

## Recent Findings of Research in Economic & Social History

The fluctuating fortunes of the trade union movement, and its failure to recruit certain sectors of the working population, notably women, are analysed in this article. Professor Wrigley reviews the role and extent of collective bargaining and assesses the extent of the association between the level of wages and union activity.

# Labour and Trade Unions in Great Britain, 1880-1939

Trade unions have long played a prominent role in British society and in the labour market in particular, though views have varied quite markedly as to how significant unions have been. At one time there was a tendency to write as if a discussion of the trade unions and the wider labour movement (including political and co-operative bodies as well) was interchangeable with a discussion of the working class generally. Thus, for example, G.D.H. Cole and Raymond Postgate in their *The Common People* (1938) gave relatively little attention to those outside of the various working class movements of the nineteenth and early twentieth centuries (though they wrote short sections on such matters as demography and the cost of living). Recent work has redressed the balance John Benson has devoted a third of his recent book *The Working Class in Britain 1850-1939* (London, 1989), to each of 'Material Conditions', 'Family and Community' and 'Responses', and in this last section he balanced a chapter on the labour movement with a wide ranging one on 'Individual, nation and class'. The *Cambridge Social History of Britain 1750-1950* (1990) (ed.) E.M.L. Thompson, went further. In its three volumes and twenty-one chapters, extended treatment was given neither to trade unions nor to the labour movement generally (even though space was found for a chapter entitled 'Clubs, societies and associations').

### Unionisation before 1914

The statistical work by George Bain and Robert Price [2] has led to reassessments of the strength of trade unions in some sectors of the labour market (see Figure 1). Thus, for example, Hugh Clegg in 1985 [4] revised down the estimates that he and his colleagues had made two decades earlier [3] of the proportions of adult manual workers who were unionised in 1901 and 1910. Their figures need to drop from about 20 per cent in 1901 and about 30 per cent in 1910 to something more like 14 and 17 per cent respectively. The Bain and Price figures for union density (see box) in the United Kingdom also suggested that only in 1974 for the first time did union membership cover half the working population (see box).

Nevertheless even when the aggregate national union density has been low, trade unions have often been in a strong position to exert considerable pressure in certain sectors of the economy. To give three notable examples: in 1901 when the overall British trade

union density was 13 per cent (a union membership of 1,908,000 out of an estimated potential membership of 14,669,000) the densities in coal mining, glass and printing were 69, 33 and 32 per cent respectively [2].

Moreover, before 1914 the recruitment problems of British trade unionism pale into insignificance when compared with the problems of trade-union movements in many other parts of Europe. To take the case of Russia, trade unionism was centred on the big cities, notably St. Petersburg and Moscow. Even in St. Petersburg, between the 1905 revolution and the First World War, union density was both low and volatile. Dr. R.B. McKean has estimated that unionisation covered roughly 22, 5 and 12 per cent of workers in manufacturing but only 7, 2 and 4 per cent of the whole labour force of the city in 1907, 1910 and 1914 respectively. However, in contrast, in the case of Germany there was a steady growth in the density of trade unions (plus salaried employee associations) from 3 per cent in 1895, to 10 per cent in 1905, to 20 per cent in 1910, compared to densities of 10, 12 and 16 per cent in Britain in those years [2]. Yet if German trade unionism covered a higher proportion of workers than the British unions, they were faced with a much more hostile state and better organised, antagonistic employers. Even in early 1914 most German employers in major industries such as metal working and coal mining had avoided entering into collective agreements. Indeed, in the German coal industry 82 miners were covered by collective wage agreements in 1913, compared to 900,000 in Britain. In metal working the figures were 1,376 to 230,000.

So while British trade unionism was small in the 1880s, given the size of the working population, nevertheless it was in a strong bargaining position in some sectors of the economy and it was very substantial compared to trade unionism in many parts of continental Europe.

Chris Wrigley is Professor of Modern British History at the University of Nottingham. His publications include *David Lloyd George and the British Labour Movement* (1976), and *Lloyd George and the Challenge of Labour* (1990). He is currently working on the Economic History Society's booklet on trade unions in Britain since 1933.

## The spread of collective bargaining

Clegg *et al.*, writing of trade unionism between 1889 and 1910, commented that 'the development of collective bargaining (see box), was the outstanding feature of this period'. In many major industrial areas - engineering, iron and steel, shipbuilding, cotton spinning and weaving, printing, building and footwear - there were national agreements by 1910, whereas in 1889 there had only been a national agreement in cotton weaving (made in 1881). In addition, many coal mining regions were covered by agreements and most other well-organised industries had regional or area agreements. The major exception was the railways [3].

**collective bargaining:** negotiation of wages and/or other conditions of work by organised groups of employers and employees.

**corporate bias:** 'a system which encourages the development of corporate structures to the point at which their power, divergent aims, and class characteristics can be harmonised, even if that harmony involves a partial loss of class distinction, individuality, and internal coherence' [10].

**union density:** the proportion of those in unions out of all those who are legally permitted to be in unions, whether currently employed or unemployed.

**working population:** the total number of people carrying out paid work or available for paid work.

One aspect of the 'New Unionism' of 1888-90 was that it was an explosion of discontent among working people who were poorly organised or whose unions were not recognised. In the case of the Scottish railway strike of 1890 a contemporary commentator observed: 'The strike is best described as a revolt of labourers against the inefficient Organisation of their industry'. In the 1911-13 period there was a renewed explosion of unrest, a large and not-able part of which was in the unorganised trades. Of this, John Lovell has observed: 'in the unorganised sector conflict developed of its own accord: the unions came in to organise it' [12]. Thus it would seem that lack of collective bargaining could lead to serious industrial unrest should the workforce feel bitterly aggrieved and if, as in 1888-1890 and 1911-13, an upturn in the trade cycle gave them a reasonable chance of coming out on top in an industrial conflict. On the other hand, such years as these and those of 1919-21 showed that the presence of collective bargaining did not prevent industrial unrest - some of it taking the form of revolts against national agreements entered into by trade union officials.

The First World War gave a massive boost to collective bargaining. Large sectors of the economy came within the scope of the Munitions of War Act of 1915 and the later amendments to it. The 1915 Act made provision for compulsory arbitration for industrial disputes which were not settled by other means. In practice both unions and employers often welcomed this in war conditions; the former because the results of such arbitration were legally enforceable through munitions tribunals, and the latter because in a full labour market with the government purchasing a high proportion of output they could avoid leapfrogging local settlements and could pass on rising labour cost, while their prices were not liable to be undercut by overseas competitors. The much greater role of the state in the economy also led to national wage bargaining in more industries such as gas supply, flour milling, chemicals, soap and tramways [Wrigley in 12].

Far from undermining trade unionism (as some historians have suggested), the intervention of the state during the First World War usually enhanced it. The government, involved in a 'war of production', was forced to recognise the strength of the unions in a reduced labour market. During the course of the war close to 5 million men were enlisted in the Armed Forces out of a total male labour force of some 15 million. From early 1915 onwards the government negotiated with national trade union leaderships to

facilitate greater output. The government also assisted union growth by requiring some employers to recognise unions for collective bargaining. The unions' status was also enhanced, both at local and national level, by the government including trade union representatives in a wide range of committees affecting working class life (from conscription to welfare). Faced with such circumstances from 1915 onwards, employers overcame their pre-war divisions over free trade or protection to form the Federation of British Industries (FBI) in mid 1916 [Wrigley in 12].

Keith Middlemas has suggested that the co-operation between the government, the FBI and employers' associations, the TUC and the major trade unions amounted to a system of 'corporate bias' (see box) which lasted at least until the mid 1960s. In his view 'the triangular pattern of cooperation between government and the two sides of industry ... led to a new sort of status: from interest groups they became "governing institutions"'. Moreover he put on this system the burden of explanation for why Britain between the Wars avoided revolution from the Left or Right. He commented that a study of the half century from 1911 'makes it clear that corporate bias in the British state ensured a uniquely low level of class conflict, compared with the countries of comparable social and economic development in Western Europe' [10]. However, most historians have seen this as exaggerating the role of industry in government counsels between the world wars. From 1919-20 onwards most industrialists increasingly pressed for 'Home Rule for Industry' - a disengagement of the state from industrial affairs. While both sides of industry were consulted on a range of industrial matters by interwar governments, they did not, as Rodney Lowe and others have emphasised, greatly influence government legislation let alone in some way 'suppress incipient unrest' [Lowe in 12].

In membership terms the trade unions reached their pre 1974 zenith in Britain in 1920 (see figure 1). In these years collective bargaining was re-established in various sectors of the economy where it had crumbled before the war and extended to areas such as the railways and shipping where the employers reluctantly gave formal recognition to the unions for the first time. Indeed in late January 1919, when the government was faced with a dispute involving the Railway Clerks' Association, Bonar Law (the deputy prime minister) echoed his civil service adviser in expressing the view that 'the government could not face a strike on the cry that it refused to acknowledge a union'.

From 1920 the tide turned against the trade unions. Between 1920 and 1923 they experienced a 35 per cent drop in membership. With the severe economic recession of 1921 the government ended its responsibilities in agriculture and coal, decontrolling them ahead of schedule. This ended national collective bargaining in agriculture and led to the bitter coal dispute of 1921. After a pro-longed lock-out the miners accepted lesser wage cuts but succeeded in maintaining national wage agreements until the lock-out of 1926. With prices falling sharply in the recession, wages across British industry followed. In several industries these cuts were carried out in stages under the supervision of joint committees of employers and unions, as in the wool industry. However in sectors where the unions were weaker joint committees collapsed or rarely met. This marked the end of national collective bargaining in these industries, often until the Second World War. From 1921 the major industrial disputes involving strong unions were to do with them trying to hold on to gains made in 1915-20 or to lessen concessions to employers rather than to press for improved wages or working conditions.

With the world recession of 1929-33 there was renewed pressure on the unions and national or area collective bargaining was again undermined in some industries. Wages dropped less sharply than in 1921 and union membership fell by a little under 10 per cent over these years. In the case of the wool industry the joint industrial council which had functioned well into the mid 1920s had become less effective with adverse economic conditions in the late 1920s, with fewer employers willing to maintain uniform wages

and working conditions. Following a lock-out in 1930 the unions abandoned industry-wide collective bargaining. They had to recognise that in the grim economic conditions of the early 1930s the weakened employers' associations neither could nor would press any course of action on individual firms. Even in the case of the better organised cotton industry there was sufficient anarchy for the employers' organisations to get the government to legislate to underpin collective agreements in their industry with the Cotton Manufacturing (Temporary Provisions) Act 1934.

By the mid 1930s the unions were no longer on the retreat. Trade union membership grew by 43 per cent between 1933 and 1939, with particularly rapid membership growth rates in the sectors of high economic growth (such as building, chemicals, electrical engineering and electricity) and in the areas affected by the rearmament programme of the late 1930s. In these conditions many trade unions gained not only better pay and reduced working hours for their members but also holidays with pay [Wrigley in 12].

## Trade union growth

Trade union membership in Great Britain grew very rapidly in three periods within 1880 to 1939. The first was 1888 to 1890, when the statistics are particularly shaky - but the growth is likely to have roughly doubled membership from 0.75 to 1.5 million. While increases in membership among unskilled workers was spectacular in these years, it was balanced by substantial growth in the existing areas of trade unionism (such as coal, shipbuilding and textiles). The second period was 1910 to 1913, when membership expanded from 2.6 million to 4.1 million, a 58 per cent growth. This period was marked even more than the first by recruitment in new industries and different occupations [2, Baines in 5]. The third period was in 1915 to 1920, the First World War and the post-war boom, when membership soared from 4.3 to 8.3 millions, so nearly doubling. Here gains were widespread - but notable growth areas included agriculture and construction as well as white-collar work. There was a fourth period of significant but less spectacular growth: the period of economic recovery and rearmament, 1935 to 1939, when trade union membership rose from 4.8 to 6.2 millions, nearly a 30 per cent advance.

What is very clear is that these periods were ones of high economic activity, of upturns in the trade (or business) cycle. Hence most theoretical and quantitative writing about trade union growth has centred on its relationship with the trade cycle (a quantifiable phenomenon), but added to this other matters. One of the more satisfactory recent models of union growth has been that of Bain and Elsheikh, who have employed the rate of change of prices, the rate of change of wages, the level and/or rate of change of unemployment, and the level of union density as the main determinants of the rate at which membership has changed [1].

## Women workers

British trade union history, like that of other countries, remains in part a story of a failure to recruit. Writing of the pre-1914 German labour movement in *Labour and Socialist Movements in Europe before 1914* (Oxford, 1989), Dick Geary has observed that 'it was relatively well-off men who formed the rank and file of these movements'. He added that the 'archetype of the unskilled worker and of the unorganised was female', and commented:

This can be explained in the first instance in terms that are not gender-specific but which relate to the nature of women's work.

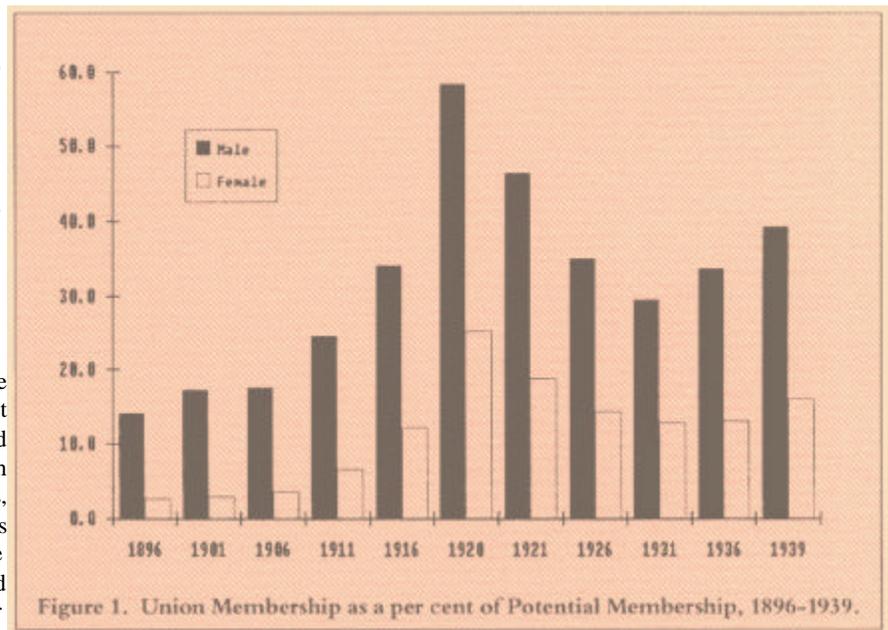


Figure 1. Union Membership as a per cent of Potential Membership, 1896-1939.

Women workers were disproportionately concentrated in sectors in which men were too scarcely organised: agriculture, domestic service, cottage industry, unskilled textile manufacture. As a result they often worked in trades that were geographically dispersed and in which communication was difficult ... their difficulties were precisely those of their unskilled male colleagues: they had little bargaining power, were easily replaced and did not possess the resources to sustain successful organisation.

But, as he emphasised, these problems 'were compounded by additional and more sexually specific factors'. These included longer working hours, made worse by housework at home in addition, and by them being 'paid even lower wages (often half to a third of the going male rate for the same job)'. This analysis applies to Britain as well as to Germany.

In Britain women were similarly concentrated in a few sectors. According to an analysis of E. James, in 1881 76 per cent of women working for wages were in four occupations: domestic service (36 per cent), textiles (18 per cent), clothing (17 per cent) and professional/technical work (5 per cent). (This may understate the number of working women in agriculture (2 per cent) which, given the seasonal nature of the work, often eluded census data.) The same source suggested that in 1931 82 per cent of waged women workers were still in six occupations: personal service (domestic 24 per cent, other 11 per cent), commerce and finance (11 per cent), secretaries/typists (10 per cent), textiles (10 per cent), clothing (9 per cent) and professional/technical (7 per cent). [17]

As in Germany, women worked mostly in an inferior segment of the labour market. As Jane Lewis has observed: 'Employers, trade unions and women workers themselves shared the dual concept of "a woman's job" and "a woman's rate", and both were regarded as "natural" phenomena'. The notion of a 'family wage' involved sufficient earnings for a male worker to maintain his family; but, conversely, there was the assumption that women's wages could be lower as they would benefit from the 'family wage' of their husband or father [7] Again, like Germany, women's wages in British industry were substantially lower than men's, rising from 44 per cent of males in 1906 to only 48 per cent in 1935. Within major industrial groups women received more than half the male average earnings only in textiles (1906: 59 per cent; 1935: 56 per cent) and clothing (1906: 46 per cent; 1935: 51 per cent). [17] In much of British industry women carried out different, lower grade work than men or work with a little less responsibility (often with such differences being designed largely to justify the lower rate of pay). Elsewhere - as among clerical workers, shop assistants and teachers - women received a higher proportion of average male earnings but, as it was for identical work, the differential was blatantly discriminatory.

Domestic service, the largest waged occupation for women, was not unionised. But the various textile trades, especially cotton, were. In 1896 of 142,000 female trade unionists (excluding teachers) 86,000 were in cotton (61 per cent). By 1910 the total number of women trade unionists had grown to 278,000, with 54 per cent still in cotton and with roughly half the remainder in either national or local government or in teaching. [3] After the First World War women trade unionists became more widely spread across the economy, with those in cotton in 1920 down to 22 per cent of the total. Between 1910 and 1933 there was some catching up by women in union membership, with their number increasing by 159 per cent compared to 56 per cent for men. [4]

The dilemmas of male trade unionists' attitudes to women workers were clearly highlighted during the First World War by the pressing need for female labour in what had hitherto been largely male preserves. Then one issue was whether women should be paid less, but thus constitute a threat of cheap labour, or be paid the rate for the job, thus making them less attractive as substitute labour. Another, arising from avoiding the previous issue, was whether or not to welcome the breaking-down of a skilled man's work into many parts which different women could do; for while it maintained as sacrosanct the skilled male's preserve, it made it easier for employers later to de-skill aspects of such work. [11] Overall, between 1880 and 1939 British trade unionism did little to remove discrimination against women. But, as Elizabeth Roberts has observed: 'The hostility of craftsmen towards women was not obviously different from their hostility to unskilled men when they felt threatened by competitors'. [11]

Indeed, both women workers (whom society by definition excluded from the category of 'skilled workers') and unskilled workers were likely to be in an inferior labour market segment marked by low wages, poor job security and high turnover. just as women's lower pay stemmed in large part from custom, so before 1914 the unskilled labourer's wage did not drop below a customary level if the labourer was in employment [Baines in 5]. Marked improvements in their lot depended on upturns in the economy with accompanying relative labour scarcity. During the period 1880- 1939 some sources of cheap labour dwindled. The percentage of boys (up to and including the age of fourteen), who worked dropped from 8 to 3 per cent between 1891 and 1931 (with the percentage of girls dropping from 5 to 3) and the percentage of men 65 and over who worked dropped between 1881 and 1931 from 74 to 48 (with the percentage of elderly women dropping from 18 to 8). However, the size of the labour market was primarily determined by the rate of population growth, which averaged just over 1 per cent annum from 1881 to 1991 and 0.5 per cent thereafter. [9]

## The impact of unions on wages

Much of the debate among economists over the impact of trade unions on wages or on the economy has been unresolved. It has become a highly politicised area. Monetarist economists have been especially vigorous in their condemnation of trade unions' ability to alter the wage structure in favour of their members, deeming this to distort the allocation of labour in the economy and to reduce overall output by causing unemployment. They have made very high claims (up to 25 per cent) of the rise in real labour costs stemming from union action. Others have taken a less dire view generally, and have suggested a much lower impact of unions on wage rates. For them it is hard to measure such an impact given the problems of separating out non-union influences on wage levels and the chicken-and-egg (which comes first?) problem of whether wage increases influence union membership. Some multinational firms have been very happy to negotiate a high wage, low labour turnover policy, in order to hold on to quality labour. Low wages do not necessarily mean cheap labour costs.

Historians have pointed to an association between relatively high wages and unionisation. Clegg and his colleagues, writing of this for the 1889-1910 period, observed:

Coal-mining, shipbuilding, printing, cotton spinning, and tin-plate manufacture all provide evidence of this, while among women workers cotton weaving was both the highest-paid and best-organised occupation. But there are a few notable exceptions. Railwaymen were relatively ill paid and relatively well organised, though the higher paid grades - drivers, guards and signalmen - also had the higher union density; boot and shoe operatives were probably above average for Organisation and below average for earnings. The association may, however, prove either that trade unionism provides high earnings or that high earnings encourage trade unionism, and this period offers little evidence to settle the question. [3]

Attempts by historians to show trade union influence on wages by examining changes in the relative share of labour and capital in the national income have also come to little. Dr. E.H. Hunt has observed of the figures of labour's share of the sum of pay and profits that they 'show remarkably little long-term change until after the First World War and contain no evidence that labour's share increased in step with increased unionisation'. [6] After outlining the difficulties of trying to use national statistics to discuss trade unionists' pay for the pre-1914 period he commented that, 'neither the overall influence of unions upon members' welfare, nor their influence upon wages alone can be measured', but suggested that it was far greater than can be deduced from such an analysis of national statistics. He concluded:

We must remember ... that organised workers were still a minority in the labour force and that their union strength was still more a consequence of their relatively strong market position than its cause. Wages of unionists and non-unionists alike continued to be determined largely by far stronger forces: by fundamental changes in the demand for different categories of labour and especially by the long-term increase in productivity. [6]

The role of labour in the economy and of trade unions in particular has always been highly controversial, well before the trade unions felt the need to exert greater influence on legislators and the law by forming in 1900 what was to become the Labour Party.

## References

- [1] **G. S. Bain and F. Elsheikh**, *Union Growth and the Business Cycle* (1976).
- [2] **G. S. Bain and R. Price**, *Profiles of Union Growth* (1980).
- [3] **H. A. Clegg, A. Fox and A. R. Thompson**, *A History of British Trade Unionism Since 1889*. Vol. 1: 1889-1910 (1964).
- [4] **H. A. Clegg**, *A History of British Trade Unionism Since 1889*. Vol. 2: 1911-1933 (1985).
- [5] **R. Floud and D. McCloskey** (Eds.), *The Economic History of Britain since 1700*. Vol. 2 1860 to the 1970s (1981).
- [6] **E. H. Hunt**, *British Labour History 1815-1914* (1981).
- [7] **J. Lewis**, *Women in England* (1984).
- [8] **J. Lovell**, *British Trade Unions 1875-1933* (1977).
- [9] **R. C. O. Matthews, C. H. Feinstein and J. C. Odling-Smee**, *British Economic Growth 1856-1973* (1982).
- [10] **K. Middlemas**, *Politics in Industrial Society* (1978).
- [11] **E. Roberts**, *Women's Work 1840-1940* (1988).
- [12] **C. J. Wrigley** (ed.), *A History of British Industrial Relations*. Vol. 2: 1914-1939 (1986).