins. 'The Platform' recommended a vote for Brandon as the most likely candidate to beat Tiffin however they did refer to Cousins as '...the youngest and most capable of union officers...'

The result of the election held in April 1955 was; Tiffin 267,019; Brandon 146,366 and Cousins 74,217. In August Cousins was appointed Assistant General Secretary by the Finance and General Purposes Committee. The smooth transition from Deakin to Tiffin was upset when Tiffin became seriously ill. Cousins quickly became Acting General
Notes - Industrial Relations

Secretary. In early 1956 Cousins was elected General Secretary with a record vote of 503,560 compared to the 77,916 votes of his nearest rival. An example of the changed atmosphere was his attitude towards unofficial disputes. Whilst; "...Deakin used to deal with unofficial strikers by ignoring them and refusing to treat with their leaders. Cousins, by contrast, ...was ready to meet deputations at Transport House, receiving them as members of the Union." See - "Frank Cousins - A Study" - Margaret Stewart, Hutchinson & Co., London, 1968. pp. 7-11 & 31.

59. According to Henry Pelling;
"The T.U.C. leaders, led by Deakin of the Transport and General, Tom Williamson of the General and Municipal and Will Lawther of the Mineworkers', saw to it that the cautious and moderate policy which they had pursued under the Labour Government was maintained under the Conservatives. Among other things, they ensured the resolutions denouncing all forms of wage restraint - such as were regularly submitted to Congress by the Communist dominated unions - were voted down by adequate majorities." See 'A History of British Trade Unionism' - Harmondsworth, 1963. p. 235.

60. All these quotes are from Stewart op. cit. pp. 41-45. Geoffrey Goodman in his book; "The Awkward Warrior: Frank Cousins - His Life and Times" (Spokesman, Nottingham 1979.) writes of this speech;
"Political speeches at the TUC in the past had been either muted with caution or identifiable as standard Communist Party attacks on the TUC (or Labour Party) establishment. This time there was a fundamental challenge from the non-Communist Left; a challenge that could not be ignored, because it came from the General Secretary of the country's largest trade union.

The late Richard Crossman...observed later that the speech marked the end of 'Butskellism' as far as the organised Trade Union movement was concerned. Crossman also noted that the speech would be ...enormously invigorating to the Labour Party...".

61. 'The Platform' - Nos. 77 & 79 - June and August 1956.
62. Quoted in the 'Daily Worker' - Wednesday, July 24th. 1957.
63. Ibid. Saturday July 20th., Monday July 22nd. and Friday July 26th.
64. Thus during the 1957 strike Hemel Hempstead, Tring, Amersham and Chesham depots, after close contact with Aylesbury which was on strike, refused to operate 'black roads', that is routes operating over 'provisional territory.
65. 'Platform' - No. 91, September 1957.
66. See Goodman op. cit. p. 191.
67. Ibid. p. 168, 182 and 189.
68. 'The Times' - Saturday May 3rd. 1958.
69. Ibid. Wednesday May 14th. 1958.
70. Ibid. Friday May 23rd. 1958.
Notes - Industrial Relations

72. See Chapter Five account of the Coronation Bus Strike.
74. Ibid.
75. See "The Platform" - No. 102, July 1958 and "The Times" Wednesday June 18th. 1958.
76. See Fuller op. cit. p. 229.
77. This table is derived from "The Platform's" own figures for sales and the recording of certain votes. The index of "militancy" is derived from comparing garage votes which have been listed in "The Platform" about which the paper took a clear position. Since circulation figures are only available from "Platform" itself and since the garages with the highest circulation are not necessarily the same as those garages where the highest proportion of workers buy the publication, these figures should be treated with care. Nevertheless there is no doubt that the paper in a significant circulation, if only to judge from the reactions of some of the full-time officials.
78. Goodman op. cit. p. 176.
79. "Platform" November 1959 (No. 117) and October 1960 (No. 128).
81. Ibid. March 1959 (No. 111).
82. Ibid. May 1959. (No. 112).
83. Fuller op. cit. p. 229.
85. Ibid. April 1962. (No. 144).
87. See "Platform" November 1962 (No. 151) also the letter in March 1962 (No. 143) from a member of the Labour Party who claimed "...for your information wages are so low that men cannot afford to strike. I personally told my husband not too...the plight of the L.T.E. worker is already showing signs of the times. The Board have swamped the garages with coloured immigrants and overtime is almost extinct. I believe this is happening all over the L.T.E. areas..."
Correspondance continues throughout 1962 and 1963 on this issue.
88. Ibid. March 1963 (No. 155).
89. "Platform" - August 1964 (No. 172).
The estimates were as follows:
Increase in 3d. fare to 4d. (L.T.'s estimate) £2,770,000
Revenue from July Fare Increase. (L.T.'s estimate) £5,500,000
Savings from 1,400 staff £1,237,000
Savings from vehicle cut and overtime reduction £1,250,000
Total ........................................ £10,757,000

Annual cost of interim award £1,056,000
Annual cost of Final award £3,211,000
Total ........................................ £4,267,000

Share of increased revenue going to bus workers = 39.66%
91. "Wilson asked specifically for trade union cooperation in wage restraint - promising, at the same time, that a
Labour Government would seek to restrain all incomes, not merely wages. He asked for a curb on unofficial strikes, a reduction in restrictive practices and an altogether new spirit of cooperation from the unions. In return, he pledged that a Labour Government would attack the profiteers, the tax avoiders, the property speculators..." From Goodman, op. cit. pp. 366-7.
CHAPTER NINE
THE RESTRUCTURING OF THE INDUSTRY

By the mid-1960's the industry demonstrated all the signs of crisis. Passenger carryings were falling year by year, the industry was becoming increasingly unprofitable due to the rapid increase of private motoring creating traffic thrombosis in all the major cities; the perennial labour shortage was worsening; the machinery of industrial relations bargaining temporarily collapsed as the T.G.W.U. withdrew from the N.J.I.C. In late 1967 a series of guerilla disputes across the country created the basis for a settlement which was immediately blocked awaiting the deliberations of the National Board for Prices and Incomes. For eleven weeks beginning March 1968, virtually the whole of Liverpool was without bus services as 3,200 Corporation bus workers struck in protest. A whole number of factors precipitated this crisis.

The labour process was undergoing fundamental change with the introduction of one person operation (O.P.O.), not merely on the fringes of the network as over the previous decade, but with the intention of removing conductors completely. Agreements on the introduction of O.P.O. had been enforced by the Prices and Incomes Board. Secondly the industry was in the process of restructuring. The 1968 Transport Act allowed for the purchase of B.E.T. and its amalgamation with Tillings to form the new National Bus Company. In addition in four major urban areas all bus services were to be amalgamated under the control of Passenger Transport Authorities which were similar in function to the proposed Area Boards of 1949. Finally London Transport was transferred in 1969 to the control of the Greater London Council. Thirdly the development of computer planned scheduling was a breakthrough in the application of science to operations management. The first programme, known as STAMINA, was developed by Manchester Corporation in 1958.
The Restructuring of the Industry

and allowed for tighter scheduling through running buses on a mixture of routes where they shared a common terminus, reducing stand time. Previously scheduling aimed at maximum efficiency within operational rules route by route, now they could be combined. A further step was to develop computer programmes which could handle scheduling for an entire city. Staff at Leeds and London Universities were attempting to develop such programmes in the mid-1960's. Clearly if this was possible, then it would become impossible for the union to present alternative schedules without an understanding of such techniques. In other words, if a programme for computer scheduling could be devised, a major aspect of localised job control which had been a serious source of dispute and struggle in the past, would now become solely a management prerogative.

All these factors produced increased uncertainty in the industry at the same time as a new wave of labour militancy, in which bus workers played but a small part, arose in response to a growing economic crisis. Frank Cousins had been appointed as Minister of Technology in 1964 and in preparation Jack Jones was appointed to the new post of Assistant Executive Secretary in 1963. Although Harry Nicholas replaced Cousins as acting General Secretary, it was Jack Jones who became the most influential figure inside the Union. Jones was more radical than Cousins and had as Midlands Regional Secretary devolved considerable power to shop stewards in engineering, a process he now applied to all sections of the Union by increasing the involvement of lay officials at all levels of the Union. Thus at a time of rising militancy the Union became considerably more responsive to pressure from the branches.

The Labour Government, which had been under intense financial pressure almost permanently since 1964, moved from a system of quasi-corporatism based on trade union consent towards an increasingly authoritarian stance towards the unions. This manifested itself not simply over the
The Restructuring of the Industry

imposition of statutory incomes controls through the Prices and Incomes Board, which resulted eventually in Cousins' resignation. There were also tighter controls over nationalised industries. In particular there was the Donovan Commission on Trade Unions, and the 'In Place of Strife' White Paper which aimed at legal controls over free collective bargaining and the right to strike; all of which contributed to the growth of a powerful mythology in which trade unions and particularly unofficial strikes were the root cause of Britain's economic problems. In the creation of this mythology Harold Wilson's attacks on the seaman's strike of 1966 played a central role. Leaving the mythology aside; the reconstruction of the bus industry took place against the background of a systematic attempt to restructure both the organisation and the social relations of capitalism.

There were three different aspects to the restructuring of the industry which began in the mid-1960's. Firstly the interventions of the National Board for Prices and Incomes which issued a series of reports recommending the massive extension of O.P.O. Secondly the reorganisation of the industry including; further nationalisation, and the creation of the National Bus Company (N.B.C.); the creation of Passenger Transport Authorities firstly in four areas and later in seven areas, consisting of the seven largest urban areas outside London; and lastly the transfer of responsibility for London Transport to the G.L.C. Thirdly the rapid development of managerial techniques for increasing productivity involving operational research and computer modelling. This was accompanied by the growth in academic research into transport in general. These form the first three parts of this chapter. The following part will examine the increase in militancy both in the industry and in a wider context. Finally we will examine the consequences of this new militancy on the relationship between the Unions, the employers and the state. The structures of which Panitch referred to as quasi-corporatism.
The Restructuring of the Industry

1: Productivity and The National Board for Prices and Incomes

The long, slow decline in the industry over the previous decade ensured that sooner or later some long-term solution to the two fundamental and connected problems that the industry faced would have to be devised given that there was a general consensus from the Buchanan Report on 'Traffic in Towns' onwards that public transport provided an essential function which the private car could not meet. The first report of the National Board for Prices and Incomes [N.B.P.I. Report Number 16, May 1966] painted the following picture of the industry. The first problem was the continual decline in passenger carryings; in the ten years after 1954 London Transport lost 36% of passenger carryings, the Municipal sector lost 21% and the Company sector lost 18%. Over the same years fares had risen by an average of 70%; 63% in the Company sector, 69% in the Municipal sector and 89% in London. The problem of fare rises was linked directly to loss of passengers. Fares had risen at twice the general rate of inflation and four times faster than the individual costs of private motoring. The social costs of private motoring fed back directly into the bus industry in the form of higher running costs caused by traffic congestion.

A second reason for the decline in passenger carryings was unreliability caused by the continuous shortages of staff which was greatest in London and the largest cities. In March 1966 London Transport reported a shortage of 13% for bus drivers and 12.5% for conductors. In February 1966 24 out of 81 municipal operators reported a driver shortage above 15% and 9 reported a similar level of conductor vacancies. Of 545 Company garages 100 showed a 15% shortage of drivers. The labour shortages were caused by relatively unattractive conditions, particularly shift, split shift and weekend working. Basic wages were low and consequently crews were more or less obliged to work a considerable amount of
The Restructuring of the Industry

over time. In this respect the recent improvements in the standard working week from 44 hours to 40 hours and the gradual introduction of five day working provided no solution. The consequent necessity for staff to regularly work overtime made the job still less attractive especially where the operators were faced with a highly competitive labour market. Table Twenty Five indicates the average earnings and hours by sector. The necessity to pay higher wages in the big cities was reflected in a shorter average working week yielding higher average earnings compared to

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>PLATFORM STAFF</th>
<th>BASIC WEEKLY RATE</th>
<th>AVERAGE ROSTERED EARNINGS</th>
<th>AVERAGE GROSS EARNINGS</th>
<th>AVERAGE WEEKLY HOURS</th>
</tr>
</thead>
<tbody>
<tr>
<td>LONDON</td>
<td>32,000</td>
<td>305/6d.</td>
<td>351/1½d.</td>
<td>429/5d.</td>
<td>45.5</td>
</tr>
<tr>
<td>MUNICIPAL</td>
<td>53,000</td>
<td>247/9d.</td>
<td>340/-*</td>
<td>425/1d.</td>
<td>51</td>
</tr>
<tr>
<td>COMPANY</td>
<td>75,500</td>
<td>246/3d.</td>
<td>n/a⁸</td>
<td>384/6d.</td>
<td>53.25</td>
</tr>
</tbody>
</table>

Notes: London wages and hours refer to Central London only. London wages and hours from March 1966, Municipal from February 1966 and Company from May/December 1965. Basic rate applies to 40 hour week except in Company Sector where the basic week is 42 hours. * = Median undertaking. @ = Much Company work is not rostered.

the Company sector.

These two fundamental problems gave rise to a third problem; an impending financial crisis. London Transport's financial deficit was met by Government funds after 1964. In Manchester fare increases designed to raise revenue by 12.5% despite an expected fall of 9% in passenger carrying and a planned 10% cut in services were only expected to offer a short-term respite. In 1965-6 29 out of 92 municipal undertakings were in deficit and in 1966-7 this had risen to 42. Even in the Company sector, where net profits remained constant in monetary terms from 1958 to 1965, the rate of return on assets was falling. There were several possible
The Restructuring of the Industry

solutions to this problem. In 1924 the Government had decided to prevent a further decline in tramway revenues by banning competition from the independent buses which were running over the same routes. Thus one possible solution would have been to ban private cars from the centre of the largest cities since this is where the problem was greatest. The second possibility would have been to transfer resources from private transport to public transport by means of taxation on new cars or petrol or through the road license. The third possibility was to reduce pay or increase productivity.

The two previous Government Inquiries into London Transport, the Chambers Committee of 1955 and the Phelps-Brown Committee of 1964, had insisted that it was vital for London Transport to set wages and conditions in order to attract labour of sufficiently high quality. In a revealing passage the Phelps-Brown Report states that:

"...If the present policy, which in our judgement produces a false economy, is maintained, there will be a chronic inability to get staff of the right quality and a fall both qualitatively and quantitatively in the standard of service given by London Transport, which in turn will encourage the use of other forms of transport with its attendant consequences for London Transport in the shape of diminished revenue, increased traffic and congestion and difficulty of operation."^4

Thus Phelps-Brown, following Chambers, ruled out any solutions based on reducing wages and conditions. Instead they pointed to the importance of improving the standard of service in order to prevent the continuing spiral of decline.

The N.B.P.I. had no remit to examine transport policy and thus excluded from consideration any external solution to the problems faced by the industry. They also differed with the conclusions of the Phelps-Brown Report which explained the root cause of the decline as a fall in the standard of service both qualitative and quantitative. Instead they concluded the exact opposite;
The Restructuring of the Industry

"...the main internal cause of its contraction—namely, rising costs due to rising wages unaccompanied by any significant reduction in the manpower required per vehicle mile..."

The conclusion that wage costs are the root internal cause of the problems of the industry is merely an assumption. The N.B.P.I. Report provides no historical evidence that wage costs were rising as a proportion of operating costs and as shown previously in Chapter Seven, this was not in fact the case. Therefore there is no reason to single out the wages of platform staff as the sole cause since these were, by their own estimates, less than half of total costs. Secondly the fact that there was no significant reduction in manpower required per vehicle mile is not something that can be 'internally' explained. The fact that it was not rising is precisely because there were significant improvements in productivity in deteriorating traffic conditions which cancelled each other out. Further the measurement 'manpower required per vehicle mile' ignores the increases in productivity bought about by larger vehicles. The First Report of the N.B.P.I. into the industry, considered it in isolation from any discussion of transport policy. Further the Report introduced a basic, unquestioned and unproven assumption about the economics of the industry which determined their conclusions.

The report also commented on the institutional arrangements for wage bargaining in the industry. These had been criticised by the Wilson Report of 1965 which had examined the breakdown of the N.C.O.I. and recommended a single machinery of negotiation covering all three sectors. This would serve to end the unjustified differentiation of N.C.O.I. and N.J.I.C. rates and conditions. The system was accused of creating the conditions for 'leapfrogging' between London and the rest of the country and also for the 'tail wagging the dog', meaning that the negotiations covering the largest group of workers, those in the Company sector, were largely determined and influenced by the preceding N.J.I.C. settlement. Table Twenty-Five provides
The Restructuring of the Industry

sufficient information to discount this theory held by company managements from Crosland-Taylor's days onwards. Indeed, as Allen pointed out in a discussion of militant unionism, the Union could have used the machinery to create minimum national rates and encouraged more militant sections to pursue higher wages helping to force wages up in the worst paid sector\(^6\). It is significant that the N.B.P.I. thought that the institutional arrangements should remain and suggests that there was a hidden assumption that these arrangements aided wage restraint. Events turned out later to justify this assumption as we shall see.

The central conclusion of the first N.B.P.I. report was that;

"...the most effective remedy for an undertaking suffering from a shortage of labour...is to make better use the labour which it already has..."\(^7\)

The industry could do this by;

"...more economical staffing of buses and particularly in the extended use of buses operated by the driver alone. It is estimated that the operation of the bus by the driver alone reduces total costs by 15 to 20 per cent. Savings of this order would leave room for rising earnings for busmen while at the same time slowing, if not halting, the rise in fares to the customer."\(^8\)

The Report also suggested smaller ways in which costs could be reduced; through the shortening of routes, the increase in the number of standing passengers up to the maximum limit, the introduction of part-time workers, greater flexibility in employment and a reduction in restrictions on the use of bus workers time. Since in London some changes had been accepted as part of the Phelps-Brown Report, their 6.6% wage increase was allowed. In the municipal and company sector the 6.6% claim was disallowed until such time as there was significant improvement in line with their recommendations on productivity.

In December 1967 the N.B.P.I. reported again, this time on 'Productivity Agreements in the Bus Industry'. Since the previous ruling;
The Restructuring of the Industry

"...London rates of pay moved to their present level in June 1966; but the increase in municipal rates did not take place until January, 1967, having been delayed by the "freeze" of the second half of 1966. Pay increases in the company sector, which had not been agreed when the "freeze" was imposed, were further delayed by the period of "severe restraint" until July last."

Thus the reference of pay agreements to the N.B.P.I. delayed them by between twelve and eighteen months. The Second Report was no different and took place against the background of a breakdown in the N.J.I.C. as a consequence of the rejection of the 'Busmen's Charter' which aimed at a minimum basic weekly rate of £15.

By December 1966, according to the N.B.P.I., only 8% of route miles were operated by O.P.O. The Company sector was most advanced with some 11% of route mileage converted to O.P.O. This was confined almost entirely to non-urban single-deck vehicles with a capacity of less than 50. However the rate of conversion had slowed down;

"About 6,500 single-deck stage buses owned by company employers are still operated by 2-man crews: and the companies estimate that, but for local union resistance, about 1,180 of these could be converted to O.M.O. in the next few months."

In the Municipal sector, with the exception of Sunderland and Reading where around 30% of the fleet had been converted, progress was slow. In Manchester there was a plan for complete conversion in the next eight years. Two thirds of municipal operators had introduced some O.P.O., but this generally amounted to no more than 5%. At the end of 1966 730 out of 16,800 buses had been converted to O.P.O. In London there was a certain level of O.P.O. conversion, mostly on the country services as detailed in Chapter Eight and also with the 'Red Arrow' flat fare service. Only 90 vehicles were single-manned in the Central Area by the end of 1966 and negotiations had "...reached an impasse in August 1966 and have since halted further progress."

The existing extra rewards for O.P.O. drivers varied quite considerably between the three sectors and in
municipal operations which had 'opted out' of the N.J.I.C. These are summarised in Table Twenty-Six on the next page, which is reproduced from Report Number 50 (table four). The different premia payable vary, excluding London's "Red Arrow" services, from 10% to 25%, but the rate on which this premia is calculated varies considerably also. Some are simply paid on flat rates, which generally only form between two thirds and half of gross average earnings, some are enhanced by other payments such as shift pay, extra pay on evenings and weekends, service bonuses and fares bonuses and so on. Some of the 'savings' from O.P.O. operation were given to all crews and some to the O.P.O. driver only; these general bonuses do not figure in Table Twenty-Six. The N.J.I.C. agreement of 1965, which included the O.P.O. bonus
The Restructuring of the Industry

deal, also included a penalty clause on unofficial strikes. According to the Financial Times "a bonus of £12 10s. paid twice a year would be withheld from any busman involved in an unofficial action."12

The N.B.P.I. held that all these different arrangements should be rationalised together into one national agreement and that local negotiations should then take place over specific productivity deals relating to "restrictive" practices. In other words, the question of O.P.O. bonuses should be tied together with local productivity deals over a range of issues. These issues varied from operator to operator. Whilst the Board considered that strict controls over spreadovers were necessary and justified to keep the job attractive. Almost all other agreements were "restrictive". Thus;

"...unrealistic "signing on" and "signing off" allowances increase the proportion of unproductive time paid for...Others impede efficient scheduling and flexible operation: these include opposition to the use of part-time labour...refusal to accept alternative work when otherwise unoccupied; and opposition to the curtailment and diversion of buses to meet traffic congestion. Schedules themselves are also the subject of local agreement, and many scheduled speeds have not been recently adjusted to take account of improved roads and advances in bus design and equipment."13

As a consequence of this discussion, the N.B.P.I. recommended the following course of action. Firstly, and contrary to their conclusions in Report Number 16, they suggested the fusion of the N.C.O.I. and the N.J.I.C. and the creation of urban rates of pay covering both municipal and company drivers in cities. (The company sector operated a number of city services in towns such as Bristol, Stoke-on-Trent and the Potteries and shared urban services in many other towns and cities.) The Company Sector should also introduce bonuses similar to those operated by municipal authorities, but the forfeiture clause of the 1965 N.J.I.C. agreement, concerning unofficial strikes, which had led to the breakdown of bargaining, should be withdrawn. London
Transport, they suggested, should remain separate from a bargaining point of view as traffic conditions were much more onerous and living costs were incomparable.

Secondly, a ten shillings bonus should be paid to all traffic staff where a genuine agreement for the extension of O.M.O. operation had been concluded. This payment should be reviewed each year, based on calculations of savings made on a group basis in the company sector (i.e. the new National Bus Company and the Scottish Bus Group) and on an operator basis in the municipal sector. The premium rates recently agreed by London Transport, which were 20% for single deck and 25% for double deck work, would on their own calculations absorb 93% of all savings in the first year falling to 46% eventually, were regarded by the N.B.P.I. as much too high. As they commented "...the giving to platform staff of over 90% of the expected savings from one-man operation would leave practically nothing for the undertaking and its future development or the consumer." In other words, O.P.O. savings were not simply to provide the pay and conditions necessary to attract enough workers, something the industry had been unable to do for fifteen years, they were also to provide enough funds to cut fares and invest in future development. It is notable in this respect that the London Transport Agreement with the T.G.W.U. was rejected overwhelmingly in a branch ballot for making too many concessions to the employers.

Thirdly, the N.B.P.I. recommended further study of the 'extra effort' involved in O.P.O. operations. The Board commissioned one study by management consultants, extremely limited in scope, which determined that the extra effort involved for the O.P.O. driver, compared to the crew driver, was between 7% and 25% depending on the number of passengers per hour. This was derived from the extra responsibilities that an O.P.O. driver had to carry out compared with a crew driver. The consultants noted five areas of additional responsibility of which the first three were most important.
The Restructuring of the Industry

Namely;

1) Fare collection and ensuring all passengers pay. Passenger overriding, previously the responsibility of conductors, was now considered to be the Inspector's problem.

2) The security of passengers and property. The consultants thought that since the crew driver was already responsible for the doors, this made for no extra work. The 'periscope' arrangement gave the driver a view of the upper deck.

3) Reversing, which without a conductor is an extremely dangerous manoeuvre.

4) Breakdowns - the O.M.O. operators is both responsible for the cash and the bus as well as having to find a telephone to call in.

5) Blind-changing - ensuring the proper destination is displayed.

These require further consideration.

As regards fare collection and ensuring passengers pay; the Report notes that;

"Even on London Transport's "Red Arrow" service with a flat fare, no concessionary fares, automatic change-giving machines and a passimeter, the driver had to deal with boarding passengers: answering questions as to route and destination, giving directions where to get change, and generally shepherding the passengers."16

Most O.P.O. services had none of these features. Instead drivers had to deal with a complex fare structure which required determining the exact required stop, not merely the general area. Drivers had to give change, usually coping with a fare structure which was not rounded into convenient amounts. Drivers had to give directions, on some services where the majority of the passengers were strangers to the city, this would take considerable time.

But even if automatic fare collection systems, simplified fare structures, bus passes and better information at bus stops were provided; this still leaves out of account the
The Restructuring of the Industry

most significant contribution of the conductor which is to assist passengers, especially the elderly, people with young children, push chairs and shopping, the disabled and the blind to get on and off the bus. To solve this problem some operators used two door buses, with a mirror arrangement to enable the driver to see the rear door. However if passengers fell when alighting, they fell out of sight of the driver. Since the driver would be collecting fares it was not possible to simultaneously watch the rear doors where passengers may enter with intent to avoid fare payment. One solution to this was single door operation which slowed down the service further as boarding passengers have to wait for those leaving the bus.

The Consultants examined already converted services. Since it was the quietest services that were first converted this is what they examined. Supposing that overriding takes 10% of conductor's time (an obvious over-estimate) and that the extra effort by the O.P.O. driver takes over 7% to 25% of the conductor's duties. What, then, did the Consultant's consider that conductor's did with the remaining 65% to 83% of their time? Either they assumed they did nothing, or they assumed that the public could be encouraged to take over most of the responsibilities of conductor's. Neither of these assumptions will bear any serious examination. Further, at no point did the Consultant's or the Board consider the effects of O.P.O. operation on service quality, yet the reduction in quality served to deter significant numbers of passengers from continuing to use buses.

Thus the Board recommended premium payments of between 7% and 14% where up to 60 passengers an hour were carried; of between 10% and 17.5% on passenger carryings of between 50 and 120 an hour; and up to 25% on carryings of 100-200 per hour. However, it was considered that there was a top limit of O.P.O. operation of around 100-150 passengers an hour. Beyond this, it was considered, savings would begin to diminish as operating speeds declined and more vehicles were
The Restructuring of the Industry

required to maintain the same service. Thus, significantly, the N.B.P.I. recommended a substantial reduction in existing O.P.O. bonuses, as shown in Table Twenty-Six.

Forthly, the Board considered that there should be locally agreed productivity bonuses based on the genuine erosion of 'restrictive practices'. These should be contained within a nationally agreed framework which would define the maximum allowances for each relaxation of a 'restrictive' practice. Thus whilst O.P.O. operation was the most significant concession, the Board also required productivity bargaining over practically every improvement in conditions that had been made. The tendency was for these concessions on 'flexibility' to be sold for cash sums which were always excluded from annual pay settlements and thus declined in value very rapidly. These local productivity bonuses also had an important impact on the pattern of militancy as we shall see.

Thus the Board set the parameters of discussion over the future of the industry separating any consideration of transport policy and reducing it to the question of productivity and particularly the introduction of O.P.O. The recommendations contained in the Reports suggested the most far-reaching changes in the labour process since the mechanisation of buses some forty years previously. Finally, and most important of all, the Board's recommendations were made against the background of a severe restriction on wage increases. Every Report by the Board, and there were seven in total, delayed the payment of already negotiated increases and provoked the most significant breakdown in industrial relations machinery since its inception.


The 1968 Transport Act reorganised and restructured the industry in all three major sectors. The Transport Holding
The Restructuring of the Industry

Company (T.H.C.) which had assumed the responsibilities of the Road Passenger Executive of the B.T.C. was empowered to buy out the remaining share of the industry held by B.E.T., it had in any case owned up to half of these companies through the entry of railway capital into the industry in 1928 and through the complex set of agreements that existed between Tillings and B.E.T. including the Joint Holding Company known as Tilling & B.A.T., though these had been substantially simplified during the Second World War. All these interests were now bought together under the National Bus Company (N.B.C.) in England and Wales and the Scottish Bus Group. The Area Plans, which had been provided for under the 1947 Act but had never been carried out, were now applied to the major urban areas outside London. Tyneside, SELNEC (South East Lancashire/North East Cheshire) centred on Greater Manchester, Merseyside and the West Midlands were now each given one Passenger Transport Authority empowered to operate services through Passenger Transport Executives. These were extended subsequently to cover South Yorkshire (Sheffield), West Yorkshire (Leeds) and Strathclyde (Glasgow). Lastly, as a consequence of the increasing financial difficulties experienced by the London Transport Executive, control over transport in Greater London was handed to the G.L.C.

According to D.L. Munby, the greatest success of the 1962 Act which had broken up the B.T.C. was the T.H.C. with its "...decentralised, market oriented, national enterprise - preserved in N.B.C..." Barbara Castle, the Minister of Transport was praised since her "...dirigisme throws over both the traditional socialist dogmas of "coordination by nationalisation" and the naive belief that competition in the transport industry will solve every problem without coordinated control of the market as a whole." The advantage of the P.T.A.'s was their statutory obligation to provide transport plans for the whole conurbation taking into account roads and parking, and bus and rail services within an overall planning context. Further, they would...
The Restructuring of the Industry

operate within an extensive framework of government support but would be primarily responsible to Local Government. Lastly they would possess a number of advantages through the system of flexible control expressed through traffic plans, specific grants for infrastructural projects (previously these 75% Central Government grants only applied to roads, now they could apply to rail and bus improvements) and the fuel tax rebate for public service vehicle operators. Each P.T.A. was required to produce plans within two years and to set up a P.T.E. to reorganise bus undertakings in the area. This lead Munby to question whether the West Midlands and Manchester Executives, with over 2,000 buses each, would not become so obsessed with the reorganisational problems that they would fail to produce transport plans.

Each Executive was expected to take over N.B.C. services in their area. Paragraph 55 of the 1968 Act recognised that;
"...the agreement between the Executives and N.B.C. must not destroy the basis on which N.B.C. Companies can operate profitably...they will need a mix of urban routes if the 'mix' of their services is to enable them to be viable undertakings. These considerations need to be taken into account in the arrangements between Executives and the N.B.C."

In direct contradiction Paragraph 29 stated that;
"...if costs in a particular part of the area are relatively low, then it would seem right for the travelling public in that part to enjoy the benefits."

Thus the Act was by no means clear on the question of 'cross subsidisation', that is the maintenance of a network of services in which the loss makers are subsidised by the profit makers. This could operate both on the same route, where early, late and Sunday buses may be run at a loss from the profits of day-time services or across different routes. The question of cross-subsidisation would become crucial later and this failure to clarify the situation was a serious defect with the Act. Whilst unclear on cross-subsidisation the Act did provide for Government subsidy of socially necessary but loss-making routes. In the next Chapter we will examine in detail the consequences of this
The Restructuring of the Industry

reorganisation.

Finally the Act proposed a major change in the legal limits covering driving hours. These were as follows: actual driving time per day would be limited to 9 hours compared to 11 hours before the changes; hours at work would be limited to 11 hours compared to 14 hours; total spells of spreadover duties (those with time off in the middle between the peak hours) would be limited to 12.5 hours on stage carriage services and 11 hours on others; the maximum week on six days was to be 60 hours; one rest day per week would become compulsory; and the continuous daily rest period was to be increased from 10 hours to 11 hours. However the proposals were slightly relaxed in certain circumstances, for example overtime duties required only 9 hours rest as opposed to 11 hours. The employers believed that this would increase staff costs and staff shortages leading to a reduction in services and possibly in earnings.¹⁹

The effect of the Act was to structure the industry as shown in Table Twenty-Seven below.

<table>
<thead>
<tr>
<th>U.K. BUS FLEET BY OWNERSHIP: 1970.²⁰</th>
</tr>
</thead>
<tbody>
<tr>
<td>OWNER</td>
</tr>
<tr>
<td>-------------------------------------</td>
</tr>
<tr>
<td>National Bus Company</td>
</tr>
<tr>
<td>Scottish Transport Group</td>
</tr>
<tr>
<td>Municipalities</td>
</tr>
<tr>
<td>P.T.E.'s (4)</td>
</tr>
<tr>
<td>London Transport</td>
</tr>
<tr>
<td>Independents</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

The Transport and General Workers' Union welcomed the Act in principal particularly the sympathy shown by Barbara Castle to proposals put forward in a discussion paper submitted to her by the two National Officers, Alan Thompson and Larry Smith. The Union saw the Act as substantial progress towards three of their demands. These were; firstly
The Restructuring of the Industry

that public transport should receive government assistance; this was met by the provision for grants towards new buses of 25% of their cost up to £20 million. Secondly the integration of public transport planning into regional planning mechanisms which was met by the P.T.A.'s. Thirdly the subsidy of rural transport which was provided for.

However there were a number of areas in which they would have liked to see more progress. In particular the Union wanted tighter controls over smaller operators through the inclusion of vehicles with less than twelve seats and the right as a Union to object to the issue of operator's licenses. Secondly they wanted the integration of town and country services and thus opposed the exclusion of the N.B.C. and S.B.G. from the P.T.A.'s. In particular they wanted the whole of Scotland to be covered by one P.T.A. Thirdly while they welcomed the proposed limitation on hours they wanted earnings to be maintained, no exemptions for part-time drivers (those working under 4 hours per day were excluded), no paid employment on any kind to be allowed in the ten hour minimum rest period between duties and no delay in introduction. Lastly and most important of all, they noted that once again a Labour Government had extended public ownership without including any mechanisms for worker's representation. They wanted P.T.A.'s to include union representatives and joint control over the engagement and displacement of employees and over services and routes.21

3 : The Growth of Operational Research

As we have seen so far, the strategy of N.B.P.I. intervention in the industry was to encourage the conversion to O.P.O. as rapidly as possible and to eliminate 'restrictive' practices through productivity bargaining. The restructuring of the industry introduced integrated regional transport planning in the urban areas and placed
The Restructuring of the Industry

all the rural operations under the control of N.B.C. and the S.B.G. and introduced limited subsidies. Further conversion to O.P.O. was encouraged through the introduction of New Bus Grants. Clearly this was the first time that a major ownership change in the industry was accompanied by a radical attempt to transform the organisation of the labour process at the same time. The final aspect of the 1968 Act was to commit the Ministry of Transport to assist bus operators to mount a "...much needed programme of operational research." 22

Operational research is the systematic application of scientific techniques to work organisation. In the bus industry the most important application is in the area of scheduling both in terms of route timings and staff and vehicle allocation. Scheduling was largely the result of custom and practice, reflecting the origins of the industry. Routes ran down main roads in and out of town centres because that was what worked. All that was required for the compilation of schedules was knowledge of the operations and the application of increasingly complex negotiated rules over the lengths of time traffic staff could spend on a bus and driving without breaks. Crosland-Taylor, in his book about Crosville mentions the introduction of management training which included the setting of simple scheduling problems. It is interesting that as late as 1965 the T.& G. 'Record' could report the acquisition of a new computer by London Transport with the following comment:

"Research into bus schedule and train timetable compilation problems has shown the combinational problems so vast that it is unlikely that any computer now available would be capable of obtaining an optimum result within a practical measure of time." 23

In fact, as N.B.P.I. Report Number 63 details, computer scheduling had begun in Manchester in the late 1950's 24. The programme, known as STAMINA, was used to reduce layover time at terminals. This could be carried out on groups of routes operating from the same garage using linear programming,
The Restructuring of the Industry

however the use of a computer made it possible to examine the operations of many depots and termini. The programme operated in four stages:

1) Allocation of arrivals and departures at common termini to reduce layover time.

2) Examination of suburban layover times to see whether time-tables could be shortened to improve allocation at the central terminal.

3) Examination of departures which could be served by a bus running light (empty) from another terminal. Where main routes run across town to outer termini it may be better to cut them in two and allocate the bus to a different departure.

4) Examination of journey-times and point loadings. Buses can then be saved by increasing running speeds outside the peak and running empty buses as non-stop specials in the non-peak direction of traffic flow.

Running the programme resulted in substantial savings, according to the N.B.P.I. In four cities, studying the allocation of 475 buses, the STAMINA programme revealed an average vehicle saving of some 59 vehicles, or 12% of the required fleet. However, these are only potential savings derived from computer modelling. If one route is particularly liable to congestion, then the effect of this sort of scheduling would be to disrupt a whole set of routes, which would then lose passengers. Further, cuts in layover time, it was pointed out to the N.B.P.I., were a matter for negotiation with the unions.

The STAMINA programme, together with a route evaluation programme matching frequencies of service to potential demand was carried out by a team from Birmingham University in Wallasey, Cheshire. The route evaluation programme, working on the model of the modal split (basically how long a part of the journey people are prepared to do on foot before they cease to use the bus), estimated potential savings of £32,000 per year. When the system was operated in
The Restructuring of the Industry

February 1967, half the savings were 'lost' when the public demanded the reinstatement of one service, considered by the programme as unnecessary. The same technique was tested at Ribble in Carlisle revealing negligible savings. In Manchester the same method of study on a group of 164 vehicles operating 19 routes suggested savings of 22 buses, though entailing a decline in the service. Further work on these techniques was reported by the N.B.P.I. to be underway at Leeds and London University.

The same Report outlined consultancy work carried out in Nottingham. In a study of 111 buses it was discovered by reducing layover time that 5 could be saved in off-peak periods and a further 3 buses if they were allowed to run to the most suitable terminal. In the peak period the estimated savings were 5 and if layover time could be reduced to 15% journey time, a further 5. Another 16 buses could be removed if every other bus running in a non-peak flow direction were to run light (empty).

Report Number 69 suggested that of 280 buses studied in Liverpool;

"...Greater operational flexibility between routes and garages, reductions in layover time, non-stop running in non-peak directions, and reduction in operating frequencies could eliminate the need for at least 25 buses in the morning peak and 39 in the evening peak..."25

In Glasgow, the preparation of the Greater Glasgow Transportation Study prevented the N.B.P.I. from examining more than 16 routes on the Liverpool model and discovered that '...layover times are fairly tight, and the physical scope for inter-working so limited, the potential savings...were very small'.26 In Belfast the application of the same techniques '...identified no scope for major savings.'27

The STAMINA programme and further exercises such as the Market Analysis Project, which was carried out by N.B.C. in
The Restructuring of the Industry

the late 1970's and early 1980's all suffer from the same fault. Their assumptions about human behaviour are extremely crude and their knowledge of bus operation is rather limited. The first assumption is that passengers respond to sudden changes in bus routes, rather than, as in practice, waiting on the same bus stop as before wondering where the bus is. Passengers do not like buses which follow apparently irrational, longer and slower routes and consequently large proportions of the expected savings evaporate. When services become unreliable passengers tend to find alternative means of transport or more often cease to travel altogether. Secondly as the different layover times in Glasgow, Nottingham, Liverpool and Belfast suggest, longer lay-over times are not the result of an inefficient management or too powerful unions, they are far more likely to be the consequence of traffic conditions. Passengers prefer a reliable service and attempts to eliminate vehicles in order to achieve savings often have the opposite effect. Schedules are largely the result of long years of operational experience.

The STAMINA programme, the Market Analysis Project and other pieces of operational research have rarely resulted in better services. Their primary aim, as the evidence here should suggest, is to make cuts in services with the aim of minimum passenger loss. Unfortunately passengers do not respond as they are expected to and bus timetables more often than not represent an idealised picture of bus operation. In Glasgow, for example, the N.B.P.I. discovered that '...the 32 routes which run across the city centre, however, produce more difficult problems, since there is very considerable congestion here, which sometimes produces delays of up to 60 minutes.' In these circumstances discovering potential savings based on a few minutes of 'wasted' lay-over time, which in the reality of rush hour traffic may never actually exist, have a serious effect on the standards of the service and may cause further loss of passengers. Indeed the results of the most tremendous
The Restructuring of the Industry

changes in the labour process outlined thus far in this chapter are twofold. Firstly the intervention by the N.B.P.I. forced attention on increasing productivity rather than the standard of service as solution to the industries and as we shall see in the next chapter accelerated its decline. Secondly, it caused tremendous bitterness among bus workers resulting in a series of strikes which both affected the Union and its relationship with the Labour Government. This is the subject of the last part of this Chapter.

4 : Labour Militancy and the Crisis in Industrial Relations.

In the late 1960's the bus industry, particularly the municipal bus sector, experienced a major industrial relations crisis. This was the product of the attempts to restructure the industry and the labour process through the intervention of the N.B.P.I., the 1968 Transport Act and to increase control over the labour process through operational research. The combined effects of these changes, even though they contained some sweeteners such as the limitation on hours and improved transport planning, was to destabilise the whole system of industrial relations and lead to a growth in militancy in the bus industry. It also helped to precipitate a crisis in the relationship between the T.G.W.U. and the Labour Government. Of course this relationship was subject to all sorts of other pressures deriving from other sections of the membership, particularly dockers and car workers. These pressures were mediated through a complex of relationships between the T.G.W.U. and the T.U.C. and the Labour Party. In this part of the chapter we will examine the development of militancy and the most serious crisis in the carefully constructed industrial relations machinery since the 1920's. The next part will examine the impact of this crisis on the relationship between the T.G.W.U. and the Wilson Government.
The Restructuring of the Industry

It will be useful at this stage to compare militancy in the bus industry with other industries over the post-war period to place the following discussion in context. Table Twenty-Eight on the following page, is an examination of strike activity in the road passenger transport industry compared with thirty-six other industries, excluding coal mining which alone accounted for a very large proportion of all post-war strikes. The table, unfortunately excludes strikes before 1949, which effectively excludes the post-war strike wave discussed in Chapter Six. The years 1953-9 are distorted by the two major bus strikes; the 1957 Provincial strike and the 1958 London strike. Table Twenty-Eight: A examines all strikes large enough to be notified to the Ministry of Labour and Twenty-Eight: B examines 'major' strikes where over 5,000 working days were lost. Allowing for the distortion caused by the two major strikes, a number of points can be made. Firstly, the industry was more strike-prone than most in the period 1949-59. Indeed, excluding coal mining, the number of workers striking as a percentage of those employed was second only to the Docks in 1949-52 and forth in 1953-9. The industry could be ranked amongst the most militant handful of industries including docks, shipbuilding and motor-vehicle manufacture. In 1960-8, the industry was still among the more strike prone though by 1969-73, the strike rate was around the average for the all 37 industries.

Secondly, despite this relative decline in the propensity to strike compared to other industries, the actual strike rate continued to increase; rising from an annual average of 20.2 in 1949-52 to 21.9 in 1953-9, to 30.1 in 1960-68 and to 47.0 in 1969-73. However this increase in the absolute strike rate was slower than other industries. A similar pattern in the number of strikers taking part in each strike is found, once we exclude the effects of the major strikes of 1957 and 1958. Strikes, in general, seem to be fairly short, if we exclude the major confrontations some of which developed into strikes lasting months. The most
<table>
<thead>
<tr>
<th>Period</th>
<th>Number of Strikers</th>
<th>R. % of All Strikers</th>
<th>Number of Days Lost in Major Strike</th>
<th>R. % of All Working Days Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1946-73</td>
<td>16</td>
<td>8.4</td>
<td>1946-73 (5,000 workers)</td>
<td>3.9</td>
</tr>
<tr>
<td>1960-68</td>
<td>20</td>
<td>8.4</td>
<td>1953-59</td>
<td>6.9</td>
</tr>
<tr>
<td>1969-73</td>
<td>18</td>
<td>8.4</td>
<td>1953-59</td>
<td>6.9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment</th>
<th>R. (000,000)</th>
<th>Total Lost Days</th>
<th>R. (000,000)</th>
<th>Total Involvements</th>
<th>R. % of All Involvements</th>
<th>Number of Workers</th>
<th>Number of Strikers</th>
<th>R. % of All Strikers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1946-73</td>
<td>12,264</td>
<td>12,187</td>
<td>24,302</td>
<td>8,440</td>
<td>5,000</td>
<td>3.9</td>
<td>8,440</td>
<td>16</td>
<td>8.4</td>
</tr>
<tr>
<td>1953-59</td>
<td>10,000</td>
<td>9,900</td>
<td>19,800</td>
<td>6,600</td>
<td>5,000</td>
<td>3.9</td>
<td>6,600</td>
<td>18</td>
<td>8.4</td>
</tr>
</tbody>
</table>

The Restructuring of the Industry

The Restructuring of the Industry
The Restructuring of the Industry

characteristic stoppage appears to last a few days.

Thirdly, the figures presented in the table, although useful for the purposes of comparison, do not give an accurate picture of the industry for several reasons. Firstly because they exclude the remarkable period of militancy immediately following the war. Secondly, because militancy is unevenly distributed across the industry and shifts from sector to sector, in a way which distorts the figures. From 1945-8 the most militant sectors are the municipal and provincial sector. From 1949 onwards, the vast majority of strikes, certainly in terms of working days lost, are in London. From 1957 onwards the strike rate in the provincial industry increased whilst in London after 1958 it declined dramatically. The period dealt with here, is primarily a period of militancy in the municipal sector which in the last period from 1969-73 spreads out to include all of the industry outside London. Thus if the industry was divided by sector, London Transport would probably have a strike rate higher than virtually any other industry in the 1950’s, and in the mid-1960’s the municipal strike rate would be much higher than the general industry strike rate.

In sum, then, it would be correct to say that the wave of militancy characteristic of the late 1960’s and early 1970’s in Britain, and in most other industrialised countries, which marked a sea change in working class consciousness in many sections of industry, was less marked in the bus industry. Thus although the strike rate increased, it also represented a relative decline compared to other industries due to the general decline in the industry. What was so significant about the 1960’s was that the model of industrial relations in the municipal sector represented by the N.J.I.C. collapsed. This was the product of two factors, firstly the attempted restructuring of the industry and the intervention of the N.B.P.I. which will be discussed a little further on, and secondly the increasing influence of Jack Jones on the bargaining strategies of the T.G.W.U.
The Restructuring of the Industry

In previous periods of industrial unrest, the official Union structure had largely stood to one side holding back militancy in return for national concessions, however in the late 1960's the Union itself was centrally involved in encouraging localised militancy in order to improve conditions using national agreements as a minimum rather than a maximum. This, it should be carefully noted, was an entirely different strategy to that pursued by Frank Cousins in the late 1950's when the Union organised two major strikes in London and in the provincial sector. These were both led by Cousins himself and were part of a process by which he stamped his politics on the Union, they can be characterised as mass bureaucratic strikes in which the membership played a largely passive role. In the mid-1960's the strikes were largely led from branch level.

This new type of strategy was most associated with Jack Jones who as Midlands Regional Secretary had encouraged shop stewards organisation, particularly in engineering, in the 1940's. According to Panitch, his;

"...political ideas had been formed as a political education officer in the Attlee Brigade in Spain and by close association with the Marxist-oriented National Council of Labour Colleges during the 1940's. Although never a member of the Communist Party, he was identifiably on the left of the Labour Party and unlike Cousins, closely associated with Tribune."29

In fact his autobiography makes equally clear that his formative political education came from his own experience of highly corrupt union officials in the Liverpool Docks.30 Unlike Cousins, Jones was in favour of the decentralisation of power within the union closer to shop floor level.31

Nevertheless, despite the policy of decentralisation, there were powerful forces operating in the direction of centralisation. Tony Corfield, National Secretary for Political, Educational and International Department of the Union, wrote in 1968;

"In my submission the power vested in the man who
The Restructuring of the Industry

becomes General Secretary in this union has increased, is increasing and ought to be diminished...The more all important decisions tend to be concentrated in the hands of one man, the less the various governing bodies can feel genuine responsibility for the proposals they suggest. Instead of exercising their own initiative, they are likely to wait to be told what to do."

The intervention of Jones in the Ford strikes of 1969 and 1971 which were settled over the heads of the shop stewards suggests that decentralisation had definite limits. Jones' strategy fitted neatly with the Union leadership's determination to both oppose statutory incomes controls and to support the Labour government as we shall see.

The difference between the two strategies is partially explained by changed circumstances and the difference in politics between Cousins and Jones, but equally important is the fact that when Cousins became leader of the union in the 1950's he was surrounded by officials who had been appointed by Bevin and Deakin. By the mid-1960's this organisational conservatism was in decline though by no means dead and this had a crucial impact on the section. Larry Smith, one of the two National Officers, was closely associated with 'The Platform' for a number of years, and Bill Jones, scourge of union officials throughout the 1940's and 1950's even became the T.G.W.U. representative on the T.U.C. General Council in 1967. Thus the union itself was more sympathetic and open to a militant stance.

Yet this new militancy was contained by a desire not to embarass the Labour Government. Thus Bill Jones, as Chairman of the C.B.C. in 1967, suggested that rather than submit a simple wage claim which would conflict with the current incomes policy, the C.B.C. should present a productivity scheme that was within the policy. As George Moore commented in 'The Platform':

"And there we have the official T.G.W.U. policy in all its nauseating, two-faced hypocrisy...The T.G.W.U. will fight to the death against the Government's policy of wage restraint - provided that the London busmen restrict their claims within the terms of the
The Restructuring of the Industry

Government's policy of wage restraint."\(^{33}\)

Thus Fuller goes much too far in his assessment, no doubt partly coloured by his own position as a T.G.W.U. official, in stating that;

"...the need of the movement is not to bring pressure to bear upon that leadership to adopt progressive policies, but to seek ways in which to raise the awareness of the membership to the point where they are prepared to fight for the implementation of those policies which the T.G.W.U. has already adopted."\(^{34}\)

This analysis is hardly born out by the experience of the mid-1960's, to which we now turn, or the events that followed.

The intervention of the N.B.P.I. in municipal pay bargaining caused the T.G.W.U. to react by creating a set of national demands, called the 'Busmen's Charter', which they then encouraged branches to pursue at local level. The effect on the strike rate in the industry was immediate as Table Twenty-Nine shows. The strike figures for 1964 are mostly explained by a week long strike in Glasgow Corporation over new schedules involving just under 5,000 bus crews. The 1965 figures reflect the wave of discontent which swept through the company sector, mostly involving one day strikes as a means of pressurising the N.C.O.I. employers, in which over 36,200 took part\(^{35}\). However these were generally token one-day strikes. This is not the case with the strikes which take place in 1967, 1968 and particularly 1970. Even in the case of 1968 which was dominated by an eleven week strike in Liverpool there were still 83,000 working days lost in other strikes. The mid-1960's saw a change in the nature of strikes from characteristically one-day token or protest strikes to much longer localised strikes in which bargaining was taking place at branch level. This is most notable when the average length of strikes, recorded in the last column of the table, is examined. From the mid-1960's there is a marked change in the average duration of disputes from one to two days to over seven days in 1967, almost twice as long.
The Restructuring of the Industry

in 1968 and by 1970 around five days. Given the nature of the industry, where long strikes are costly for both sides since business is irrevocably lost, this is an indication of the strength of feeling of bus crews and the strong resistance put up by the employers.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>STOPPAGES BEGINNING IN YEAR</th>
<th>NUMBER OF WORKERS INVOLVED</th>
<th>WORKING DAYS LOST</th>
<th>AVERAGE DURATION OF STRIKE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>22</td>
<td>28,300</td>
<td>30,000</td>
<td>1.06 days</td>
</tr>
<tr>
<td>1961</td>
<td>17</td>
<td>7,600</td>
<td>20,000</td>
<td>2.63</td>
</tr>
<tr>
<td>1962</td>
<td>28</td>
<td>15,500</td>
<td>28,000</td>
<td>1.81</td>
</tr>
<tr>
<td>1963</td>
<td>18</td>
<td>5,700</td>
<td>9,000</td>
<td>1.58</td>
</tr>
<tr>
<td>1964</td>
<td>32</td>
<td>28,000</td>
<td>53,000</td>
<td>1.89</td>
</tr>
<tr>
<td>1965</td>
<td>28</td>
<td>54,900</td>
<td>151,000</td>
<td>2.75</td>
</tr>
<tr>
<td>1966</td>
<td>38</td>
<td>12,500</td>
<td>36,000</td>
<td>2.88</td>
</tr>
<tr>
<td>1967</td>
<td>48</td>
<td>16,600</td>
<td>123,000</td>
<td>7.41</td>
</tr>
<tr>
<td>1968</td>
<td>40</td>
<td>19,600</td>
<td>268,000</td>
<td>13.67</td>
</tr>
<tr>
<td>1969</td>
<td>42</td>
<td>23,700</td>
<td>71,000</td>
<td>3.00</td>
</tr>
<tr>
<td>1970</td>
<td>106</td>
<td>76,100</td>
<td>380,000</td>
<td>4.99</td>
</tr>
</tbody>
</table>

In 1966 the N.B.P.I. issued Report Number 16 on pay and conditions in the bus industry. This limited the municipal sector claim for a substantial increase to no more than 3.5%. In July, the Wage Freeze prevented payment of this claim. This was followed by sporadic industrial action in Leeds, Sheffield, Luton and elsewhere. In October there was a seven week strike in the company sector in Yorkshire over new schedules, the N.C.O.I. pay increase had also been delayed and these were the first signs of increasing bitterness in the industry. In January 1967 the freeze was lifted and the pay claim met, though the company sector had to wait a further six months for a pay increase. In a major article in ‘The Record’ Frank Cousins explained the union’s attitude towards productivity bargaining:

"We cannot look to productivity bargaining and incentive schemes without at the same time establishing
The Restructuring of the Industry

the kind of foundation for social justice aimed at in our £15 nationally negotiated wage. On this we must be firm - for any nation - any industry - which cannot pay a reasonable weekly wage deserves to be condemned and must be reformed.39

The municipal pay award just granted amounted to a basic wage of £12 17/- per week for drivers and £12 11/- for conductors. With this in mind the union launched the 'Busmen's Charter' in June 1967.

The demands of the Charter40 were:
1) A £15 minimum basic wage.
2) A standard 40 hour week over five days, each day to consist of 8 hours.
3) A greater share in O.P.O. savings.
4) No more than 4.5 hours in charge of a vehicle and no less than a 30 minute break. Spreadovers to be limited to 12 hours.
5) 3 weeks paid holiday at average earnings.
6) A daily and weekly limit on overtime.
7) All employees to be members of an appropriate trade union.

The N.B.P.I. was in agreement over the need to improve holidays. On union membership only London Transport and Eastern National operated an official closed shop, though informal agreements existed in many other places. However it was significant that of 260,000 employees in the industry, 67,000 were non-union and that while most of these were in the independent coach sector which overwhelmingly consisted of operators with a handful of vehicles, there were still pockets of non-unionised company sector employees41

Despite the fact that locally negotiations had reached an advanced stage in Liverpool and other towns by late 1967, nationally little progress was made on the demands of the charter. This was despite the acceptance by the union of the whole strategy behind the N.B.P.I.'s interventions, which looked to O.P.O. conversion as a means to improve wages so as to attract staff and also fund the whole conversion
The Restructuring of the Industry

programme from those savings. Alan Thompson, National Road Passenger Trade Group Secretary, for example, wrote in 'The Record' that:

"The substantial savings that would result from the conversion should be great enough to meet the basic rates of pay and conditions of staff, provide an additional bonus for O.M.O. operators, underwrite the capital cost of automatic fare collection machinery and provide a reserve to stabilise fares." 42

In October the T.G.W.U. withdrew from the N.J.I.C. in protest and urged branches to attempt local deals. A series of bans on overtime and further extension of O.M.O. operation began as most employers refused to negotiate. In November the Unions met with the municipal employers at the Ministry of Labour having already reduced the demands of the Charter to a 23/- increase on basic rates, far below the 40/- to 50/- increase needed to reach £15 basic pay. The municipal employers refused to offer more than 15/-.

As a result a number of strikes broke out. In Southend 750 bus crews began an indefinite strike on November 7th, it lasted until December 16th. 500 crews from Southend, Hadleigh and Canvey depots of Eastern National struck in protest at the activities of strike breakers from the Corporation and themselves remained out for seven weeks. At Birkenhead 600 crews went on strike from November 10th for seven weeks. Meanwhile shorter stoppages took place in Cardiff, Edinburgh, Luton, Middlesborough, Nottingham, Wallasey, Caerphilly and Colchester 43. A number of Corporations reached local agreements including Birmingham, Manchester, Reading and Coventry, though some of these were not part of the N.J.I.C. Ten local agreements were referred to the Ministry of Labour and the two sides met in December where an increase of £1 on basic rates was agreed. At this point the N.B.P.I. published Report Number 50 which pointed out that this wage increase did not meet the grounds for wage increases under the Incomes Policy as it was not tied to productivity agreements. The settlement was referred to a Ministerial Committee which in turn referred it back to the
The Restructuring of the Industry

N.B.P.I. The employers obliged the N.B.P.I. by refusing to pay the award.

Report Number 50 was the report which discovered through the use of unilateral job evaluation techniques detailed earlier that the extra effort involved in O.P.O. operation amounted to between 10% and 17.5%. This was a figure which coincided with the lower end of the O.P.O. agreements already made and conttested with the union claims for increases of between 25% and 40%. Meanwhile both the N.J.I.C. and N.C.O.I. employers were claiming that they had already purchased all aspects of productivity including O.P.O. Thus the union found itself facing a major crisis. Whilst it regarded O.P.O. as essential for improving pay and conditions for all bus workers as well as providing better pay for those who actually did it, the employers were now taking the view that all productivity improvements had already been purchased and in line with the N.B.P.I. no further increases could be granted without definite increases in productivity. Further, the reference to the N.B.P.I. effectively made it illegal to strike, whilst delaying the claim until July. In late January 1968, a National Delegate Conference was called by the Finance and General Purposes Committee to 'test the feeling in the branches'. It was recalled at the end of the month to discuss the situation.

Cousins proposed the Union should sue 97 Local Authorities through the courts, but this proposal was dropped when the Government made use of Section II powers under the Prices and Incomes Act to compel a four month delay. One thing was made very clear at this conference. The opinion of the national leadership was that the union must fight on 'the ground of our own choosing'. As the `Record' reported;

"The Union has had experience before of finding a group of its members bearing the whole brunt of the Government's attack on wages. we found ourselves in this position in the London bus strike of 1958."
The Restructuring of the Industry

In other words strike action on a national scale was not going to be contemplated if it meant breaking through Government Incomes Policies, for it was just this attempt, to break the pay pause in 1958, which had lead to the isolation of the Union from the T.U.C. and ultimately to defeat. If the membership in the branches intended to fight they would have to do it without the assistance of the national leadership who instead opted for a campaign based on public sympathy. This was evident in their demand for the N.B.P.I. to allow the claim to be heard in public, which was immediately refused.

Elsewhere events took a different course. In March Liverpool, Belfast and Glasgow, all now outside of the N.J.I.C., reached local agreement for increases of between 15/- and 20/- which were referred in turn to the N.B.P.I. On 23rd May the N.B.P.I. issued Report Number 69 on 'Pay and Conditions of Busmen in Liverpool, Glasgow and Belfast'. This report accepted the case for higher pay in large cities, influenced no doubt by the strike of 3,200 Municipal bus crews in Liverpool. The strike lasted from March 11th, the date the agreement was referred to the N.B.P.I. until after the Report was issued. This eleven week strike was the longest municipal bus strike in the history of the industry.

In April the N.B.P.I. issued Report Number 63, 'Pay and Conditions of Municipal Busmen', which rejected the £1 increase but argued for increases 10/- in local bonus schemes dependent on the acceptance of full O.P.O. conversion. The Ministry of Labour issued a further Section II Order delaying payment until July 26th. Another national delegate conference on May 8th. accepted the argument that the freeze could not be challenged but refused any further extension of O.P.O. until the award was paid. On July 10th. 1968, a third Section II Order was issued, this time until December. This decision caused immediate strikes in Wigan and Southampton, followed by further strikes in Sheffield and Huddersfield.
The Restructuring of the Industry

The N.B.P.I. had stated in their report that:
"...we had numerous contacts with union officials at all levels. We generally found acceptance of the need for change towards one-man operation, readiness to negotiate local productivity agreements...At Branch levels, however, the working representatives of the platform staff, a good many of whom are busmen of very long standing, were often, though not always, less forward looking..." 46

This acceptance by national union officials had clearly worn thin by June. Writing in 'The Record', Thompson and Smith declared:

"This report is a tremendous slap in the face for municipal bus staffs all over the country...the union cannot and will not ask its municipal bus membership to accept any productivity measures without the movement in basic pay...The latest Report portrays a failure on the part of the Board to assess or understand the basic problems of the most maligned section of workers in the country. Three reports have been issued on public road transport, each worse than the one before. The third and latest will do nothing to assist an ailing industry and is likely to create a detrimental effect on staff recruitment and retention while inflaming industrial relations." 47

On July 25th, the Executive Committee of the T.G.W.U. unanimously supported a call for a national strike made by a further delegate conference. Yet when the General and Municipal Worker's Union refused to support it, despite the fact that their membership was a mere 6,000 out of 70,000 municipal bus workers, yet another delegate conference on August 9th. called the strike off three days before it was due to begin. Thus ended all possibility of united action led from the top of the union. Just as a most remarkable period of militancy was building towards an all out confrontation, the union leadership drew back. The explanation of this must be centred on the political relationship of the union with the Wilson Government, which will be examined in a moment.

The effects of this defeat are summarised by Tony Topham;
"There is no doubt that the experiences of the last two years have led to severe demoralization in the
The Restructuring of the Industry

industry, particularly amongst older men and the militants in the depots and branches... Not only the busmen but the bus industry has taken a severe hammering. Labour turnover has gone up, the branch rooms are despondent places, and a period of serious industrial and political apathy may well set in. Large numbers of the men have contracted out of the political levy to the Labour Party... Much of this might have been avoided had the union been able and willing to coordinate the rank and file militancy which flared up again and again during the course of this prolonged repression. But at each crucial moment, the leadership and/or the lay delegates in special conferences, drew back from a direct confrontation with the government's compulsory powers. The result was that those strikes which did occur received little backing except in Liverpool... the busmen failed... to generate their own unofficial leadership in sufficient strength and with adequate links between towns, to compensate for the lack of national leadership."48

The N.B.P.I. interventions had a significant and lasting effect on the restructured industry. In the first Report they had opposed the merging of the N.J.I.C./N.C.O.I. machinery. After the third Report, which accepted the need for a two tier rate of pay, essentially a higher rate in the largest cities, they now recommended a joint negotiating body. Previous to their intervention, as demonstrated in part two of this chapter, the Municipal workers generally received higher rates of pay, worked shorter hours and had resisted the introduction of O.P.O. more effectively than their company counterparts. The effect of their intervention was to reduce this differential and to attempt a new division in the future restructured industry between P.T.E. workers in the very largest cities and N.B.C. workers everywhere else. Further, suggests Topham, apart from simply trying to prove the effectiveness of incomes policies, the N.B.P.I. was "...out to discredit one of the leading anti-incomes policy unions, the T.G.W.U."49 This assessment is open to question, but what is not is the central role the T.G.W.U. played in opposition to incomes policy. However this opposition was essentially a loyal opposition and the T.G.W.U. very much viewed itself as on a mission to persuade the government to change tack. One of the victims of the
The Restructuring of the Industry

special relationship between the Union and the Party was undoubtedly the bus workers.


The Labour Governments of 1964 to 1970 have been written about from many different perspectives. It is not intended here to add to these writings but to illuminate the period through tracing the relationship between the crisis in industrial relations in one of the important sections of the T.G.W.U. and the behaviour of the Union in opposing the Prices and Incomes Legislation. To provide a complete picture, we would have to trace the developments in all the key sections of the union and in other unions and explain the interaction of all these different elements in setting the trade unions and the Labour Government on a collision course, not leaving out of account the complex internal relationships between the Cabinet, the Parliamentary Labour Party, the National Executive Committee and the Constituencies. In this part of the chapter we will simply attempt to shed fresh light on a period which has been much discussed at the macro-political level.

Panitch has detailed the development of the Labour Party’s Incomes Policy throughout the period of opposition from 1951 to 1964. It was Harold Wilson especially who was able to capture the imagination with talk of the ‘white heat of technological revolution’ and suggest that a Labour Government in cooperation with both sides of industry could preside over a massive restructuring of British Industry which would allow for huge increases in productivity at the same time as creating social justice and a real growth in incomes. Particularly important was the ability of the Labour Party to present its close connection with the trade unions as an electoral asset and consequently it was a vital part of this strategy to win over the trade unions in advance of the election to an incomes policy. Of the larger

Page 191
The Restructuring of the Industry

unions, Frank Cousins and the T.G.W.U. had the most consistent record of opposition to this policy as detailed in the previous chapter. Nevertheless, writes Panitch:

"...the union's opposition to incomes policy had softened, albeit reluctantly, as the prospect of the return of a Labour Government loomed larger, and Cousins himself had coined the phrase 'the planned growth of incomes'. As Cousins' successor, Nicholas did not share Cousins' position on the left of the Labour Movement; also, the executive was deeply loyal to the Labour Government (all the more so now that Cousins was a Minister), and the majority of the union's officials, mostly appointed by Deakin, were in favour of supporting the policy. It was, therefore, by no means clear at the outset that the T.G.W.U. would refuse to give the incomes policy its blessing."

The T.G.W.U.'s opposition to the policy of incomes control was, up until 1966, expressed simply by voting against it at the T.U.C. and Labour Party conferences, whilst cooperating with it. The Union was uneasy about the policy for three reasons. Firstly, in the absence of further nationalisation and consequent control over all incomes, the union considered incomes control impossible. As Harry Nicholas, Acting General Secretary whilst Cousins was Minister of Technology, put it, in evidence to the Donovan Commission:

"We could see that if there happened to be an extension of public ownership then the power to determine incomes quite fairly and accurately would be a starter, but you have no control...over peoples incomes whatsoever..."

Jack Jones, Acting Assistant General Secretary to Harry Nicholas, made the same point in 'The Record';

"Our members are not interested in tentative steps that will take years. Either there is restriction on prices, in the movement of rent, or if not and there is no machinery to contain the continued rise in the cost of living we must use our machinery to raise wages."

Given that the Incomes policy offered little in terms of control over prices, this forced the Union to use its own strength to raise wages. However, this in itself was problematic, and was the second point of objection to the policy.
The Restructuring of the Industry

The Union leadership was clearly of the opinion that the biggest guarantee of improvements in wages and conditions for the low-paid was the strengthening of union organisation and the extension of collective bargaining. Jack Jones, complained about the introduction of a statutory Incomes Policy as follows:

"The legislation will further tip the balance in favour of... employers... The trouble is that the authors of these policies are out of touch with day-to-day industrial life and are unfitted to solve its problems. If they had their way we would have an emasculated trade union movement with little or no influence to bring to bear on behalf of its members. In my view weak or tame trade unionism is a positive danger under a Labour or any other Government." 55

Incomes Policy was considered by the entire T.G.W.U. leadership as a mechanism which weakened the union and reduced its ability to improve the wages and conditions of the members. As Jones put it in 'Socialist Commentary';

"The one hope for low-paid workers was that a Labour Government would use its powers and prestige to help extend trade union organization. Instead of doing this, both post-war Labour Governments have imposed incomes policies, which, far from extending trade union organization, have positively discouraged it... Who after all wants to join a trade union when it is no longer free to bargain for higher wages? One of the most pernicious effects of Government controlled incomes policies is that at the end of them, the workers are worse organized than before, and the low-paid workers remain more dependent still on the cold charity of the Whitehall bureaucracy." 56

The operation of an Incomes Policy was held by its proponents to be a strategy of social justice. In a major article in 'The Record' Harry Nicholas asked the obvious question;

"If the workers in the higher-paid industries accept the need to restrain wage advances, how does the money saved become transferred to the workers in the lower-paid industries to enable them to remove some of the disparities that exist? Does the government possess the means to direct finance, say from the car industry to the bus industry to subsidise the low earnings in that industry?" 57

Thus Union policy towards the Incomes Policy in both the
The Restructuring of the Industry

voluntary and the statutory phases was opposition because, firstly planning incomes without the extension of nationalisation was impossible and without controls over rents and prices was unfair. Secondly the main guarantee for gaining improvements, union strength through the extension of collective bargaining, was undermined by the policy, indeed an incomes policy called into question the purpose of joining a trade union at all. Thirdly there was no mechanism for helping the low-paid despite all the talk of social justice.

It was the second point that was fundamental. In July 1966, the Labour Government introduced the Prices and Incomes Bill which contained the following clause against:

"...any person [who] takes, or threatens to take any action, and in particular any action by way of taking part, or persuading others to take part, in a strike with a view to compel, induce or influence any employer to implement an award or settlement in respect of employment at a time when the implementation of the award or settlement is forbidden under the forgoing provisions..." 58

According to Panitch, the clause was necessary to reassure Labour's overseas creditors and after the experience of the Seamens strike and the Railways pay claim, Wilson was in any case convinced of the need for a major confrontation with the unions.

Cousins immediately resigned. His letter of resignation stated that:

"The N.B.P.I. is not and cannot ever be the correct body for determining the level of wages and conditions of employment over the whole range of salary and wage earners in a democratic society and any attempt to make the Board such a body would create a pretence of adjudication whilst they would really be a rubber stamping authority for previously determined government decisions." 59

However the Government, far from retreating, went further with the 'July' measures of 1966. These included cuts in public expenditure, increases in indirect taxation, a complete freeze on wages for six months introduced as Part
The Restructuring of the Industry

Four of the prices and Incomes Bill followed by six months of "severe restraint", and a predicted rise in unemployment to 2%. The essential point of the July measures was to abandon any attempt at national planning to increase output and to replace this policy with a deflationary package. Thus the N.B.P.I. became a body which far from redistributing scarce labour within a planned economy through the encouragement of productivity deals, was now in the business of restraining incomes and assisting the "shake-out" of labour and thus contributing to increased unemployment.

Panitch describes the resulting machinations of the T.U.C. and the Parliamentary Labour Party in great detail. The T.G.W.U. continued to vote against the policy but remained in a minority position, although this minority was increasing all the time. Yet the Union decided not to oppose the policy with strike action, as Cousins explained to the Union's 1967 Biennial Delegate Conference; "...we did not do so because we do not want to destroy the Government; we wanted to persuade them."

The effect of disenchantment with the Labour Government was the largest single fall of trade unionists paying the political levy in any one year since 1927, some 192,000 opted out. Trade Union membership of the party fell by 63,000 and individual membership by 41,000. In 1967 Labour lost two by-elections in solidly working class areas and lost local government control of London for the first time since 1934. Union membership also fell by 0.7% in 1966 and 1.4% in 1967.

In 1967 a further Prices and Incomes Bill increased the powers of the N.B.P.I. to delay wage increases from one month to seven months, but limited the legislation to one year. The Donovan Commission was expected to report later in the year and recommend a statutory framework for pay bargaining. The 1967 T.U.C. Conference refused to support the new legislation, the first time it had actually voted against it. At the Labour Party Conference of that year, the statutory powers were just accepted as a "vital necessity"
The Restructuring of the Industry

but by a slim majority. In November the Government devalued the pound, and the incomes policy which had previously been justified on the basis of avoiding devaluation now became the lynchpin in making devaluation work. It was accompanied by measures in January 1968 to cut public expenditure by £700 million. In 1967 trade union membership of the Labour Party fell by a further 229,000 representing a 6% fall since 1965. The Union of Sheet Metal Workers voted to disaffiliate from the Labour Party. In March 1968 three safe Labour seats were lost in by-elections and in May Labour suffered the worst municipal election results for decades holding only 40% of the average number of council seats held since 1945.

May 1966 marked the first Report by the N.B.P.I. into pay and conditions in the bus industry. In January 1968, under Part II of the Incomes legislation, a £1 wage increase for municipal busman was disallowed not in order to refer the claim but in order to prevent it being paid. This was the first use of Part II powers. Nevertheless the unions remained fiercely loyal to the Party. Jack Jones writing in Tribune claimed that;

"...The dogmas of incomes policy and the sterile and contradictory edicts of the Prices and Incomes Board were favoured, while the great resources of loyalty and strength the Government had among workers and the unions were squandered. Where does that leave the unions now? Against Labour? Of course not! For trade unionists to talk of breaking with Labour, or opting out of paying the political levy is to cut our own throats while giving our Tory opponents a blood transfusion."

The leadership of the T.G.W.U. was caught in a contradictory position. On the one hand they desired to lead a strike against the N.P.B.I. especially as the Municipal Bus Industry had become the victim of the first use of statutory powers designed to prevent wage increases in the opinion of the N.B.P.I. not justified under the legislation. On the other hand they did not wish to bring down the Government and consequently attempted to change the policy.
The Restructuring of the Industry

In 1968 the Prices and Incomes Policy was strengthened to allow a one year delay in the implementation of pay increases and this was immediately applied to the municipal bus industry. The union responded by first calling a national strike in the municipal bus sector and then retreating. However they carried their anger to both the T.U.C. and Labour Party Conferences.

At the 1968 T.U.C. Conference a motion put forward by the T.G.W.U. called for the repeal of the legislation and rejected in advance `...any further legislation which would curtail basic trade union rights...` A clear reference to any legislation which might be proposed by the Donovan Commission. The motion passed by 7,746,000 to 1,022,000. The Incomes policy had lost virtually all Trade Union support. The Labour conference was even more interesting. The day before the Conference opened, a meeting of the N.E.C. was very nearly committed to supporting a T.G.W.U. motion calling for repeal. 9 out of 12 trade union delegates together with 3 M.P.'s from the constituency section supported the motion leaving the N.E.C. split evenly 12 to 12. Only the casting vote of the chair prevented the N.E.C. supporting repeal and the Conference voted overwhelmingly in favour of repeal by 5,098,000 to 1,124,000. The Labour Government was left with only one final option, given its commitment to `...make devaluation work..` This was the introduction of statutory controls over wage bargaining which would depend on increasing the power of trade union officials over their members.

The proposed legislation `In Place of Strife` was the breaking point for the relationship between the unions and the government. Panitch details the almost total opposition of the Unions, the splits in the Parliamentary Party with the Left around `Tribune` actually threatening to vote against the Bill, and most devastating of all for Wilson; majority opposition in the Cabinet. The defeat of `In Place of Strife` marked a new phase in the crisis of neo-
The Restructuring of the Industry

corporatism. A complex and contradictory set of pressures on the trade union leaderships, especially the T.G.W.U. and the A.U.E.W. forced them ultimately to choose between effectively representing their members and loyalty to their Party.

In the case of the municipal bus industry it can be seen that the T.G.W.U. leadership conceded a great deal, in other industries, notably motor manufacturing, neither the T.G.W.U. nor the A.U.E.W. could concede as much. The key explanation was to do with the power of the trade unions at branch level. In the municipal bus industry, it was clear that the militants were not sufficently strong to act independently of the leadership, they were in a minority among delegates to national conferences. This was largely the result of the lack of a militant tradition, with a few notable exceptions and apart from the immediate post-war period, industrial relations in this sector of the industry were remarkably peaceful. As Saunders had predicted at the first U.V.W. Conference in 1920; `...The main object of J.I.C.'s is to do away with strikes, and nobody can deny it...'

However it was not simply the existence of the N.J.I.C., since the Union had now withdrawn, but the fact that the Union had traded militancy for a reliance on a system of quasi-corporatist integration into the state.

However this was not true in every area of union membership. In the 1969 Ford strike the situation was reversed, here the problem for both Jones and Scanlon was to control the leadership of the unions at plant level which was capable of acting with or without their consent. The crisis of quasi-corporatism resulted in the breakdown of consensus between the unions and the government, from now on the union would pursue its goals in a much more open, less restrained and more militant fashion. On the back of the biggest outbreak of industrial militancy since the early part of the century, the T.G.W.U. adopted a campaigning style of militant trade unionism. Nowhere is this clearer
The Restructuring of the Industry

than the style of 'The Record' which changed at the beginning of 1970 from a dreary, uninformative in-house journal magazine style featuring pictures of the union leadership in action to a militant campaigning newspaper, open for the first time since the 1920's to readers letters and contributions and discussing not the leadership but the membership. The major restructuring of the industry which had taken place in the late 1960's would present many challenges to this new style of unionism especially as the industry was now financially weaker than ever.

Conclusion

The financial crisis of the bus industry which had been maturing for at least a decade required fundamental solutions. Either the industry had to be financially restructured and protected from car competition through the introduction of a comprehensive urban transport policy, a solution which was untried, or the problem had to be resolved within the existing framework of finances by increasing productivity. Unfortunately increased productivity resulted inevitably in a worse service in terms of frequency, reliability, comfort and friendliness which served to exacerbate the problem still further as will be demonstrated in the next chapter.

The major restructuring of the labour process involved not simply work intensification but also a major restructuring of work relations. The job no longer would revolve around the close relationship between two-person crews which engendered militancy through the inevitable discussions of wages and working conditions. Instead crews were fragmented into isolated individuals whose only contact was at meal times. Supervision of the labour process was increased. The position of shop stewards was progressively weakened as scheduling became more 'scientific' and hence
The Restructuring of the Industry

less open to negotiation, whilst fragmentation of the crews weakened the collective identity of the workforce especially during the process of conversion which created three separate categories of worker; O.P.O. driver, crew driver and conductor. The imposition of these changes by the N.B.P.I. caused the progressive collapse of the national bargaining and negotiating system.

In the light of the general argument presented in this thesis about the relationship between change in the labour process and militancy, the deradicalising impact of national wage bargaining and the generalised industrial militancy of the period, it would be expected that the latter 1960's would see an explosion of strike activity caused by resentment over changes in work organisation and the collapse of the system of industrial relations which so inhibited militancy. Yet whilst strike activity increased, compared to other groups of workers, bus workers demonstrated only an average level of militancy, in an industry which had been among the most strike prone sectors of British industry. There are two explanations for this.

The first centres on the changes in the labour process mentioned above which divided and fragmented the workforce, weakened shop steward power and increasingly removed operational questions from negotiation. The second centres on the process of mediation. The period 1964-70 does seem to match Panitch's concept of quasi-corporatism, trade union leaders were drawn in to the Labour Government's project of modernisation and technological revolution. This did result in an increasingly yawning gap between them and their members whose militancy gradually forced them into confrontation with the government and encouraged the parliamentary left of the Party into opposition. But the mediating process was contradictory. Decentralisation allowed the Union structure to absorb militancy without spreading it. Thus the way in which branches were encouraged to pursue the Busmen's Charter paradoxically inhibited a
The Restructuring of the Industry

national response to restructuring. Simultaneously, the Union, by opposing income controls but not productivity dealings, encouraged agreement to restructuring. Thus the crisis caused by the decline in the industry was not met with the level of resistance that might have been expected. However, restructuring, far from solving the crisis, simply delayed it. In the next chapter we will consider, briefly, the variety of subsequent responses to decline.
Notes: The Restructuring of the Industry

1. Like Cousins, Jones had been a 'marked man' under Deakin’s leadership. He was a natural choice to continue Cousins policies. See Jones' autobiography "Jack Jones: Union Man" - William Collins and Sons, London 1986. In this he refers to his earliest experiences on the Liverpool Docks and his hatred of corrupt (read Deakinite) officials; "Full time trade union officials on the docks were inclined to become tin pot dictators, supporting the decisions of management and resisting any queries or complaints from the men" (p. 29.)

Or again referring to Pugh, an area official discussing Jones W.E.A. classes:

"There was still suspicion on the part of friend Pugh. After a while he declared in the middle of an Area Committee meeting: 'That class of yours, young Jones, is nothing but a rank-and-file movement: I'm sending an official to watch it!' Maybe he was worried because we were studying workmen's compensation laws and the constitution and structure of the unions. Even worse, our lecturer was a young Liverpool lawyer named Papworth - no relation to but with the same name as a prominent communist busmen in London who was causing headaches for the union leadership. To speak your mind in the union then was like walking on glass." (p.35)

See also page 45 on Pugh's cosy relationship with the employers, page 46 on voting irregularities in the union (i.e. manipulation of ballots by officials) and page 60 for nepotism amongst the officials. This whole section of the book is summed up by the remark;

"If progress was difficult on the political scene it was even more so in the docks. I kept banging my head against the brickwall of officialdom." (page 85) The book continues with details of Jones' encouragement of shop stewards organisation in the Coventry engineering industry.


4. Quoted in Fuller op. cit. p. 232.


8. Ibid. para. 73.


10. Ibid. para. 12.

11. Ibid. para. 16.


13. Report Number 50 para. 64.


15. Ibid. Appendix D. the Management Consultant's brief was
Notes: The Restructuring of the Industry

to "...compare the work of a bus-driver on one-man operation with that of a crew driver under similar conditions and to assess the extra amount of skill, effort, fatigue and responsibility required of the former."

The procedure of the research, which demonstrates the inadequacy of the method, was described as follows:

"The undertakings in which observations were made were:

- London Transport Board
- Sunderland Corporation Transport
- Manchester Corporation Transport
- Brighton Corporation Transport
- Birmingham City Transport
- Birmingham and Midland Motor Omnibus Co. Ltd.
- Eastern National Omnibus Company Ltd.

The bus routes for study were jointly agreed between management and trades union representatives concerned and for each one-man operated route a comparable crew operated route was also selected which was thought to offer similar passenger loadings and route characteristics. The final selection comprised 19 one-man operated routes and 14 crew operated routes chosen to give as broad a sample of different types of vehicle and route and various methods of operation. As far as possible studies were planned to cover a complete working shift of a driver and also to include both passenger peaks during the day. The observer joined the driver at the signing-on point and remained with him until the end of his shift."

This study is inadequate because the operators chosen are mostly those with an extremely low level of O.M.O. work, in the municipal sector less than 5% of routes are O.M.O. operated, in London it is even lower, yet this covers three-quarters of the sample. The selection of operators is unrepresentative. Secondly the sample size itself is inadequate since it is based on one days observation of 33 routes, only 19 of them O.M.O. On this basis, the Consultants decided what the maximum loadings were for O.M.O. and what amount of extra effort was required and how fatiguing the work was. On this point the statement that "The additional fatigue involved for the one-man operator, however, is offset by the fatigue of a crew driver arising from the boredom of long separation from human contact, which the one man operator does not suffer." This is somewhat stretching the meaning of the term fatigue. Fatigue means (O.E.D.) either 'weariness after exertion' or 'tire, exhaust'. On the consultants definition the most fatigue would be generated by rest days taken during the week which involve long separation from human contact!

19. N.B.P.I. Report Number 50 see para. 38 and 40.
20. Figures for fleet size from D.G. Rhys - "Economic Change in the Road Passenger Transport Industry" - Journal of
Notes: The Restructuring of the Industry

26. Ibid. para. 92.
27. Ibid. para. 142.
32. "Collective Leadership for the T.G.W.U."
35. Fuller op. cit. p.250.
36. See Ministry of Labour Gazette May 1964 p. 230, for details of the Glasgow strike also discussed January 1965 page 21. For 1965 see February p.98, March p. 144, April p. 188, May 246 and June p. 290. The dispute began on 16th January in the Midlands, spreading to South Wales and other parts of England by the end of the month. It increased in intensity through February, with strikes every Saturday and the strike action began to decline after a Committee of Inquiry (The Wilson Committee) was appointed, although action continued on a regular basis until the committee reported on May 16th. The strikes were a means of pressurising the negotiations rather than all out confrontation.
36. See Ministry of Labour Gazette yearly summary of previous years strikes. Usually this is featured sometime between April and June. Only these figures, which were used by Duncan, McCarthy and Redman (see previous table), differentiate industries specifically enough to be useful here. Monthly strike totals lump all transport strikes together.
37. "Municipal Busmen, Productivity and the Incomes Policy"
Notes: The Restructuring of the Industry


41. Ibid. July 1966. The union membership totals were TGWU 182,000 and the N.U.R. and G.M.W.U. @ 10,000. The non-union company sector employees occurred "....where the union for one reason or another have been unable to make any substantial impact, or where previously members have become dissatisfied or disappointed with the unions handling of their problems at some point in time..."


43. See Ministry of Labour Gazette January 1968 and "The Record" which curiously chose not to mention the strikes until March 1968, some 3 months later!


46. N.B.P.I. Report Number 63 Para. 88.


48. Topham op. cit. p. 204.

49. Ibid. p. 205.

50. See for example Paul Foot (1968), Coates (1975), Miliband (1972) for political accounts of the period. Panitch (1976) for an account of the Labour Party, Incomes Policy and the Trade Unions, Crouch (1977) for the industrial relations 'crisis' and when published Volume 2 of Middlemas 'Power, Competition and the State'. Whilst Allen (1966) gives an account of 'militant' trade unionism written from the industrial relations tradition. For accounts of Trade Union leaders see particularly Goodman (1984) on Cousins and Jones (1986) on himself. Further references to the period are scattered across a wide range of literature.


52. Ibid. p. 80.

53. Ibid. p. 81.


58. Quoted in Panitch. p. 103. The Bill was first introduced before the 1966 election, again to reassure the overseas creditors, although Harold Wilson had already decided on an election before it could be passed.
Notes: The Restructuring of the Industry

59. 'The Record' August 1966.
60. Panitch p. 137.
61. Ibid. p.139 & 150.
62. Ibid. See Chapter Six.
63. Quoted in Panitch p. 157. It should also be noticed that the real figures for payment of the political levy within the T.G.W.U. had fallen drastically, not by people opting out, but simply failing to pay. In 1965 1,454,000 members of the T.G.W.U. paid the levy, in 1967 1,295,000. This was a fall of 11.5% while union membership, mainly as a result of unemployment, had fallen by 3%. These figures come from the Chief Registrar of Friendly Societies.
64. Ibid. pp. 161-4.
65. See Chapter Five. p. 73.
CHAPTER TEN:
THE FAILURE OF RESTRUCTURING AND OTHER STRATEGIES

This chapter will examine the longer term consequences of the strategy of restructuring planned in the late 1960's. In the first section we will examine the subsequent fate of different sectors of the industry, in particular the question of why conversion to O.P.O. and the new structure of the industry failed to prevent further decline. The second aspect of this question centres on the contradictory relationship between restructuring and labour militancy. Was militancy encouraged or inhibited by the process of restructuring? What impact did the generalised militancy of the early 1970's have on the bus industry? Did the T.G.W.U.'s policy of decentralisation of bargaining and the resulting instability of the national bargaining and negotiating systems enhance or reduce militancy?

By the mid-1970's it became increasingly obvious that simply attempting to raise productivity to ever greater heights, in other words treating of the problems of the industry solely on an internal organisational level did not provide a solution to the continuing slide in market position and that something different was required if the industry was to survive. This gave birth to policies which aimed to stabilise the industry through increasing subsidy and winning back passengers. At first it appeared that these would be national strategies, but just as the 1974 Labour Government appeared to be convinced of this need, expressed in the discussions preceding the creation of the 'Social Contract' and elaborated in the discussion White Papers issued in advance of the 1977 Transport Act, the I.M.P. crisis intervened. In this context it was the larger Labour controlled Councils who put the policy into practice. The most notable of these municipal socialist strategies were carried out by the South Yorkshire Passenger Transport Executive and the G.L.C. through the 'Fares Fair' campaign
The Failure of Restructuring

which proved enormously popular. These are the subject of the second section of this chapter.

However treating the industry as a social service and funding it accordingly was not the only strand of political and academic thought being applied to the industry. Since the 1930 Road Traffic Act there had been a small minority of 'experts' opposed to regulation and nationalisation, associated with economists such as Gilbert Ponsonby. John Hibbs, Professor of Transport Studies at Birmingham Polytechnic, became the most consistent and vocal critic of the existing system applying the theories of the new right market liberals to public transport. It was John Hibbs who provided the theory behind the policies of the Tory Governments after 1979. However whilst Hibbs believed that a free market entailed road pricing policies, that is charging motorists to use the most heavily congested roads at peak times, a real free market was never introduced. Instead public transport was was subjected to a relentless financial squeeze. The last section examines the effects of these policies on bus passengers and workers in the industry so far and uses the model of analysis developed in this thesis to predict future developments in the industry. The futility of relying on deregulation and privatisation to serve public transport needs should be readily apparent given the whole history of the industry, however this was never the prime objective. In essence these policies, irrespective of the genuine beliefs of those transport experts who promoted them, were adopted in order to weaken the ability of workers in the industry to organise in order to improve their wages and conditions of work. Central to their success is reducing labour costs which can only work effectively if unions remain weak and unemployment high. The final section of this chapter briefly reviews the impact of transport policy in the 1980's.
The Failure of Restructuring

1: The Continuing Decline of the Industry

The major restructuring of the industry at the end of the 1960's failed to halt the slow decline evident from the late 1950's. However the Passenger Transport Executives performed better than the National Bus Company, whilst London Transport continued to decline fastest of all. The first part of this section examines the process of decline and the financial structure of the industry including government support. O.P.O. provided no more than a short breathing space for the industry, mainly because it failed to tackle the root of the problem which was the continuous decline in passenger carryings. Furthermore O.P.O. resulted in many unforeseen problems including; accelerated passenger decline associated with conversion, higher vehicle costs, higher maintenance costs and higher supervision costs; all of which served to eliminate or reduce substantially the potential savings from conversion. The first part of this section examines the failure of restructuring.

What was the longer term impact of restructuring on labour militancy? The relationship between the restructuring of the industry and militancy is complex and contradictory. Because restructuring did improve the finances of the company sector for a period and also increased the levels of subsidy available in London and the metropolitan areas, restructuring recreated the economic basis of localised militancy, which had been critically undermined by economic decline. Furthermore, the early 1970's saw very high general levels of strike activity the effects of which encouraged radical movements in favour of equal pay. On the other hand, the conversion process divided crews into two groups, O.P.O. drivers and crew drivers and conductors with three separate levels of pay, which served to fragment the workforce. Rapid industrial change also created numerous issues around which shop stewards could attempt to mobilise. Given the T.G.W.U.'s commitment to
The Failure of Restructuring

decentralisation the pattern of national bargaining was disrupted, and the Union sometimes left the negotiating structure to attempt to gain local improvements. Local productivity bargaining had been encouraged by the N.B.P.I. and tended to reinforce sectionalism. Thus the pattern of labour militancy in the 1970's is confusing and complex. This is the theme of the second part of the this section of the chapter.

1a: Continuing Economic Decline

This part of the chapter briefly examines the record of the National Bus Company, the West Midland's Passenger Transport Executive and London Transport. Included in this will be an examination of levels of subsidy in each sector of the industry. Finally there will be a discussion of the problems caused by the restructuring of the 1960's. Essentially it will be suggested here that the 1960's restructuring failed to address the problems of falling demand and instead proposed as a panacea the introduction of O.P.O. which proved to be far more expensive than forecast, and reinforced the declining trend in passenger carryings. Let us begin with the National Bus Company.

Table Thirty on the following page, presents some operational and financial results for N.B.C. from 1969 to 1985, that is from the year of its formation up to the preparation for privatisation. Unfortunately the Annual Reports are not completely consistent, varying with the particular preoccupations of the time. Also due to various organisational changes, such as the disposal of assets to the P.T.E.'s, for example the transfer of some Midland Red and North West Road Car services, and the acquisition of assets, notably the transfer of London Transport Country Services, the figures cannot be taken as a consistent series. Finally care must be taken with figures such as Service Miles because these include National Express
The Failure of Restructuring

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Passengers</th>
<th>Passenger Carries</th>
<th>Employees</th>
<th>Million</th>
<th>Total Carries</th>
<th>Employee Wages</th>
<th>Interest Pretax</th>
<th>Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975</td>
<td>5,830,761</td>
<td>4,758,585</td>
<td>38,140</td>
<td>210.8</td>
<td>7,303,690</td>
<td>2,728,841</td>
<td>69.5</td>
<td>673.6</td>
</tr>
<tr>
<td>1976</td>
<td>6,231,940</td>
<td>5,140,775</td>
<td>42,840</td>
<td>222.0</td>
<td>7,671,430</td>
<td>2,928,231</td>
<td>74.0</td>
<td>712.4</td>
</tr>
<tr>
<td>1977</td>
<td>6,640,505</td>
<td>5,612,290</td>
<td>48,540</td>
<td>232.9</td>
<td>8,029,665</td>
<td>3,127,867</td>
<td>78.5</td>
<td>753.3</td>
</tr>
<tr>
<td>1978</td>
<td>7,088,908</td>
<td>6,188,875</td>
<td>54,240</td>
<td>242.9</td>
<td>8,387,910</td>
<td>3,327,531</td>
<td>83.0</td>
<td>795.2</td>
</tr>
<tr>
<td>1979</td>
<td>7,556,071</td>
<td>6,754,630</td>
<td>59,940</td>
<td>252.9</td>
<td>8,746,155</td>
<td>3,527,217</td>
<td>87.5</td>
<td>837.1</td>
</tr>
<tr>
<td>1980</td>
<td>7,942,233</td>
<td>7,320,410</td>
<td>65,640</td>
<td>262.9</td>
<td>9,104,400</td>
<td>3,726,917</td>
<td>92.0</td>
<td>879.0</td>
</tr>
<tr>
<td>1981</td>
<td>8,351,530</td>
<td>7,886,465</td>
<td>71,340</td>
<td>272.9</td>
<td>9,462,645</td>
<td>3,926,671</td>
<td>96.5</td>
<td>921.0</td>
</tr>
<tr>
<td>1982</td>
<td>8,773,450</td>
<td>8,452,520</td>
<td>77,040</td>
<td>282.9</td>
<td>9,820,880</td>
<td>4,126,467</td>
<td>101.0</td>
<td>963.0</td>
</tr>
<tr>
<td>1983</td>
<td>9,208,810</td>
<td>9,018,850</td>
<td>82,740</td>
<td>292.9</td>
<td>10,179,115</td>
<td>4,326,263</td>
<td>105.5</td>
<td>1,005.0</td>
</tr>
<tr>
<td>1984</td>
<td>9,653,290</td>
<td>9,285,200</td>
<td>88,440</td>
<td>302.9</td>
<td>10,537,350</td>
<td>4,526,059</td>
<td>110.0</td>
<td>1,047.0</td>
</tr>
<tr>
<td>1985</td>
<td>10,109,470</td>
<td>9,751,850</td>
<td>94,140</td>
<td>312.9</td>
<td>10,895,585</td>
<td>4,725,855</td>
<td>114.5</td>
<td>1,089.0</td>
</tr>
<tr>
<td>1986</td>
<td>10,585,100</td>
<td>10,218,750</td>
<td>99,840</td>
<td>322.9</td>
<td>11,253,820</td>
<td>4,925,651</td>
<td>119.0</td>
<td>1,131.0</td>
</tr>
</tbody>
</table>

* = London Country Services taken over from C.I.C.
The Failure of Restructuring

services which were expanding at the same time as stage carriage services were declining. Consequently there can no exact statements on the rate of decline or the proportion of costs attributable to platform staff and so on.

Despite these cautionary statements, the general trends are unmistakeable. The number of staff employed between 1969 and 1985 declined by about 40%, the number of platform staff must have declined by over 50%. The fleet declined by about 30% and the number of passenger journeys by 46%. The number of service miles fell by 22%, and assuming the proportion of stage to service miles was roughly similar in 1969 and in 1975 then stage carriage miles probably declined by about 30%. Given these trends net revenue held up remarkably well, only being negative in three years, yet as we can see the burden of debt increased enormously between 1975 and 1981.

This was mainly because the capital repayments on the original debt became due and N.B.C. was forced to borrow in order to meet this capital repayment at higher and higher rates of interest. Consequently annual interest payments by the late 1970's became a crippling burden on the company hastening the decline. As Lord Shepherd explained in the Annual Report of 1980:

"...the performance of the N.B.C. in complying with the financial duties laid upon it, including meeting in full the interest charges and keeping within the external finance limits set for it has been widely recognised as a creditable achievement. Its cost efficiency, measured by reference to output related to resources used, is second to none....this financial and operational achievement has been achieved at considerable cost, not only in terms of loss of jobs but in terms of reduction in service. During 1981 one mile in every nine which was on offer to the public in 1980 will now longer be provided."

Or again in 1981:

"...the Government should now...consider a possible restructuring of the finances of the N.B.C. by the conversion of the original and subsequent capital debts into Government held dividend shares in the Company".
The Failure of Restructuring

The N.B.C., even from this brief consideration, can be seen to have failed to stem the decline in road passenger transport. Given the general arguments presented so far, this would hardly be surprising given the absence of any serious transport policy aimed at reducing road traffic in towns and cities, and the absence of any transport planning powers associated with the operators as existed in London and the P.T.E. sector. How effectively did N.B.C. operate within such a difficult environment? In order to assess this let us examine three areas; firstly the restructuring of management and rationalisation of operations. Secondly the restructuring of the labour process. Thirdly the relationship with local authorities in regard to presenting a case for subsidy of unremunerative services. These areas are of course interrelated.

In March 1968 B.E.T. was acquired by the Transport Holding Company and from the 1st. January 1969 N.B.C. took over responsibility for all the T.H.C.'s bus operations together with certain British Rail bus operations. Under Section 48 of the 1968 Act the Company was entitled to sell anything it would normally purchase including petrol, oil, motor accessories, spares, and vehicle repairs, though these powers were scarcely used. By the end of the year N.B.C. was in control of 93 bus companies grouped into 44 operational units. Unlike the experience of the Road Passenger Executive, the management was significantly restructured in two ways. Firstly constituent companies were gradually grouped together under area control. This is shown in Diagram One on the following page. Secondly this regional organisation was supplemented by the development of central management services dealing with specialised functions such as architectural services, insurance, personnel, pensions, computer services, operational development etc. Each company was apportioned a share of the capital debt and maintained financial independence. Thus the N.B.C. developed a sophisticated form of decentralised financial responsibility coupled with strong central control.
### The Failure of Restructuring

#### Diagram Showing the Organisation of Companies in N.B.C.'s Divisional Structure: 1969-72

<table>
<thead>
<tr>
<th>1971</th>
<th>1970</th>
<th>1969</th>
<th>Major Companies in Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAST REGION</td>
<td></td>
<td></td>
<td>Gateshead &amp; District, Northern General, Sunderland &amp; District, United Automobile Services, Tynemouth, Tyneside.</td>
</tr>
<tr>
<td>Director - G. Newberry</td>
<td>Executive - J. Niblock</td>
<td>NORTH-EASTERN [G. Newberry]</td>
<td>East Yorkshire, Hobe, West Riding, West Yorkshire, Yorkshire Traction, Yorkshire Woolen District</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EAST MIDLANDS [J. Niblock]</td>
<td>Eastern National, United Counties, Eastern Counties, Tillings Travel (N.B.C.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EASTERN [G. McKay]</td>
<td>Crosville, Cumberland, North West Road Car, Ribble, Standervick.</td>
</tr>
</tbody>
</table>
The Failure of Restructuring

This had a direct impact on the restructuring of the labour process. For changes in the labour process took place at different times and with varying intensity in different companies preventing a unified response and encouraging the decentralisation of industrial relations. For example, in 1970, O.P.O. had been introduced on between 50% and 57% of service mileage in the top decile of constituent companies and as little as 3% to 22% in the bottom decile. As the potential future savings from O.P.O. conversion declined, by 1975 two thirds of services had been converted, other means had to be found to intensify labour. One solution to this was the Market Analysis Project (M.A.P.).

M.A.P. was first introduced in 1976 in the Midlands, there were other similar schemes but the discussion here will be restricted to M.A.P. This scheme consists of the computer modelling of service requirements after extensive travel surveys. The computer services were provided by N.B.C.'s subsidiary; N.B.C. Computer Services Ltd. The first area surveyed was Stratford-on-Avon and Evesham, followed by Oxfordshire and adjoining counties. The results of the latter was that;

"...90% of their stage carriage operations were revised ...mileage was reduced by 9% and there was a 6% saving in staff and scheduled bus requirements were reduced by 27."^5

The same Annual Report revealed that similar studies were in hand in 13 other N.B.C. subsidiaries.

However later M.A.P. exercises produced far more radical restructuring of the labour process. In Bristol in 1981 the M.A.P. recommendation was for cuts of over 40% in bus operations and 55% in service miles. Fully implemented, the scheme required the closure of four out of seven depots and 410 redundancies among road crews (about 40% of crews) together with 138 maintenance staff. The full scheme was not implemented but major changes were introduced on the same principles. These involved the replacement of single
The Failure of Restructuring

deck services by double deck services on reduced frequencies, the amalgamation of some services by introducing longer and more circuitous routes, the introduction of cross-city services which removed lay-over time and reduced the reliability of services, the removal of duplicate services in peak-times and the reduction of off-peak, early morning, late night and Sunday services. The aim was to meet the maximum possible demand with the minimum service but took no account of operating conditions. In short, the M.A.P. exercise represented a major intensification of the labour process. 6

Bristol represented an extreme case and the operating company involved, Bristol Omnibus Company, was, along with Midland Red, which had been stripped of services inside the West Midlands P.T.A. area, the worst financial performer inside the N.B.C. However this was directly related to the levels of car ownership in the City, which were among the highest for any urban area in the country. M.A.P. was also applied to Midland Red. When these projects failed to bring the expected results, indeed they hastened the decline still further, both companies were broken up. Bristol Omnibus into two companies and Midland Red into five companies. We will examine the strategies employed in the 1980's in the last section of the chapter. Let us now consider the performance of the Passenger Transport Executives.

By 1972 there were seven P.T.A.'s with bus operating powers; West Midlands, Greater Manchester, Merseyside, South Yorkshire, West Yorkshire, Tyne and Wear and Strathclyde. Due to the consolidation of services within the areas, especially the takeover of Midland Red services by West Midlands P.T.E. and those of the North West Road Car Company by Greater Manchester, it is impossible to compare year on year performance until after the financial year 1974/5. Comparing that year to 1978/9 gives us a rough guide to operating performance of the P.T.E.'s in the 1970's. The figures shown in Table Thirty-One are produced by each
The Failure of Restructuring

P.T.E. in slightly different ways and are not directly comparable.

Looking at Table Thirty-One we can see that the performance is quite variable between different P.T.E.'s. Overall total passenger carryings have fallen by about 10%. But this overall picture obscures important differences.

<table>
<thead>
<tr>
<th>AUTHORITY</th>
<th>PASS TRIPS MILLION</th>
<th>BUS MILES MILL'N</th>
<th>TOTAL FLEET</th>
<th>OPERATING COSTS PER BUS TOTAL EMILL.</th>
<th>MILE PENCE</th>
<th>TOTAL STAFF</th>
<th>BUS MILES/STAFF</th>
</tr>
</thead>
<tbody>
<tr>
<td>GREATER MANCHESTER</td>
<td>543.6</td>
<td>87.7</td>
<td>3,175</td>
<td>40.0</td>
<td>46.7</td>
<td>11,502</td>
<td>NA</td>
</tr>
<tr>
<td></td>
<td>424.7</td>
<td>86.2</td>
<td>2,930</td>
<td>82.4</td>
<td>99.0</td>
<td>12,367</td>
<td>6,970</td>
</tr>
<tr>
<td>GREATER GLASGOW</td>
<td>219.7</td>
<td>31.5</td>
<td>1,258</td>
<td>20.4</td>
<td>64.8</td>
<td>6,044</td>
<td>5,210</td>
</tr>
<tr>
<td></td>
<td>179.1</td>
<td>27.0</td>
<td>1,125</td>
<td>31.2</td>
<td>116.0</td>
<td>5,300</td>
<td>5,090</td>
</tr>
<tr>
<td>MERSEYSIDE</td>
<td>294.2</td>
<td>41.7</td>
<td>1,605</td>
<td>21.4</td>
<td>51.3</td>
<td>6,007</td>
<td>6,940</td>
</tr>
<tr>
<td></td>
<td>239.6</td>
<td>37.2</td>
<td>1,396</td>
<td>36.9</td>
<td>102.0</td>
<td>5,226</td>
<td>7,060</td>
</tr>
<tr>
<td>SOUTH YORKSHIRE</td>
<td>239.5</td>
<td>31.1</td>
<td>958</td>
<td>15.7</td>
<td>50.5</td>
<td>4,089</td>
<td>7,600</td>
</tr>
<tr>
<td></td>
<td>251.2</td>
<td>33.4</td>
<td>1,001</td>
<td>32.3</td>
<td>96.7</td>
<td>4,629</td>
<td>7,215</td>
</tr>
<tr>
<td>TYNE &amp; WEAR</td>
<td>132.8</td>
<td>18.9</td>
<td>553</td>
<td>8.2</td>
<td>43.4</td>
<td>2,528</td>
<td>7,480</td>
</tr>
<tr>
<td></td>
<td>139.1</td>
<td>21.4</td>
<td>582</td>
<td>18.1</td>
<td>84.8</td>
<td>2,762</td>
<td>7,750</td>
</tr>
<tr>
<td>WEST MIDLANDS</td>
<td>531.0</td>
<td>75.4</td>
<td>2,315</td>
<td>37.3</td>
<td>48.7</td>
<td>9,230</td>
<td>8,166</td>
</tr>
<tr>
<td></td>
<td>528.6</td>
<td>74.5</td>
<td>2,406</td>
<td>66.3</td>
<td>89.0</td>
<td>8,963</td>
<td>8,290</td>
</tr>
<tr>
<td>WEST YORKSHIRE</td>
<td>305.3</td>
<td>42.8</td>
<td>1,497</td>
<td>24.4</td>
<td>57.0</td>
<td>6,373</td>
<td>6,715</td>
</tr>
<tr>
<td></td>
<td>216.8</td>
<td>37.6</td>
<td>1,398</td>
<td>40.7</td>
<td>108.0</td>
<td>5,987</td>
<td>6,280</td>
</tr>
</tbody>
</table>

South Yorkshire has actually increased carryings and Tyne and Wear and West Midlands have stabilised passenger carryings. On the other hand Glasgow has declined sharply although this is largely a function of declining population as P.T.E. operations concentrate on the City of Glasgow itself, rather than the whole Strathclyde area. Merseyside demonstrates a steady decline due to attempts to cut services rather than increase fares. In Greater Manchester there have been few service cuts and rapid fare rises partly due to
The Failure of Restructuring

declining levels of revenue support and this caused a steep decline of 20%. West Yorkshire displays a similar pattern.

In terms of measuring efficiency of platform crews (and of course these are not the only contribution to efficiency), the total figures for staff employed conceal important differences. Some authorities have preferred to maintain employment and reduce overtime. Equally fleet size is an unreliable indicator, with little change in South Yorkshire and Tyne and Wear and rapid decline in Greater Manchester, Glasgow and West Yorkshire. Operating costs per bus mile have risen slightly faster than general inflation. However there seems to be no relationship between levels of subsidy and operating costs. South Yorkshire, with the highest subsidy has the lowest costs whereas West Yorkshire, with the lowest subsidy has the second highest costs. As Peter White comments:

"The level of efficiency is, to my mind, much more a function of the history of the undertakings concerned. London and Glasgow tend to exhibit rather poor efficiency for such historical reasons as the long-term concentration on large-scale centralised workshops and complex top-heavy administrations. London Transport has found it very difficult to adjust to its diminished role since the loss of London Country services, and historically has carried a large staff, even when subsidies were few or non-existent. Historical influences on working practices go a long way to explaining the variations in unit costs; add this to the varying geographical constraints (congestion factors) and there is a much stronger basis for a critique than looking at the impact of subsidies."

The question of subsidies often obscures far more fundamental questions about the effectiveness of managerial control and the history of the operation.

Thus when examining the record of the P.T.E.'s in the 1970's, it is important to differentiate between them. It is worth examining briefly here how one P.T.E., West Midlands, performed through the 1970's. The main operating statistics are given in Table Thirty-Two on the next page. As already noted, West Midland's P.T.E. (W.M.P.T.E.) generally
### Table Thirty Two

<table>
<thead>
<tr>
<th>Year</th>
<th>Travel on Free Passes</th>
<th>Destination Trips</th>
<th>Total Trips</th>
<th>Vehicular Passengers</th>
<th>Vehicular Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985/6</td>
<td>1.107.305</td>
<td>2.245.360</td>
<td>3.350.665</td>
<td>2.245.360</td>
<td>2.245.360</td>
</tr>
<tr>
<td>1984/5</td>
<td>1.101.303</td>
<td>2.245.360</td>
<td>3.350.665</td>
<td>2.245.360</td>
<td>2.245.360</td>
</tr>
<tr>
<td>1983/4</td>
<td>1.000.716</td>
<td>2.218.045</td>
<td>3.230.861</td>
<td>2.218.045</td>
<td>2.218.045</td>
</tr>
<tr>
<td>1981/2</td>
<td>777.539</td>
<td>2.092.278</td>
<td>2.869.817</td>
<td>2.092.278</td>
<td>2.092.278</td>
</tr>
<tr>
<td>1980/1</td>
<td>670.810</td>
<td>2.021.010</td>
<td>2.691.820</td>
<td>2.021.010</td>
<td>2.021.010</td>
</tr>
<tr>
<td>1979/8</td>
<td>583.040</td>
<td>1.950.743</td>
<td>2.533.783</td>
<td>1.950.743</td>
<td>1.950.743</td>
</tr>
<tr>
<td>1978/7</td>
<td>517.921</td>
<td>1.880.468</td>
<td>2.408.389</td>
<td>1.880.468</td>
<td>1.880.468</td>
</tr>
<tr>
<td>1977/6</td>
<td>463.074</td>
<td>1.810.192</td>
<td>2.273.266</td>
<td>1.810.192</td>
<td>1.810.192</td>
</tr>
<tr>
<td>1976/5</td>
<td>413.771</td>
<td>1.740.916</td>
<td>2.154.687</td>
<td>1.740.916</td>
<td>1.740.916</td>
</tr>
<tr>
<td>1975/4</td>
<td>371.924</td>
<td>1.671.640</td>
<td>2.043.564</td>
<td>1.671.640</td>
<td>1.671.640</td>
</tr>
<tr>
<td>1974/3</td>
<td>331.924</td>
<td>1.602.364</td>
<td>1.934.288</td>
<td>1.602.364</td>
<td>1.602.364</td>
</tr>
</tbody>
</table>

*Note: The table includes all types of county grants including road, rail, capital, and other services.*
The Failure of Restructuring

maintained passenger carryings whilst increasing efficiency. D.L. Munby's doubts about the efficacy of creating large fleets, noted in the earlier discussion of the 1968 Act can be seen, in the case of W.M.P.T.E., to be groundless.

W.M.P.T.E. was founded in April 1969 to operate the municipal fleets of Wolverhampton, Walsall, West Bromwich and Birmingham. The managerial structure amalgamated the first three operations into a North Division while maintaining Birmingham as South Division. In addition four centralised managerial divisions were created; Engineering, Accountancy, Planning and Secretarial. There were several immediate problems. Firstly an accumulated deficit of £900,000 in the first fifteen months. Secondly the problems of amalgamating the North Division's fleet of 692. Thirdly the problem of traffic congestion in Birmingham which meant that of 1,357 buses, only 33% were required outside the peak period. Forthly there were shortages of drivers except in Wolverhampton and conductors everywhere. Fifthly there was the problem of other operators, especially Midland Red, 40% of whose operations were inside the P.T.A. area which was solved initially by a pooling system. Lastly there was a problem of inheriting four different pay bargaining systems, covering three groups of staff (Traffic, Engineering and Administration) with local, regional and national pay agreements. This was alleged to produce leap-frogging between groups and multiplied, unnecessarily, the number of different negotiating bodies.10

The staff shortage ceased to be a problem after 1972 as W.M.P.T.E. converted services to O.P.O. at the rate of 250 vehicles per year. The main inhibiting factor was the supply of vehicles. By mid-1974 all suitable vehicles had been converted. After negotiations with Midland Red, all services within the P.T.E. area together with six garages and 813 vehicles were purchased for £3,600,000. 1,400 staff were transferred including the operating manager who became the operating manager for the North Division.11 In the
The Failure of Restructuring

following year Coventry City Services also became part of W.M.P.T.E. involving a further transfer of 304 vehicles. A new East Division was formed to operate Coventry Services. By 1970 the negotiating procedures had been rationalised, although the absorption of Midland Red, previously covered by the N.C.O.I., and Coventry added further complications.

In addition to improvements in local rail services which doubled their use, the prime method of integration of services was the introduction of the Travelcard. Introduced in 1972, the Card quickly gained in popularity, with 17,000 issued in the first year to 137,000 in 1980 or one in five of all passengers. The Travelcard, which in the short term led to a decline in revenue but in the long term stabilised passenger carryings, partly as a result of reducing the elasticity of demand when fares were raised. The card also enabled the speed of services to be kept up with O.P.O. during the rush hour.12

The main difference between W.M.P.T.E. and N.B.C. is the regular subsidy provided by West Midlands County Council after 1974. This prevented the accumulation of debt and stabilised the passenger carryings at around 500,000,000 per annum. Table Thirty-Two demonstrates the importance of this subsidy to stability. In the years 1976/7 to 1978/9, the cutting of the subsidy reduced passenger demand substantially. Whereas the relatively small levels of subsidy maintained passenger carryings. With declining passenger demand and the resulting increase in traffic congestion, the industry reaches a spiral of decline, which is effectively what happened to N.B.C.

It was also what happened in London, where, with the exception of the period of Labour control of the G.L.C. when fares were stabilised along with passenger carryings, the long term decline continued. From 1975 to 1981 passenger miles travelled slumped from 3,039 million to 2,511 million. As Fuller explains:
"The Horace Cutler regime at County Hall appeared to favour bleeding the patient, and Bus Plan '78 was but the first in a series of planned cuts which sought to axe scheduled mileage from 211 million miles to 199 million miles. This would reduce the staff establishment figure from 23,500 to 20,800. Paradoxically, this would mean not redundancies but the recruitment of extra staff, as there existed at the time a staff shortage of 15%."

What subsidy was available to the bus industry? There were four main types of subsidy provided. Table Thirty-Three examines the level of these different payments from 1972 to 1982. The word subsidy is itself misleading. For example the first type, the Fuel Duty Rebate, is in fact not a subsidy but a tax advantage provided for public transport. The tax relief available on company cars during the same period was estimated at some £2,000 million. Yet rarely was this referred to as a subsidy, despite the fact that 80% of cars commuting into central London during the rush hour are company cars, as the G.L.C. discovered in a survey during 1982. The second area of subsidy was the New Bus Grant, which was provided partly to encourage the conversion to O.P.O. and was of dubious benefit to the industry according to some writers. The third area was concessionary fares

---

### TABLE THIRTY-THREE

<table>
<thead>
<tr>
<th>Type of Subsidy or Grant</th>
<th>1972</th>
<th>1974</th>
<th>1976</th>
<th>1978</th>
<th>1980</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Duty Rebate</td>
<td>21</td>
<td>32</td>
<td>45</td>
<td>59</td>
<td>78</td>
<td>93</td>
</tr>
<tr>
<td>New Bus Grant</td>
<td>18</td>
<td>23</td>
<td>39</td>
<td>52</td>
<td>80</td>
<td>40</td>
</tr>
<tr>
<td>Concessionary Fares Payment</td>
<td>12</td>
<td>37</td>
<td>95</td>
<td>124</td>
<td>162</td>
<td>235</td>
</tr>
<tr>
<td>Revenue Support by Local Authorities</td>
<td>10</td>
<td>76</td>
<td>191</td>
<td>165</td>
<td>250</td>
<td>490</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>9</td>
<td>19</td>
<td>15</td>
<td>29</td>
<td>39</td>
</tr>
<tr>
<td>TOTAL</td>
<td>71</td>
<td>177</td>
<td>389</td>
<td>415</td>
<td>599</td>
<td>897</td>
</tr>
<tr>
<td>RPI (1980 = 100)</td>
<td>32.5</td>
<td>41.1</td>
<td>59.6</td>
<td>74.7</td>
<td>100</td>
<td>121.5</td>
</tr>
</tbody>
</table>

payments, usually provided to pensioners and to the
physically handicapped. This again is not strictly a subsidy, it is a transfer payment. Indeed only the last form of subsidy, the Revenue Support from Local Authorities, is in reality a subsidy. Yet even these payments produce cost savings on other transport expenditure, mostly on roads.

We will examine the distribution of this subsidy more carefully later. By far the largest proportion of Revenue Support Grant comes from either the G.L.C. or the P.T.E.'s. Consequently N.B.C. was excluded from most of it.

The last question to be addressed here is why the restructuring of the mid-1960's failed to solve the problems of the industry. As we have described above, both the N.B.C. and the W.M.P.T.E. rapidly introduced O.P.O. The N.B.C. and some P.T.E.'s also introduced continual cuts in services and yet they could still not stem the decline. The main reason for this is that the savings expected from O.P.O. never materialised. Their are two essentially related reasons for this.

Firstly O.P.O. was highly effective in reducing the number of potential passengers. The reasons are quite obvious. In order to keep to timings, often identical to crew operated services, O.P.O. Drivers had to spend more time at bus stops and consequently had to drive faster between them. This meant that the quality of the bus ride was reduced dramatically, especially for the elderly and people carrying children and shopping. Drivers simply did not have time to wait for passengers to sit down, had to accelerate fast away from stops and often became extremely bad tempered as a result of the extra pressure placed upon them. If they did not drive more quickly then they would run late and the quality of the service would decline still further. Leaving a busy bus stop in town centres often meant driving away as the third 'runner' approached, because each time they paused to take another fare, someone else would approach. In other words there was a marked deterioration in
The Failure of Restructuring

the quality of the ride, the reliability of services and the relationship between the driver and the passengers. The impact of O.P.O. conversion could be to reduce the number of passengers on a converted route by up to 39%.17

The second reason, related to the first, was that the extra acceleration and braking required put tremendous strains on the new vehicles used in O.P.O. These were also generally of much poorer design and with the necessity of rear engines had more complex controls which frequently went wrong. Consequently the extra cost of maintenance often far outweighed the expected savings. This was demonstrated by Colin Boyd and D.G. Rhys in two separate studies. A further study by Brown and Nash showed that the rising costs of operation exceeded the savings.18

Thus the choice facing the industry and transport planners in the 1970's was either decline or subsidy. If the restructuring of the 1960's proved anything, it was that higher productivity was no solution to the problems of decline. The real failure of the attempted solutions of the 1960's was the failure to develop a coordinated transport policy in which the social costs of private motoring in cities would be prevented from strangling public transport. Either this meant a transfer of resources between private and public transport, coupled with major investment in public transport infrastructure or it meant the effective abandonment of public transport altogether. Local Revenue support was preferable to complete collapse, but it was not a solution to the long term problems in itself. It simply demonstrated the contradictory pressures on the local and national state. On the one hand the Ministry of Transport generally regarded roads as the solution to all transport problems regardless of the costs in terms of deprivation, road accidents, pollution and destruction of the urban environment. On the other hand the state had certain welfare functions and responsibilities to the young and the elderly as well as a need to lubricate the operation of the labour
market. Given these constraints, it is not surprising that at local level the state was attempting to recreate the public transport system that a combination of private capitalism, the vested interests of the British Road Federation and successive Ministers of Transport seemed determined to destroy.

lb : The Pattern of Militancy in the Bus Industry in the 1970's

In the previous part of this chapter we outlined the objective position which bus workers faced. The introduction of O.P.O. and the various projects by N.B.C. and the P.T.E.'s to reorganise services, both led to the intensification of work. Meanwhile the employers could in many cases claim severe financial problems which prevented them settling wage claims, whilst the high rate of inflation reduced the value of any settlement very quickly. Most of the decade was marked by wage restraint, either in the statutory form of the Heath Government wage controls (Phase One, Two and Three) or the voluntary T.U.C. agreement reached with the Labour Government known as the 'Social Contract'. Consequently the highest periods of strike activity tended to be at the end of long periods of wage restraint as in 1970 and 1974. Table Thirty-Four below gives the general pattern of strike activity. 1970 and 1974 stand out as particularly strike prone years, as does, to a lesser extent, 1978.

1970 began with a series of token strikes which engulfed the whole of the Scottish Bus Group over the question of equal pay for women conductors. Three years previously S.B.C. had agreed that the differential between men's and women's rates of pay would be removed gradually. This meant in practice that it took women six years to reach the top pay rate, yet because labour turnover was so high, in practice very few ever reached the top rate. The strikes
began at Aberhill and Kirkaldy and lasted, on and off, for eleven weeks, involving nearly 5,000 crews. After four weeks the strike spread further until the whole of the Scotland was affected.\(^{20}\)

In March 1970 the N.C.O.I. and N.J.I.C. negotiations reached parity for the first time ever. However, the parity was only in national rates for as 'The Record' reported;

"At present municipal busmen get payment in the form of attendance bonuses, service pay and superannuation which the company busmen do not receive."\(^{21}\)

It was still the case that three fifths of bus companies still had no pension scheme and even the existing schemes introduced by the Transport Holding Company in 1962 was 'poorly financed'.\(^{22}\) The agreement included 10/- a week to compensate for the shorter hours brought in by the 1968 Act and due to be implemented in April. Together with a previous settlement in September it amounted to an increase of 18.5%. Yet both the municipal and company bus workers had suffered severely under the previous incomes policy. Further strikes in High Wycombe, Reading and South Shields demanded a further increase.\(^{23}\)

---

**TABLE THIRTY-FOUR**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NUMBER OF STRIKES</th>
<th>NUMBER OF WORKERS INVOLVED</th>
<th>AGREGATE NUMBER OF WORKING DAYS LOST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>106</td>
<td>76,100</td>
<td>380,000</td>
</tr>
<tr>
<td>1971</td>
<td>21</td>
<td>12,700</td>
<td>19,000</td>
</tr>
<tr>
<td>1972</td>
<td>21</td>
<td>8,300</td>
<td>50,000</td>
</tr>
<tr>
<td>1973</td>
<td>45</td>
<td>13,800</td>
<td>37,000</td>
</tr>
<tr>
<td>1974</td>
<td>63</td>
<td>32,600</td>
<td>315,000</td>
</tr>
<tr>
<td>1975</td>
<td>31</td>
<td>27,600</td>
<td>32,000</td>
</tr>
<tr>
<td>1976</td>
<td>42</td>
<td>17,000</td>
<td>69,000</td>
</tr>
<tr>
<td>1977</td>
<td>42</td>
<td>13,700</td>
<td>76,000</td>
</tr>
<tr>
<td>1978</td>
<td>60</td>
<td>29,000</td>
<td>166,000</td>
</tr>
<tr>
<td>1979</td>
<td>51</td>
<td>15,000</td>
<td>67,000</td>
</tr>
<tr>
<td>1980</td>
<td>60</td>
<td>25,100</td>
<td>40,000</td>
</tr>
</tbody>
</table>
The Failure of Restructuring

The T.G.W.U. increased the demands of the 'Busmen's Charter' to £20 per week and withdrew from both the N.J.I.C. and N.C.O.I. negotiations in October, urging local negotiations. The other demands included time and half for all overtime, an extra weeks holiday per year and further local payments. The N.C.O.I. accepted all but the basic wage claim. A series of token strikes, overtime bans, bans on standing passengers and a block on further O.P.O. conversion followed, involving 24,000 in strike action in different parts of the country. Newport, Sheffield, Caerphilly, Accrington and Belfast all conceded the full claim. Meanwhile the N.C.O.I. rejected the local deals all together claiming they would cost £100 millions. The consequence of this local action was that there was a two week strike in Rhondda over the dismissal of six conductors refusing to collect higher fares and a strike of nearly 4,000 in County Durham over the dismissal of workers refusing to end a work to rule. The N.J.I.C. very quickly reversed the 1951 Agreement banning minimum local pay agreements and offered a 33/- rise in return for the T.G.W.U.'s return to the Council. As Larry Smith, the National Officer explained:

"We can use the victory to adjust minimum pay on a local basis. As a public service sector we can expect our members to take a cue from the 50/- settlement for local authority workers. Thus, our objective locally will be to get the extra 17/-."24

Some areas including Sheffield and Belfast got more than the 50/-. In Birmingham, after selective strike action a productivity agreement was used to evade the wage freeze. As the local full-time official explained;

"The edge we have won over national negotiations with our local bargaining is worthy of notice, and the terrible financial situation we faced, plus our determination about decent wage standards will add to the pressure for a sensible solution to the crisis of the public transport system which we believe should be supported, with general subsidies in the public interest."25

Local bargaining over productivity became the standard
pattern of wage negotiations throughout the 1970's. Having failed in 1968 to mount a general resistance to the restructuring of the industry, the union was now forced into the position of selling jobs and conditions for money. The key was to find ways of consolidating O.P.O. bonus payments into the standard wage rates at local level which guaranteed that those branches still trying to resist O.P.O. at a local level were isolated.

In 1972 the Union submitted a claim for shift pay to the N.J.I.C. which went to arbitration under Professor Hugh Clegg. The claim was conceded but once more the terms of the agreement included local variations, based on pay comparibility. Some pay deals came up against the statutory incomes controls such as the Greater Manchester (SENEC) deal in February 1973, which was for a flat 11% increase. Wheras the N.J.I.C. deal in that year passed because it included a much lower increase together with local productivity deals. Sheffield, Leeds, Rotherham, Chesterfield, Aberdeen and Edinburgh all improved on the national rate.

In August 1973 the Union launched the new 'Busman's Charter' which claimed a £25 minimum wage, a 35 hour week, a 7 hour standard day, four weeks Annual Holiday and a national limit on overtime of twelve hours per week. Thesese were all persued locally through productivity deals. Everywhere local negotiations were trading jobs and conditions for wage increases. This sectional pattern combined with a lack of militancy destroyed in effect the value of national pay agreements. Thus after the N.J.I.C. settlement in December 1974, 'The Record' reported that Sheffield, West Yorkshire and Southampton had already exceeded the agreement locally. Only in Scotland was there a general fight for basic wage increases independent of productivity agreements. Nearly the whole of the 1974 strikes are accounted for by Scotland where in the last three months of the year there were a series of token
The Failure of Restructuring

strikes by 1,425 crews in Lothian, a two week strike in Glasgow involving 3,500 and a five week strike in all areas of Scotland involving 8,600 crews. As late as 1979 there were still Scottish garages with no O.P.O. Everywhere else, the pattern of local negotiations undermined any possibility of action focused on the national pay deal. As if to underline this point, in 1979, the Union pulled out of the N.J.I.C. agreement after the refusal to increase the O.P.O. bonus.

The N.C.O.I. agreement of the following year, in a bid to encourage 100% O.P.O., introduced the twenty stage hourly bonus rate system. Under this system, an hourly 'enhancement' was paid according to the level of O.P.O. operated by the depot. Thus in a depot half converted, each worker would receive 10.33 p. per hour added on to the hourly rate. In a 100% O.P.O. garage each O.P.O. driver would receive 31p. an hour enhanced rate. This represented another 15% on the hourly rate and proved a fine incentive for the last conductors to be forced out of the garages in the early 1980's. Fifteen years of productivity bargaining had undermined union organisation. Whereas a conductors job was always a possibility for a driver who failed a medical, became too old to drive or lost his or her license, that possibility was now closed.

However there was one issue, which became increasingly prominent in the 1970's, which did unite all crews. This was the issue of violence against crews. In 1968 there were 658 assaults on bus crews of which only a third resulted in prosecution. In 1969, Thomas Burne was stabbed to death in Glasgow. In 1970, a Salford Conductor, Clifford Richardson, was assaulted but received no compensation. The Union successfully promoted the Criminal Injuries Act in response. Gradually a tradition of collective response to assaults built up. In December 1973 Leeds refused to operate buses after 9.00 p.m. for four weeks in response to assaults. By 1974 assaults reached record levels in South
The Failure of Restructuring

London, mostly as a result of frustration caused by staff shortages. Long waits for buses after 3.00 p.m. increased the likelihood of physical attacks on crews. Stockwell Garage, with the biggest shortage of crews also had the highest level of attacks. In January 1975 25,000 London transport workers, including tube, railway and bus crews, struck in protest at the death of Ron Jones who was stabbed to death on a Sunday afternoon following an argument about a dog fare. In 1978 there were over 1,000 assaults on London Bus Crews, a direct consequence of the deteriorating levels of service. These collective actions of refusal to operate buses after assaults on crews seemed to have the most effect in preventing them for a period. They can be traced in every major city and among the least militant garages. In a situation where crews had little ability to prevent the steady worsening of services, they could at least assert themselves collectively against the public. These actions demonstrated the potential for collective action in direct opposition to the sectionalism and lack of militancy that resulted from the restructuring of the labour process in the mid-1960's. They were a demonstration of sympathy and an assertion of collective power that lies at the heart of every social organisation of labour.

2 : The Social Contract and Municipal Socialism

The election of a Labour Government in 1974 during the biggest upsurge of militancy since the early part of the century with the most left-wing programme for half a century pressaged great things. Despite the severe balance of payments crisis and the Government's minority position, unlike the previous Labour Government, this Government publicly identified itself with the leaders of the trade unions. There was to be no return to the days of 'In Place of Strife'. Nor was it simply a policy of 'keeping the unions happy'. As Coates explains;
The Failure of Restructuring

"Trade union leaders were consulted often, regularly and at an early stage in the development of policy. Major government decisions, even budgetary changes, were made conditional at times on union support, and leading trade unionists were allowed to shape (and to police) the details of the early stages of incomes policy...The Industrial Relations Act was repealed; so too was the Housing Finance Act; a new Trade Union and Employment Protection Act followed; so did Acts on sexual equality and equal pay. Interventionist agencies in the labour market were established: the Manpower Services Commission, the Advisory, Conciliation and Arbitration Service, and the Health and Safety Commission, and leading trade union figures played a prominent part in the design and running of each..."32

The social contract was described by Panitch as a form of `resuscitated corporatism'. The crucial feature of 1970's corporatism was that it was;

"...very much dependent on the bargains struck between social democratic parties and trade unions; involving the promise that the compromise made by the working class in corporatist structures would be compensated for via the parliamentary process, whether through the `social wage', industrial relations legislation or direct impositions on capital..."33

Thus in terms of the bus industry, financial support and subsidy would be given in return for the moderation of wage demands by all unionised workers. Thus public transport would become part of the `social wage' and public transport workers would benefit through the increased security of employment.

In return for this `social wage', union leaders played their customary role of policing incomes policies. However, they did not see it in this light. Jack Jones, for example, at the Scottish T.U.C. explained that;

"It is up to us to ensure that every working man and woman supports the Government. That is not to say that within our movement we should not be free to criticise..the social contract does not mean control of wages, but it does mean a realistic approach to which we in the trade union movement are already responding, and so are the Government."34

Before the election, a joint T.U.C - Labour Party Liason
The Failure of Restructuring

Committee produced an agreement, 'Statement on Economic Policy and the Cost of Living', which included the following on Transport;

"...the strengthening of public transport, and experiments with free public transport in major conurbations."

The statement, of which this is but a small part, was to become known as the Social Contract. Yet once more the Labour Government proved sadly ineffective against hitherto the most serious post-war economic crisis. As unemployment mounted, trade union leaders found themselves facing a choice, not between either wage controls or unemployment, but between wage controls with rising unemployment, or simply even higher unemployment. Far from subsidising public transport in order to maintain employment, in return for wage controls, the government cut subsidies to public transport at the same time as cutting wages.

In July 1975 the first phase of incomes control was introduced, pay increases were set at £6 or about 10% of average earnings. At the same time inflation was 24.2%. In August 1976 the second phase was introduced limiting wage increases to 4.5% when inflation was 16.5%. These two years represented the greatest wage cuts since the 1920's, yet the T.U.C. accepted both, without dissent. In the second year of the policy, the Government was in crisis with Wilson's resignation and the I.M.F. loan and Jones used 'The Record' to argue the case for supporting the Government at all costs. In front page articles headed 'Why Unity' and 'Why We Must Agree', Jones argued for support as the only alternative to a Conservative Government. Only in the third year was their serious opposition to income controls at the T.G.W.U. and A.U.E.W. Conferences. As Coates puts it;

"The story of the relationship between the Labour Government and the trade union movement after 1974 is one of the vital transformation of the national trade union leadership into vital junior allies of the Cabinet in the implementation of incomes control - policemen in their own area of action, visibly pursuing policies with which they were uneasy within limits set only by the sporadic degree of rank and file protest to
The Failure of Restructuring

which they were subject. 

Not only were there income controls, but the level of revenue support to the bus industry was cut at the same time. Thus the bus section of the union found themselves cooperating in the very process which undermined their own existence. In constant 1980 prices, the level of revenue support for the bus industry increased from £202 million in 1974 to £378 million in 1975. It then fell to £337 million in 1976, £259 million in 1977 and £240 million in 1978.

It was this decline in subsidy that underlay the small scale revolt in 1978 in the bus section. It was very much the revolt of a small minority of the membership and it was directed against phase three of the policy incomes policy. Unlike the first two phases, the union leadership did not directly police their membership. On the other hand, the only national union revolt, of the Fire Brigades Union, was effectively isolated by the rest of the T.U.C. In Sheffield, which had been setting the highest pay rates in the industry, there were a series of stoppages from October 1977 to January 1978 by 1,700 crews, in support of pay increases outside the Government guidelines. In Bradford, there was a two week strike against revised schedules by 1,350 crews and in Hanley there was a six week strike by 470 crews over a disputed payment for new schedules.

In November 1976 the N.B.C. subsidiary, South Wales Bus Company announced cuts of 25%. In London, cuts of £33 million were announced, resulting in the axing of 300 buses and 1,500 staff. In the West Midlands cuts in subsidy led to a 23% fare rise. From 1977 onwards there were a number of campaigns by bus branches over the levels of subsidy. In February 1977, the National Passenger Trade Group called for the extension of the London 'Save our Services' campaign to the provinces. In April, William Rogers, Minister of Transport, attempted to penalise Sheffield for their level of public subsidy which was rising as a consequence of their
The Failure of Restructuring

decision in 1976 to peg fare levels at the same rate for ten years.\(^41\) In West Yorkshire, public protest halted cuts of £180,000. In September 1977 the West Yorkshire ‘Save our Services Campaign’ in Leeds voted not to collect a proposed 25% fare rise and collected a 40,000 strong petition against the cuts in subsidy by West Yorkshire P.T.E.

---

**TABLE THIRTY-FIVE**

| TRENDS IN REVENUE SUPPORT BY TYPE OF AUTHORITY 1978/9 TO 1982/3. \(^42\) |
|-------------------------------|--------|--------|--------|--------|--------|
| **BUS, UNDERGROUND, METRO, FERRIES**(i) | **£ Millions** | 1978/9 | 1979/80 | 1980/1 | 1981/2 | 1982/3 |
| ENGLAND: | | | | | (iii) |
| G.L.C. (ii) | 58.0 | 52.0 | 94.0 | 86.0 | 162.6 |
| P.T.E.’s | 58.9 | 79.4 | 124.6 | 188.6 | 227.6 |
| SHIRE COUNTIES | 51.0 | 66.0 | 61.3 | 89.6 | 88.0 |
| WALES | 6.0 | 7.7 | 8.5 | 9.5 | 9.6 |
| SCOTLAND (iv) | 13.3 | 18.9 | 40.2 | 38.7 | 29.0 |
| TOTAL | 187.2 | 224.0 | 328.6 | 412.4 | 526.5 |

(i) Revenue Support for underground, metro and ferries is less than £10 million.
(ii) Excludes depreciation and renewal payments.
(iii) Includes cost of Fares Fair Policy.
(iv) Buses and Ferries only.

As Labour recaptured the major cities in the Local elections of the late 1970’s and early 1980’s there was a substantial rise in the level of revenue support going to the industry. This is shown in Table Thirty-Five above.

Thus it was in the first years of the first Thatcher Government that the municipal socialists mounted their challenge over public transport. In September 1981, W.M.P.T.E. cut fares by 25%, introduced a 2p. maximum child fare and introduced free travel for the unemployed. Traffic increased by 1% as against a predicted fall of 6%. The number of children carried increased 57%.\(^43\) In October 1981, the most widely publicised campaign, the ‘Fares Fair’ in London, cut fares by 32% and scrapped the planned cuts in
The Failure of Restructuring

services. Fares returned to their 1969 level in real terms, passenger mileage increased by 12% and passenger carryings by 10%. These reversals in policy from previous Conservative Local Authorities were largely demonstrative of the potential of public transport. Thirty years continuous decline in could not be halted in one fare cut. In the case of the West Midlands they did not represent a huge departure from the policy of the P.T.E. but in London the chairman of L.T.E. noted that:

"For the first time in about twenty years, the steady decline in the use by passengers of public transport services in London was halted and reversed..."45

This was the real significance, for the policy made the point that the continuous decline was a result of conscious policy which could be reversed.

Both the W.M.P.T.E. and G.L.C. policies were reversed by legal decisions. In London two Conservative Councillors from Bromley took the G.L.C. to Court. In Birmingham, Solihull Council and G.K.N. Ltd. initiated the action. In London, the Five Law Lords pronounced the policy illegal on grounds which even the Sunday Times could not defend.46 In the West Midlands the policy was reversed even before the Court hearing. The policies collapsed because they did not involve the unions in either case. Thus once the policy was challenged, the Councils backed down because they had no means of resisting, unless they broke the law, which they were not prepared to do, despite having been elected very recently on precisely these policies. What was most significant was not the Law Lords Judgement but the refusal of the Transport Minister, David Howell, to clarify the situation for revenue support of bus services subsequently. Not only this, but having won the battle without a fight, the Ministry decided to counter-attack by gradually squeezing the finances of those County Councils and Metropolitan County Concils which had significant revenue support policies.
The Failure of Restructuring

Much stronger resistance could only come from the unions themselves in fighting the resulting redundancies and scheduling changes and in defending pay and conditions. Yet the nature of municipal socialist policy was precisely the separation of trade union action from municipal and parliamentary policies. Consequently since these policies were rooted in the resuscitated corporatism of the 1970's, when they came under attack by a hostile government, there was almost no industrial action to defend them. Whilst the unions in the bus industry were obviously weakened by the general decline of the industry, the failure to even attempt to defend these municipal strategies, which were undoubtedly popular, invited still further attacks on the levels of subsidy to the industry. This is essentially the story of the last ten years, to which we now turn.

3: The Thatcher Years: The Final Crisis?

This final part of the historical narrative is in much less detail than previous chapters. Rather than attempt a comprehensive picture of the events since 1979, which are available elsewhere, we shall instead comment on the general trends and future prospects in the industry. Since 1979 there has been a concerted attack on the bus industry. From 1980 to 1986 there were seven separate Transport Acts. Government financial support for the industry has been severely reduced. The National Bus Company has been privatised, the Scottish Bus Group is about to be privatised, and the P.T.E.'s have been abolished. London Transport was removed from G.L.C. control (and then the G.L.C. abolished) and renamed London Regional Transport, but as yet, deregulation and privatisation has not been introduced in London. The national negotiating machinery in the provincial sector has been terminated and some sectors of the industry have seen wages and conditions deteriorate rapidly. In this final section we will examine four areas.
The Failure of Restructuring

Firstly state intervention and legislation, especially the 1985 Transport Act. Secondly the result of deregulation on the industry. Thirdly the effects of privatisation of N.B.C. and lastly the consequences for the Union and for militancy.

The 1983 Transport Act began a period of relentless downward pressure on P.T.E.'s expenditure. The Act required each P.T.E. to provide a three year plan on an annual basis which would be reviewed by the Secretary of State who would have the power of approval. The Act introduced the Protected Expenditure Limit, revenue support above this level being liable to penalties. The two authorities singled out for close attention were South Yorkshire and Merseyside, both of whom had the highest levels of public transport support per head of population. The Protected Expenditure Limit was reduced by 17.4% in South Yorkshire and 10.6% in Merseyside between 1982/3 and 1983/4.48

A similar pressure was applied to the N.B.C. which was given various targets for reducing operating costs per vehicle mile and achieving an operating surplus of £18.5 millions (Current Cost Accounting) These were generally achieved during the early 1980's, but as the Select Committee on Transport warned in their 4th. Report:

"Although there may well be advantages in setting a challenging target for the industry, it is essential that neither the Government nor those involved in the industry lose sight of the need to maintain an adequate level of local transport services."49

The success in meeting the targets was achieved by cutting services drastically. Meanwhile the 1982 Transport Act provided for the privatisation of National Express and National Holidays which in 1982 produced 22% of working profits. Some rural areas, such as North Norfolk, faced a complete withdrawal of all services.

A further threat to the industry was posed by the long investigation of the Monopolies and Mergers Commission into Bristol Omnibus, W.M.P.T.E., Trent Motor Traction and City
The Failure of Restructuring

of Cardiff Services. This report made 43 different recommendations concerning such items as scheduling efficiency, manpower policies, the production of various forms of statistical analysis for individual routes, the quantitative evaluation of alternative bus replacement policies, assessment of the possibilities of reduced maintenance, monitoring of repair costs etc. The Monopolies Report, it was assumed, in free market circles, would demonstrate that these companies were abusing their monopoly position and were generally wasteful and inefficient however it failed to provide such evidence.50

The major piece of legislation was the 1985 Transport Act which ended the system of regulation provided by the 1930 Act. It also proposed the privatisation of N.B.C. and the hiving off of municipal services into private companies. P.T.E.'s were also to become independent companies which would eventually be sold. The assumptions made by the White Paper were mostly unsubstantiated. For example it was stated that subsidy serves simply to protect operators and inhibits efficiency. Yet this was unaccompanied by any evidence showing that operators with higher levels of revenue support were less efficient. Indeed the evidence from the Monopolies and Mergers Commission demonstrated the opposite, with W.M.P.T.E. as the operator with both the highest level of revenue support and the most efficient. Indeed, a close examination of the White Paper demonstrates that beneath the veneer of unsubstantiated arguments about competition leading to efficiency, and subsidy promoting the decline in the industry, the real motivation for the organisational changes proposed is to weaken the ability of the trade unions to resist wage cuts and worsening conditions.

The promotion of privatisation and deregulation, as outlined in the 1984 "Buses" White Paper, and enshrined in the 1985 Act, as a solution to the specific problem of decline of the bus industry has been the responsibility of two people in particular. The first is John Hibbs, who
The Failure of Restructuring

justifies the policy on the basis of a fairly judicious rewriting of the history of the bus industry. This has been systematically pointed out throughout the thesis and need not be repeated here. The second is M.E. Beesley, Professor of Economics at the London Business School, who is credited in the White paper with `assisting the Government in its review of bus policy.'

Beesley is quite clear, in other publications about the real cause of decline in the industry. The prime beneficiary of regulation and subsidy, according to him, is labour. The answer to the decline is to create a `more flexible workforce with much part time operation'. The following exchanges took place in a published discussion which sum up his position;

Councillor W. Cawley (Stoke-on-Trent);
"My main concern is with wage rates for operatives in the bus service following de-regulation of the bus service. Professor Beesley does note in his paper that there will be an expansion of part-time employment within the industry. I feel this, plus the fact that many independent bus services are not unionised, will essentially undermine the position of trade unions within the bus industry and therefore lead to a reduction in wages. This in turn, I think, will lead to a lowering of standards both to the travelling public and also to the living standards of the staff who operate the service."

Professor Beesley;
"I was trying, of course, not to revive old arguments but more to try and get into the predictive mode. Yes, I think that is right, there will be more part-timers in the industry. it is correct to say that there will be a squeeze on wages in the future."

The White Paper gives many examples of how the deregulation will solve `labour problems'. Thus, in discussing the trial areas (country districts where deregulation was tested out from 1980-4), it notes that;

"In Hereford, the pressure of competition caused by the trial area led the management of the local N.B.C. subsidiary, Midland Red (West), to negotiate changes in agreements, which led to an improvement in productivity of 25-30%".

This demonstration of `flexibility' can be compared with
The Failure of Restructuring

Merseyside P.T.E. where;

"... progress in the field of productivity has been slow as despite determined efforts by the Executive, there had been resistance by the Trade Unions to enter into meaningful discussions." 54

Appendix A of the White Paper, 'The Scope for Improved Efficiency' quotes approvingly the Market Analysis Project in Bristol in 1981, mentioned earlier, which recommended a fleet reduction of 37.2% and another example of M.A.P. in Southampton in 1980/1 which recommended a cut in the fleet of 27%. Yet neither of these examples square with the overall objectives of the White Paper. How are cuts of 37% and 27% respectively supposed to halt the decline in the industry? According to the Appendix;

"While some of these improvements (!) could be obtained through management action under the present regime, deregulation will ensure that the pressure for such adaptation is universal and continuous and the benefits are passed to the customer." 55

This is plainly nonsense, if competition leads to large scale cuts then it will not halt the decline in the industry. Furthermore, how is removing a bus from service of benefit to the customer? Competition and productivity have always operated in contradiction in the bus industry, competition requires the duplication of other services in order to achieve dominance in the market which is definitely inefficient. Productivity only increased, historically, in periods when there was no effective competition.

Deregulation came into force on October 26th, 1986. In some areas it caused complete and utter road chaos, with streets clogged with buses and intending passengers unable to find their buses. In some cases this was due to deliberately obstructive behaviour by operators deliberately trying to exclude competitors. This was especially true of Glasgow and Manchester. There were generally fewer services on offer as well. According to the Transport and Road Research Laboratory;

"Differences from previous networks generally consisted of reductions in frequency, especially at times when
The Failure of Restructuring

demand was low and costs were high (early mornings, late evenings, Sundays) or no services at all at these times, and substantially reduced coverage of rural and suburban areas.  

P.T.A.'s, who no longer had operational control of P.T.E.'s could subsidise services and place them out to tender. Significantly, in this new competitive world, Merseyside, Tyne & Wear and West Midlands all noted a substantial number of single tenders. However competition also resulted in oversupply in some areas, which naturally meant that other areas lost their service altogether. It was noticeable in Birmingham, in the early days, that many N.B.C. companies were running services into the City using vehicles which previously would have been serving more rural areas. Presumably some of these areas lost their services. However, in general, competition has been extremely slight, with companies tending to stick to their previous areas of operation. '...In England there are few examples of competition between bus services in any of the Metropolitan counties...' And competition is estimated to be taking place '...on the order of 3% of service miles.'

Coordination of services also suffered. In Tyne and Wear, where the Metro was formerly integrated with P.T.E. services, the P.T.E. has been broken up into four competing companies, threatening the whole network and jeopardising plans to extend the Metro. Another feature of deregulation is the difficulties of persuading operators to participate in travelcard, season ticket and though ticketing schemes. as the T.R.R.L. Report suggests;

"Nearly all metropolitan areas have been affected in this way (Carter et al. 1976) and a number of other areas (e.g. Lancashire, Strathclyde) and in general costs to passengers of pre-paid travel have risen, or their choice of modes reduced."

Service cuts in the Metropolitan areas varied. In Greater Manchester, 20% of the service mileage was cut, in South Yorkshire 10%, in Merseyside 7% and Tyne & Wear 5%. However
The Failure of Restructuring

by the end of the first year service miles increased overall by 13%, though capacity was actually reduced because many new services were operated by minibuses. There were also large cuts in total Metropolitan spending on transport between 1986/7 and 1987/8; 23% in South Yorkshire, 16.7% in Merseyside, 11.2% in Greater Manchester, 11.4% in Tyne and Wear, 5.5% in West Yorkshire and 5.2% in West Midlands. A total reduction of over £50 million. Greater Manchester announced 2,000 redundancies as a result of the Transport Act, the West Midlands 1,400 and Merseyside 1,200. There were also substantial redundancies in the other Metropolitan Areas, by the end of the first year there had been 10,000 redundancies in the Metropolitan sector alone. Passenger carryings fell worst of all in Merseyside, where in response to an average fare increase of 100% they declined by 32%.

As deregulation approached, N.B.C. increased the number of minibuses in operation from 1,000 to 4,000. This was in response to a successful experiment in Exeter in 1984 where it was discovered that higher frequency operations would win back passengers. They were soon extended to Weston-Super-Mare, Norwich, Shrewsbury, Leicester, Taunton, Worcester and Bristol. The advantage to the operator is that Minibus drivers do not require a P.S.V. license, can be as young as eighteen, as opposed to twenty-one for a full-size vehicle and can be employed on substantially different conditions. In Bristol minibus drivers are paid over £25 per week less than bus drivers and work a standard 48 hours instead of 39 hours per week.

The privatisation of N.B.C. was a long and complex affair. At first it seemed it would be sold as one or maybe four companies, which would have undermined the whole principal of competition enshrined in the 1985 Act. Eventually it was split into seventy companies and some of the larger constituents such as Crosville, London Country and Ribble were split into smaller companies. Of 45 privatisations completed by October 1987, in 27 cases the
The Failure of Restructuring

whole or majority share-holding was sold to the existing management. One company, the Endless Bus Company, appeared to be secretly acquiring a number of different companies. In most cases between 10% and 40% of the shares have been sold to employees, and in two cases, the Provincial Bus Company, Fareham and Luton & District, the company was purchased by the employees. Total proceeds from debt repayments and privatisation was £455 million.65

The Union responded to these changes with a series of localised, sectional and bitter strikes in the early 1980's. In Liverpool there was a six week strike over pay in May 1979, in Bristol in February 1981, there was a two week lock-out over a refusal to collect fare increases in response to the M.A.P. inspired redundancies. In Brighton in 1982 there was a four week strike by 485 drivers over changes in the standard week. In Manchester during December 1983 there was a series of one day strikes by 4,500 for an improved pay offer. In 1984 there were two large strikes in Yorkshire over pay, six weeks in Sheffield by 2,550 and in Leeds by 2,000 in June.66 There was also a one day strike by London Transport workers over the separation of London Regional Transport and the separation of the L.T. from the G.L.C. Militancy definitely increased during the mid-1980's though direct comparison with the 1970's is difficult as the Department of Employment ceased issuing separate figures for road passenger transport as privatisation approached.

Two major strikes were caused directly by the privatisation of the N.B.C. In October 1985 37,000 struck for one day over the lack of provision for pensions arrangements in the privatisation proposals, this was resolved. The second issue was the withdrawal of N.B.C. from the N.C.O.I. The Union claimed that;

"The introduction of decentralised bargaining will result in industrial unrest with the ever present possibility of 'leapfrogging' in terms of pay and benefits."67

They also claimed that the N.C.O.I. had been 'largely
The Failure of Restructuring

responsible for the fact that there had been no major strike in the industry since it was set up. In March 1986 6,500 struck in various parts of England and Scotland in protest at the break-up of the national negotiating machinery.

In 1987 there were a number of large strikes. In North Yorkshire 1,000 struck for two weeks over the dismissal of a shop steward. 1,500 in Liverpool struck for two weeks over new schedules operating over Christmas. In Scotland 4,900 struck over a wage package deal, which lasted two weeks. Militancy in the industry was far from finished despite the huge changes taking place.

Conclusion

The restructuring of the labour process and of the industry that continued throughout the 1970's both engendered and inhibited militancy. The fragmentation of the work force and of the national negotiating machinery tended to localise and sectionalise militancy. Thus the biggest wave of strike action since the 1910-1926 passed much of the industry by. Nevertheless, this was a very uneven process. In Scotland, in particular, an enduring tradition of militancy built up, centred first on the equal pay fight of the Scottish women conductors and then on the more generalised revolt of 1974, which included the major cities as well as the Scottish bus group. Partly this was a consequence of the fact that there were as many S.B.G. buses operating in Strathclyde as there were P.T.E. buses. In other words the split between the large cities and the N.B.C. operations that existed in England was not so marked.

O.P.O. effectively crippled militancy until it became the most common type of labour process. Only when the vast majority of workers were driver/operators could the benefits of productivity dealing be spread to the whole workforce and
The Failure of Restructuring

the militant tradition revive. Just as it showed signs of doing so, the leadership of the union became deeply enmeshed in the quasi-corporatism of the social contract. Bus subsidies were among the first victims of the cuts in public expenditure and the turn to monetarist economics of the 1976 crisis. The financial crisis in the industry affected branches unevenly, a series of localised, isolated but bitter disputes broke out.

The restructuring of the mid-1980's was equally contradictory both in terms of the impact on the industry and on labour militancy. Competition, which had apparently been inhibited by the 1930 framework of regulation and nationalisation, showed few signs of reviving. As the Financial Times commented:

"...few companies have entered the market and there has been a steady move towards amalgamations of existing small operators. In addition, Sir Gordon Borrie, the Director General of Fair Trading, has warned that operating agreements between private companies were anti-competitive. In his last report on the industry, Sir Gordon said 115 of the 239 agreements submitted to him contained anti-competitive clauses involving price setting or market-sharing." 68

Furthermore, according to a Harris survey of 144 Senior Managers of former N.B.C. companies, municipal companies and subsidiaries of the Scottish Bus Group:

"...70% of managers think the industry will become dominated by nationwide holding companies within five years, and 86% think that more local monopolies will emerge through amalgamations. The survey says 84% of respondents think few new companies will enter the industry over the next five years, while 30% think many existing companies will go bankrupt, and 66% think that many existing companies will be taken over." 69

Clearly increased competition is unlikely in the circumstances.

The impact of these changes on labour militancy is also contradictory. The permanent break up of national negotiating machinery will lead to a widening of differential between bus workers but will also encourage militancy in the larger cities. On the one hand, the large
scale redundancies and the recruitment of younger minibus drivers working in quite different conditions and on much lower rates of pay, reopened the divisions that the previous restructuring had promoted. On the other hand, the removal of the unprofitable services put some workers in a very different position. Operators like West Midlands Travel have now become highly profitable. This has already created the soil for the regrowth of a garage based militancy. At the end of 1988 a number of Birmingham garages took unofficial action against Christmas schedules. The competition that exists on some of the busiest routes undermines the management position as much as the strikers. Equally, it is by no means certain that minibus drivers will not create for themselves, a new tradition of militancy. A young workforce, working in poor conditions are quite capable of spontaneous revolt just as their counterparts were in the territorial companies during the 1930's. In 1989 there was a revival of militancy on London buses encouraged by labour shortages of 1960's proportions which demonstrates the fragility of wage-costs cutting exercise associated with restructuring.

The collapse of the N.C.O.I. will make sectional strikes much more common. The removal of the myth of public service, which shrouded the management during the 1950's and 1960's will also make militancy more likely. The fracturing of the ownership structure by no means a guarantee against militancy. After all, the L.P.U. was founded in 1913 after Tillings workers were suspended and the London General crews came out in support. The biggest barrier to the spread of militancy lies at the moment not so much with mass unemployment, though this is obviously very important, but with the trade union leadership itself. The present drift to the right by the Labour leadership is founded on present trade union practices. New realism began with the unions far more than the Labour Party. What is most ironic of all, is that one of the fundamental arguments underpinning the ideas of new realism, is that service workers are unorganiseable
The Failure of Restructuring

and cannot act like the old batallions of the working class. The reality is rather different. Bus workers have a long tradition of militancy which reaches back to mechanisation. They also face a more difficult and threatening consumer than most service workers. Despite many changes, the labour process in the bus industry will retain its collective nature.provision.

Finally free market economic theories have failed to meet the needs of transport users. Clearly, after ten years of such policies, there is no evidence that the private sector is capable of meeting the long-term need to plan public transport in cities, or indeed finance the Channel Tunnel high-speed rail link to London. The frustration caused by congested roads, a collapsing and increasingly dangerous public transport system, will lead, sooner or later back to the idea of collective public provision of urban passenger transport. A recent editorial in the Financial Times discussed the 'Politics of Congestion'. It brings to mind the fact that the 1924 London Traffic Act, the 1930 Road Traffic Act and the 1933 London Passenger Transport Act were all either drafted or passed by Conservative Governments. The future of public transport, however dismal it may look today, is certain.
Notes - The Failure of Restructuring

1. See N.B.C. Annual Reports 1969 – 1985. Care should be taken in interpreting the column marked ** in Table 30 as three different methods of calculation are used. This figures in this table are derived from the second method and are from the Annual Report of 1979. Before this date the figures were given for operating surplus, but in 1979 these previous figures were recalculated using the new method. The 1981 Accounts introduced current cost accounting instead of historic cost to allow for depreciation at real costs of replacement. Using current cost methods the 1981 result becomes a deficit of £0.7 million, 1982 a surplus of only £9.1 million, 1983 + £13.3 million, 1984 + £0.7 million and in 1985 current cost accounting is abandoned.

5. N.B.C. Annual Report 1978 p. 16
6. These details come from leaflets issued by the Bristol Bus Action Committee set up by the local union branch and also the "Bristol Evening Post" and "Western Daily Press". I was employed by Bristol Omnibus Company at that time.
17. See 'The Platform' April 1966 which gives the following reductions in revenue on London routes following conversion. Route 201; -31%, Route 206; -27%, Route 216; -26% Route 250; -25%, Route 237; -36% and Route 251; -39%. Also "The
Notes - The Failure of Restructuring

19. See Annual Reports of Number of Strikes by Sector in Department of Employment Gazette, 1971-81, usually appears April or May each year.
23. "Department of Employment Gazette" - 1971, p. 438. In High Wycombe and Reading nearly 1,000 crews struck for one week in February and in June and July 2,950 crews in South Shields staged a series of token stoppages.
34. Coates op. cit. p. 62.
35. Ibid. p. 4.
38. These figures come from the 1984 "Buses" White Paper - Cmd 9300 - and are intended to show the "...rising trend in the provision of subsidy for stage bus services over the past decade..." See p. 35.
42. Table 19 in 1984 "Buses" White Paper, Cmd 9300. p.40.
44. Fuller op. cit. pp. 243-4.
45. Ibid. p. 245.
46. The "Sunday Times" - 20/12/81 called the Judgement nitpicking, narrow and breathtaking which; "...forced the G.L.C. to charge much more for worse services and sack
Notes - The Failure of Restructuring

London Transport Workers. You do not need to be a left winger to believe that that would perpetuate London Transport's cycle of decline.

47. The best general account available is P.S. Bagwell's "The End of the Line". op. cit.
53. "Buses" op. cit. p. 16.
54. Ibid. p. 60.
55. Ibid. p. 64.
57. Ibid. p. 9.
69. Ibid.
BIBLIOGRAPHY

PRIMARY PRINTED SOURCES

A : UNION OFFICIAL REPORTS

Amalgamated Association of Tramwaymen: Quarterly & Annual Reports. 1897-1902 and 1911-1919
London Passenger Worker's Union: Annual/Special Delegate Meeting Reports. 1916-1919
L.P.U./A.A.T. Amalgamation Report 1918
United Vehicle Workers Union : Annual Delegate Meeting Reports/ Conference Reports. 1920-1921.
Transport & General Worker's Union : Annual Reports/ Biennial Reports/ Biennial Delegate Conference Reports. 1923-1974.

B : TRADE UNION OFFICIAL JOURNALS

"Tramway and Vehicle Worker" 1905.
"The Licensed Vehicle Trades Record" 1913-1919.
"The United Vehicle Worker's Record"
"The Record" - Transport & General Worker's Union. 1924-1986

C : UNOFFICIAL UNION DOCUMENTS


D : UNOFFICIAL UNION JOURNALS

"Busman's Voice" - Minority Movement Paper from five garages; Battersea, Merton, Dalston, Holloway and Cricklewood.
"Holloway Bus Worker"
"The Bus Wheel"
"The Tram and Bus Punch"
"The Busmen's (Provincial) Punch"
"The Transporter" 1940-2.
"Busworker Monthly"
"The Lodge Herald" 1944.
"Busmen's Clarion" 1954-6.
Bibliography

E : UNOFFICIAL UNION PUBLICATIONS

"London Busmen Demand the Right to Live a Little Longer" - London Rank and File Movement 1937.
"A Real Union for Passenger Workers!" - National Passenger Worker's Union.

F : COMPANY ANNUAL REPORTS AND ACCOUNTS

British Transport Commission Annual Reports and Accounts 1948 - 1962

G : GOVERNMENT PUBLICATIONS

a) REPORTS/WHITE PAPERS/INQUIRIES/SELECT COMMITTEES:

`Report by the Chief Labour Correspondent of the Board of Trade' G.B. Board of Trade 1902, 1906 and 1909.
`Report by the Chief Labour Correspondent of the Board of Trade' 1901, 1902-4, 1905-7.
Census of Population 1911 (Cmnd.7929) Vol.X.
1913 "The Select Committee on Motor Traffic"
1921 "Court of Inquiry into Tramway Wages and Conditions"
1967 White Paper 'Public Transport and Traffic' Cmnd. 3481
1976 Transport Policy Consultation Document
1983 Appendices of Minutes of Evidence Taken by Transport Committee
1984 White Paper 'Buses' Cmnd 9300
Hansard - Tuesday 12th. February 1985 - Debate on 2cd. Reading of Transport Bill.

b) SERIALS

"Board of Trade - Labour Gazette" }
"Ministry of Labour Gazette" }
"Employment and Productivity Gazette" }
"Department of Employment Gazette" }
"Employment Gazette" }

1897 - 1988
Bibliography

H : NEWSPAPERS/SERIALS

"The Daily Herald"
"The Times"
"The Worker"/"The Daily Worker"
"The Industrial Syndicalist"
"The Daily Mirror"
"The Financial Times"

"Birmingham Post"
"Bristol Evening Post"
"Nottingham Evening Post"
"Sheffield Telegraph"
"Wolverhampton Express & Star"
"Yorkshire Post"

"The Economist"

SECONDARY SOURCES

A : THESSES


Fishman N. (1986) - "Communist Politics in Britain in the 1930's"(?) PhD. Birkbeck College, University of London.


B : ARTICLES


Bibliography


Cressey P. & MacInnes J. - "Voting for Ford: Industrial Democracy and the Control of Labour" - in Capital and Class, 11.


Edwards R. - "Social Relations of Production at the Point of Production" - in "Insurgent Sociologist" Volume 8, nos. 2-3.


Bibliography

Hyman R. - "British Trade Unionism: Post-War Trends and Future Prospects" - International Socialism 2.8 Spring 1980.
Bibliography


Panitch L. - "Trade Unions and the Capitalist State" - New Left Review, Number 125, January/February 1981.


Bibliography

Stedman Jones G. - "From Historical Sociology to Theoretical History" - in British Journal of Sociology, Volume 27, Number 3, September 1976. pp. 289-305.


C : BOOKS


Bibliography

Barker B. [Ed.] (1972) "Ramsey MacDonald's Political Writings" - Allen Lane, London.
Bibliography


Cronin J. (1979) "Industrial Conflict in Modern Britain" - Croom Helm, London.

Crosland-Taylor W.J. (1948) "Crosville - The Sowing and the Harvest" - Littlebury Brothers, Liverpool.


Dresser M. (1986) "Black and White on the Buses - The 1963 Colour Bar Dispute in Bristol" - Bristol Broadsides, Bristol.
Bibliography


Harris N. (1972) "Competition and the Corporate Society" - Methuen and Co., London.


Bibliography

Hobsbawm E.J. (1968) "Industry & Empire" - Penguin, Harmondsworth.
Bibliography

Bibliography


Snowden P. (1913) "Socialism and Syndicalism" - London.
Bibliography

Webb J.S. (1974) "Black Country Tramways" - Published by the author.
Wright P.L. (1968) "The Coloured Worker in British Industry" - Published for the Institute of Race Relations, Oxford University Press, London.