

## Governments, Unions and Triumphs

Industrial unrest in the UK eventually saw the ultimate demise of BL, and consequently, Triumph car production for the world market. We all know that. But what is the history?

The British Leyland Motor Company, BLMC, was formed in 1968. It was a merger promoted by the Industrial Reorganisation Corporation set up by the 1964-70 Labour government of Harold Wilson.

Industrial militancy seemed to come to a head when Harold Wilson's Labour Government was surprisingly defeated in June 1970 and Edward Heath formed his Conservative Government. Once in power, Heath brought in the *Industrial Relations Act 1971*, which was part of the Conservative Party's election manifesto. Researching future consequences of this Act on Britain's working force makes reasons why the Wilson Government was defeated interesting, but a topic for another time.

The main "sticking points" of the Act included:

- Giving workers the right to belong to a registered trade union or not to belong to a registered or unregistered trade union.
- Collective Agreements were to be legally enforceable unless a disclaimer clause was inserted. In Australia, Collective Agreements were called "Enterprise Bargaining".
- There was a greater chance that collective 'no strike' clauses could be implied into individual contracts of employment.
- Only registered trade unions had legal rights and to enjoy legal immunities.
- Continued registration was dependent on the organisation having rules which specified how, when and by whom, authority was to be exercised, especially concerning the taking of industrial action.
- A grievance procedure was required to be included in the written statement of particulars of the contract of employment. A worker under a normal contract of employment could receive compensation for unfair dismissal to encourage the development of dismissal procedures.
- The Act limited wildcat strikes and prohibited limitations on legitimate strikes.
- It also established the National Industrial Relations Court, which was empowered to grant injunctions as necessary to prevent injurious strikes and settle a variety of labour disputes.

Perhaps understandably, the Trade Union Congress (TUC) was strongly opposed to this Act, escalating descension with a nationwide "Kill the Bill" campaign. A "Day of Action" was organised on 12 January 1971 to protest, with a march through London. In March, 1,500,000 members of the Amalgamated Engineering Union staged a one-day strike, no doubt involving BLMC workers. After the Act became Law in September 1971, the TUC voted to require its member unions not to comply with its provisions (including registering as a union under the Act). The Transport and General Workers Union was twice fined for contempt of court over its refusal to comply. However, some smaller unions did comply and 32 were suspended from membership of the TUC at the 1972 congress.

On January 9, 1972, the National Union of Miners (NUM) called the first national strike since the General Strike of 1926, for better pay. Nearly 60 per cent of those who voted at the pithead favoured the general strike. The NUM also deployed so-called 'flying pickets', which encouraged workers at other industrial sites to go out in sympathy. The NUM targeted power stations and the gas supply to broaden the impact of their action. Some of the social impact of the Miners Strike is portrayed in the film "Brassed Off".

By February 1972, one month into the strike, the Government was forced to call a "Three-Day Week" to ration the dwindling coal supplies. A state of emergency was called to try to turn the population against the unions. The strategy failed.

On Monday 28 February, the Government offered a 5% pay rise which brought an end to the strike, but not the end of industrial unrest in Britain.

A low point came on Friday 21 July 1972 when five shop stewards, known to history as the Pentonville Five, were arrested and imprisoned for disobeying an injunction to stop picketing an East London container depot. This precipitated a series of rolling strikes causing work stoppages until there was virtually an unofficial national strike. The TUC then called for an official national strike on 31 July demanding the release of the five shop stewards. Thousands of striking workers marched through North London to Pentonville Prison. The men were released a week later, after a court appeal was successful. The government proclaimed a state of emergency on 4 August

After several violent incidents and arrests, the Delegate Conference of the TGWU met on 17 August and voted 53 to 30 to call off the strike. They accepted an agreement at the meeting and all but the most militant dockers had returned to work by 22 August. There was a film made: *Arise Ye Workers*, in 1973.

The 1974 February General Election resulted in a hung parliament, the first since 1929. The Ulster Party declined Conservative Heath's offer of Coalition Whip, so he could not form a coalition minority government, but Labour Wilson could. However, because Labour was unable to form a majority coalition with another party, Wilson called another early election in September, which was held in October and resulted in a Labour majority. One of their first acts was to repeal the *Industrial Relations Act 1971*.

Naturally, BLMC was caught up in these national strikes. After continual requests of Government for financial support, BLMC was part-nationalized in 1975. The name was changed to *British Leyland*, and in 1978 to just *BL*. Trade union militancy continued at BL despite Labour promising one billion pounds of support.

In the 1979 General Election, Margaret Thatcher reinstated the Conservative Party to power, and stayed there until 1990. BL continued to make approaches for even more subsidies and financial assistance. It became evident to Margaret Thatcher that something had to be done to stop the bleeding. She is quoted as saying: "On any rational commercial judgement, there were no good reasons for continuing to fund British Leyland."

Thatcher wanted out of government involvement in the industry, or at least a middle way with a partial selloff. But no deal was struck. With ministers growing increasingly nervous about the unemployment prospects if the company went under, a re-structuring plan was finally agreed. As she admitted: "The political realities had to be faced. BL had to be supported ... and, most painfully, we provided £900 million."

Thatcher and her ministers claimed that there was a long-term change in attitude from British Leyland workers. But they regretted that the huge extra sums they were forced to provide came from the taxpayer or, because they were forced to raise interest rates, from other businesses. "Every vociferous cheer for higher public spending was matched by a silent groan from those who had to pay for it."

With the company's employees due to be balloted on a painful re-structuring plan, there was a danger that if they said no, there would be a forced liquidation. As Thatcher recorded in her memoirs "The economic consequences of such a collapse were appalling. One hundred and fifty thousand people were employed by the company in the UK." There were an equal number of jobs in the component industries dependent on Leyland and it was calculated that closure would cost the British balance of trade £2 billion a year.

Her government refused to guarantee BL's debts but, even so, the ballot was successful. Then the company asked for government backing, and money, to implement its corporate plan. Thatcher was sceptical, commenting "BL's annual plans always forecast major improvement but every year things seemed to get worse..."

The company's share of the UK car market had slumped from 35 to 16 percent. Thatcher had her ministers comb through the company accounts, and they concluded that the plan was likely to fail. But in the end BL got government backing and money because, as she put it: "People simply would not understand liquidation of the company at the very moment when its management was standing up to the unions and talking the language of hard commercial common sense."

Things did not get any better. BL's management was reluctant to sell the company or to let the government engage an independent adviser on the disposal of its assets. Amid a worldwide recession there were more wage claims, more strikes and Thatcher lectured the company and the industry on its poor productivity and over-readiness to strike.

In an insight into the dilemmas faced by many governments now, the former prime minister noted: "Closure would have some awful consequences. But we must never give the impression that it was unthinkable. If ever the company and its workforce came to believe that, there would be no end to their demands on the public purse."

After various re-configurations, the BL Group, by then renamed MG Rover, went bankrupt in 2005, bringing to an end mass car production by British-owned manufacturers. Attempts at "rebadging" with overseas car manufacturers were made over a short time: Rover with Honda, for example. Eventually, MG became part of a Chinese group, Jaguar and Land Rover were sold on by Ford in 2008 to TATA Motors of India. All "live on" but manufactured elsewhere.

There is much more that can be written about the 1970s in Britain: Joining the European Common Market; domestic consequences of Britain retaining the pound Sterling; Harold Wilson's "National Plan"; "The Troubles" in Northern Ireland; the "Oil Embargo" imposed on UK by Arab members of OPEC; voting age reduction to 18; British international investment policy in the 1960s, to name just seven. All these, and more, affected life in Britain at that time. Real wages, certainty and continuity of employment, political stability, and so on, are real concerns for the ordinary worker even today. As it worked out, it caused the demise of our famous car marque. As said in a well-known film, "It's the vibe. Yes, it's the vibe".

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PS. Internet references for this article are too numerous to mention, but can be found by searching relevant phrases in your browser.