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Wool Textile Employers' Organisations:
Bradford c.1914-1945

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Wool Textile Employers' Organisations: Bradford c.1914-1945

Few historians have written in any detailed form about the widespread development of employers' organisations which took place from the later decades of the nineteenth century, and formed the basis of those which exist in all British industries today. The work which has been done on them has largely focused upon industrial or governmental relations. None of the studies has addressed the phenomenon of employer organisation itself, or explored the more general question of what precisely it is that employers' organisations do. Nevertheless, some far-reaching conclusions have been made about them.

This thesis seeks to clarify the purpose and circumstances of employer organisation growth, function, and mode of operation. It assesses how employers responded in an organised manner to quite radical changes in the world market and the nature of British society c.1914-1945. It provides a base of information which covers the range of activities which employers' organisations (broadly conceived) concerned themselves, using the archives of wool textile organisations in Bradford. Lastly, it assesses the significance of employers' organisation in view of some of the claims which have been made about them, and offers some observations on its political and sociological implications.

The phenomenon of employer organisation was not simply a 'response' to the greater organisation of labour or government encouragement. Organisation (evident in other industrialised countries also) articulated a transformation in business strategies, away from traditional laissez-faire notions of individual enterprise towards an increasingly centralised, collective strategy. This functioned on many different levels - local, national, international, political, intellectual etc, and by the nineteen thirties marked a maturity in collective action which contrasts sharply with the individualism of just ~~four~~ ^{forty} years earlier. The broad range of employers' policies extended far beyond the workplace, and expressed a distinct politics. This had implications for the nature and conduct of trade, the form and quality of life, and understanding of the way in which British society was governed.

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ABBREVIATIONS

A.C.D.	Army Contracts Department
B.M.F.	Bradford Manufacturers' Federation
B.S.A.	Bradford & District Master Spinners' Association
B.W.F.	British Wool Federation
C.B.I.	Confederation of British Industries
E.E.F.	Engineering Employers' Federation
F.B.I.	Federation of British Industries
G.U.T.W.	General Union of Textile Workers
J.I.C.	Wool (& Allied) Joint Industrial Council
N.A.U.T.T.	National Association of Unions in the Textile Trades
N.C.E.O.	National Confederation of Employers' Organisations
P.E.P.	Political and Economic Planning
T.U.C.	Trades Union Congress
W.(&A.)T.E.C.	Wool (& Allied) Textile Employers' Council
W.E.F.	Woolcombing Employers' Federation
W.S.F.	Worsted Spinners' Federation
W.W.T.F.	Woollen and Worsted Trades' Federation

INTRODUCTION

In a memo. to the Board of Trade sub-committee on Industry and Trade in 1927, Sir Philip Cunliffe-Lister wrote:

It would seem that the period of free competition during the earlier part of the nineteenth century may be essentially a transitional phase in the evolution of industry from one system of control to another.

(1)

Sir Philip's comments are significant in that the information collected by the Board for publication in the Committee on Industry and Trade reports demonstrated beyond doubt that the control of industry in 1927 had shifted substantially away from nineteenth century notions of free market competition. Across a whole range of industries - from textiles to chemicals to food and engineering - there was a clear trend towards larger productive units and greater collaboration between businessmen. As Leslie Hannah has noted, these developments were not confined to Britain, nor their consequences to the economic sphere, but had profound political and sociological implications (2).

By the later decades of the nineteenth century the growth of international industrial capacity had created a situation in which the marketability of British goods was under pressure. Profit levels in industry generally declined (3). As employers sought to reduce costs the growth in trade union organisation and worker militancy

1. Board of Trade, Policy Committee Sub-Committee on Industry and Trade, Combination in Industry and Trade, memo. by Sir Philip Cunliffe-Lister, (1927, BT55/49).

2. Leslie Hannah, The Rise of the Corporate Economy, (Methuen., 1976), 2.

3. Roderick Floud and Donald McCloskey (eds), The Economic History of Britain Since 1700; Vol. 2: 1860 to the 1970s. (Cambridge: C.U.P., 1981), 2.

exerted a counter-pressure and served to constrain further cost-cutting exercises and employers' 'right to manage'. This last was further challenged by socialist ideas which identified private ownership of industry as being at the root of a political system which failed to operate in the interests of the working class. At the same time the rise of new industries such as chemicals and electrics demanded a level of health and education among the workforce which laissez-faire capitalism had failed to provide. Thus, the State was under pressure from more than one source to raise the standard of life in a way which undermined widely held views, particularly in the older staple trades, about the distribution of wealth. It was in this context that some employers began to acknowledge the vulnerability of the individualistic sovereign business enterprise. The growing incidence of price-rings, combinations, amalgamations, cartel arrangements and employers' organisations were all expressions of businessmen's attempts to protect and enhance their capital investments.

Changing perceptions of the proper conduct of business were the subject of a paper to the Yorkshire Section of the British Association of Managers of Textile Works in 1914. American businessman Roger W. Babson advised participants that: 'Many of the troubles to-day are due to the fact that business during the past century has been the antithesis of Christianity; one has stood for selfishness and the other

for unselfishness' (1). Free competition - a virtue to be fought for in the 1840s - was now increasingly referred to as 'selfish', 'industrial anarchy' or 'unfettered' competition - an evil to be guarded against.

The shortcomings of the laissez-faire approach were confirmed by numerous reports, inquiries and Royal Commissions which logged that other 'new' reality in late nineteenth century Britain - the existence of widespread deprivation (2). The result was a modification of political views which ran through the established parties and led to the formation of new ones. Increasingly disaffected with the adequacy of a 28.5 per cent adult franchise and the ability of the Liberal Party to represent working class aspirations, socialist ideas and the campaign for working class representation in Parliament were taken up by labour activists (3). All these developments served as a pressure on politicians and businessmen alike, influencing their agendas and compelling contemplation of the possibility of government by or for the working class. Business interests within the Liberal Party continued to resist any substantial concessions to working class demands, while the younger New Liberals advocated intervention to alleviate the worst areas of poverty.

1. British Association of Managers of Textile Works, Reports of Lectures. Session 1914-15, (Bradford: Percy Lund, Humphries & Co., The Country Press, 1915), 24.

2. See Pat Thane, The Foundations of the Welfare State, (Longman Group, 1982), Ch. 1.

3. See Henry Pelling, Origins of the Labour Party 1880-1900, 2nd ed. (Oxford: Oxford University Press, 1965).

Booth exhorted trade unionists to abandon revolutionary ideas and accept this 'limited socialism', 'a socialism which shall leave untouched the forces of individualism and the sources of wealth' (1).

By 1914 some distinct changes compared with just three decades earlier, in the national and international trading environment were leading to the modification of views indicated in Roger Babson's address to textile producers in Yorkshire. Tariff barriers, trade agreements, intense competition, growth in the activities of trade unions, the Labour Party and ideas opposed to private enterprise all had to be dealt with. So too did the burgeoning role of governments in economic and social affairs, which was both a necessity and an anathema to businessmen who constantly argued that they alone were in a position to conduct their businesses efficiently and profitably. Just how employers did this is the concern of this thesis.

Employers' Organisations

In order to represent their collective interests as owners of capital and/or employers of labour, employers in most industries had developed new organisational strategies by 1914. These formed the basis for the employers' organisations which exist in all British industries today. They were, and still are, very private organisations, of

1. James Hinton, Labour and Socialism. A History of the British Labour Movement 1867-1974, (Brighton: Wheatsheaf Books, 1983), 36.

which the vast majority of people have little knowledge and to which they have no access. Employers' organisations vary enormously in size, efficiency and activity ranging from the smallest of trade associations which meets to discuss a particular product, to the much higher profile Confederation of British Industries (C.B.I.) which seeks to represent industry generally on commercial, financial and industrial issues. The C.B.I. is by far the best known of contemporary employers' organisations, yet for an institution which represents the collective voice of British industry, public information as to its membership, its policies and its methods is in short supply. The annual proceedings of the T.U.C., by comparison, can be seen on T.V. in detail, but never those of the C.B.I.

In the twenty two years since the Donovan Report on trade unions and employers' associations was published (1), there has been a growing interest in the employers' point of view, which naturally has extended to employers' organisations. In 1973 Eric Wigham's (a member of the Donovan Commission) commissioned history of the Engineering Employers' Federation and Stephen Blank's work on the role of the Federation of British Industries (the C.B.I.'s predecessor) were published. These were followed in 1974 by Howard Gospel's thesis which considered employers' organisations in engineering, flourmilling and electrical

1. Royal Commission on Trade Unions and Employers' Associations 1965-1968, Report. (H.M.S.O., 1968). Hereafter Donovan Report.

contracting in the system of British industrial relations (1). Thereafter a number of studies appeared which largely considered the industrial relations/welfare interests of employers' organisations or their relationship with government (2). Exceptions to this are Rodney Lowe and Terence Rodgers' studies of the policy of the National Confederation of Employers' Organisation (N.C.E.O.) on hours of work and unemployment respectively; and Arthur McIvor's work on the Economic League's campaigning to promote private enterprise (3). Although these last have been important in broadening knowledge of employer organisation, none of these studies has addressed the phenomenon of employer organisation itself or explored the more general question of what precisely it is that employers' organisations do.

1. Eric Wigham, The Power To Manage. A History of the Engineering Employers' Federation, (Macmillan Press, 1973); Stephen Blank, Industry and Government in Britain. The Federation of British Industries in Politics, 1945-65, (Hants: Saxon House, 1973); Howard Gospel, 'Employers' Organizations; Their Growth and Function in the British System of Industrial Relations in the Period 1918-1939', (Ph.D. thesis, University of London, 1974).

2. See for example, A. J. McIvor, 'Employers' Associations and Industrial Relations in Lancashire, 1890-1939; a Comparative Study of the Development, Organisation and Labour Relations Strategies of Employers' Combinations in the Cotton, Building and Engineering Industries', (Ph.D. thesis, Manchester University, 1983); Helen Jones, 'Employers' Welfare Schemes and Industrial Relations in Inter-War Britain', Business History 25 (Mar 1983), 61-75; Keith Middlemas, Politics in Industrial Society. The Experience of the British System Since 1911, (Andre Deutsch, paperback ed. 1980).

3. Rodney Lowe, 'Hours of Labour: Negotiating Industrial Legislation in Britain, 1919-1939', Economic History Review 2nd ser. 35 (Feb 1982), 254-71; Terence Rodgers, 'Employers' Organizations, Unemployment and Social Politics in Britain During the Inter-War Period', Social History 13 (Oct 1988), 315-41; A. J. McIvor, "A Crusade for

This question is, of course, important in the broader context of changes in British society from the 1880s onwards. It is lent further importance in view of the conceptual confusion surrounding the terms 'employers' organisation', 'employers' association' and 'trade association'. Stephen Blank's treatment of such groupings was unequivocal:

Their basic task was to defend the interests of their members - against trade unions in the case of employers' federations and against other industry and the government in the case of trade associations. (1)

According to Eric Wigham, the Engineering Employers' Federation (E.E.F.) keenly asserted such a sharp division of functions, emphasising that it dealt only with industrial relations. Yet, A. J. McIvor has shown that fines were imposed on engineering employers in Lancashire in the early part of the century, for not selling at agreed prices (2). Commenting on trade associations, a 1952 survey noted that the term covered organisations of a great many types, sizes and functions, 'of which the only possible universally true statement is that they are voluntary groupings of a number of firms and that their aim is to pursue certain common objects' (3).

Despite the lack of knowledge on the subject, and not a

Capitalism": the Economic League, 1919-1939', Journal of Contemporary History 23 (Oct 1988), 631-55.

1. Blank, op. cit., 1.

2. McIvor, 'Employers' Associations', 46; Wigham, op.cit., 1.

3. Political and Economic Planning, Government and Industry, (P.E.P., 1952), 150.

little confusion as to the exact nature of the various forms of employers' organisations, some far-reaching conclusions have been made about them. One of the earliest commentaries on the growth of business organisations observed in 1944 that it was 'probably no exaggeration to reckon their growth one of the most significant developments of the last quarter of a century' and 'every one of these associations affects in some way the shape of Britain's economic life' (1). In 1943 Robert Brady's study of 'peak' inter-industry associations in 6 countries took the view that their concentration and use of economic power was essentially anti-democratic (2). Yet, almost forty years later Henry Phelps Brown could accord them no such significance. His conclusions were that, unlike trade unions employers were 'not united by any common wrongs to right or objects to pursue', and that 'There has been no employers' movement' (3).

An alternative perception of the function of the 'peak' organisations is Keith Middlemas's Politics in Industrial Society. In this Middlemas argues that employers' associations were elevated (alongside trade unions) to a new status as 'governing institutions' between 1916-26, by virtue of their co-operation with governments. Through the

1. P.E.P., 'British Trade Associations', Planning, 10, No. 221, (May 1944), 1.

2. Robert A. Brady, Business as a System of Power, (New York: Columbia University Press, 1943).

3. Henry Phelps Brown, The Origins of Trade Union Power, (Oxford: Clarendon Press, 1983), 100.

alternate gratification and cancelling out of the desires of these large, well-organised groups successive governments achieved consensus and avoided crises in a manner which lasted until the late 1960s. Middlemas states that, although extra-parliamentary this system achieved a harmony based upon an 'acceptance of fundamental national aims' and the practical abandonment of 'the ideology of class conflict' (1).

Ralph Miliband, who has similarly been concerned with the way in which the British State functions, but from a marxist rather than a corporatist perspective, says that in reality the containment of industrial conflict was the result of many other agencies and influences. Middlemas's perception of the degree to which trade unions became 'incorporated' he considers to be an overestimation (2). Miliband's own deliberations on the nature of the British State have led him to conclude that business, far from competing on equal terms with labour, enjoyed great advantages both inside and outside the State system, on the basis of class and ideological ascendancy (3).

Brady, Middlemas and Miliband, albeit from different perspectives, raise some serious questions regarding both our understanding of the way in which British society is

1. Middlemas, *op. cit.*, 18, 21.

2. Ralph Miliband, Capitalist Democracy in Britain, (Oxford: Oxford University Press, 1984), 19.

3. *Idem.*, The State in Capitalist Society, (Quartet Books, 1973), 131.

governed, and the role and function of organised business in it. All three proposals recognise a high degree of influence on the part of business interests, although Middlemas's perception of the State system is one of essential harmony. Yet, having once acknowledged parliamentary governments' dependence on outside agents, the potential for a disproportionate accumulation of influence must also be acknowledged.

In a polemical article intended to 'clear the ground for an analysis of capitalist associations', Bob Jessop says that in view of the small amount of organisational and functional homogeneity among them such a study 'would not be much help in advancing a theoretical or empirical understanding of the mechanisms of political class domination in capitalist societies' (1). It may, he concedes, be useful in developing a 'sociological account of organisations' or 'refining generalisations in the analysis of pressure group activities'. While Jessop, quite correctly, emphasises the State as a product of many agencies and actors, he goes too far in defining the limitations of the 'analysis of capitalist associations' which have yet to be done. It would, of course, be a crude analysis which made the mechanistic link 'associational power equals State power', but this should not deny the validity of questioning the relationship between the two.

1. Bob Jessop, 'The Capitalist State and the Rule of Capital: Problems in the Analysis of Business Associations', West European Politics 6 (Apr 1983), 160.

While Jessop clearly understood employer organisation as an expression of class interest, Jonathan Zeitlin has argued that the notion of 'objective interests of pre-existing social groups' has little to offer an understanding of the operation of such organisations (1). With Alan McKinlay he further contended that the divisions between employers were sufficiently great as to render them weak at an organisational, political and workplace level. Of engineering between 1898 and 1922 they state that,

Each sector was exposed to significantly different market conditions with variations in profitability, the extent of competition and market stability ... Such cross-cutting pressures proved formidable barriers to sustained national employer cohesion with recurring crises of central authority within the Federation. (2)

For Zeitlin it is 'institutional forces' which are vital to understanding relationships between workers and employers and not class interests (3).

The wide range of views about the role and function of employers' organisations is remarkable. Some of the literature refers to the 'peak' organisations, the N.C.E.O. and the F.B.I., other works to specific industries, but this in no way explains the disparities of opinion. While Zeitlin claims the engineering employers to have been weak, Gospel

1. Jonathan Zeitlin, 'From Labour History to the History of Industrial Relations', Economic History Review, 2nd ser. 40 (May 1987), 178.

2. Alan McKinlay & Jonathan Zeitlin, 'The Meaning of Managerial Prerogative: Industrial Relations and the Organisation of Work in British Engineering, 1880-1939', Business History 31 (Apr 1989), 33.

3. Zeitlin, *ibid.*, 177/78.

has said that the initiative in industrial relations remained firmly with organised employers (1). Clearly one of the problems for those researching employer association is the still small amount of empirical material available. However, it is also true that the literature which does exist is largely contained within the narrow framework of industrial and governmental relations. This point further serves to underline the need for clarification of organised employers' growth, function and modes of operation.

The need for such research fairly well describes the purpose of this thesis. Firstly, it is intended to assess how employers responded in an organised manner to quite radical changes in the world market and the nature of British society between c.1914 and 1945. Secondly, it is intended to provide a base of information which covers the range of activities with which employers' organisations (broadly conceived) concerned themselves - which previous studies do not. The 'interests of the trade' which employers sought to protect cannot be taken as self-evident for any industry. Business considerations are not part of the common consciousness, and the experience of trying to ensure the continued profitability of specific forms of capital is one of limited access, and limited public discussion in any meaningful sense. The use of employers' own records will help to fill this gap. The final aim is to assess the significance of the

1. Gospel, op. cit., 362.

organisation of employers in view of the claims which have been made about them and to offer some observations on its political and sociological implications.

Wool Textiles and Bradford

For a number of reasons the wool textile industry provides a useful empirical basis for this kind of analysis. From a purely practical point of view, the archives of employer organisations in the industry remain virtually intact and are accessible. These include the records of the Worsted Committee which was set up by statute in 1777, and more importantly for the purposes of this study, the small, local organisations based upon product or process which flourished from the turn of this century, merging with each other or fostering new ones as employers increasingly perceived their best interests to lie in greater organisation.

For the most part the records of the manufacturers' (employers engaged in weaving) federations are lodged in Bradford District Archives. These include the Minutes of almost all the local manufacturers' organisations and the leading sectional organisation, the Woollen and Worsted Trades' Federation (W.W.T.F.). Unfortunately the Minutes of the latter's numerous sub-committees were not deposited with the archives, and it seems probable that these may not have survived.

The manufacturers' archive is large in itself, covering around 30 associations of employers, and the present day industry-wide organisation, the Confederation of British Wool Textiles (C.B.W.T.) has an archive which is just as impressive. It includes the records of the local and sectional associations of woolbuyers, spinners, dyers and finishers, and the industry's 'peak' organisations. The records of the Worsted Spinners' Federation (W.S.F.) are particularly large as these include everything from its specialist sub-committee Minutes and members' annual plant declarations to office leases. They are, however, urgently in need of cataloguing. In addition to these, the Minutes of the Woolcombing Employers' Federation (W.E.F.) dating back to 1910 are stored in mint condition in one of the C.B.W.T. executives' attic at home. Taken together the above records comprise an extremely valuable resource and their near completeness may well be unique.

The real importance of the archives for this thesis is that they offer an opportunity to explore the articulation of organised employer policy, not exactly as a 'fly-on-the-wall', but at close quarters. Of course, not every discussion or decision was recorded - for example, worsted spinners deliberating tactics on the wages issue in 1925 actually noted their decision not to keep a record of the meeting (1) - but the majority were minuted as routinely as any other business matter. As a result the proceedings

1. W.S.F. Minutes, 14 May 1925.

of the various organisations taken together contain the development of a collective perspective on almost every issue which affected the reproduction of wool textile capital.

The experience of wool textile capital is in itself of great historical interest. For centuries Britain's leading industry, the relative importance of wool textiles in economic and political affairs had been greatly reduced during the eighteenth and nineteenth centuries as coal, cotton, iron and steel and shipbuilding expanded. Yet the industry was still the world's largest, and of some considerable importance to the economy of the West Riding of Yorkshire, where it was concentrated to the extent of 80 per cent of U.K. production (1). As with the other staple industries, wool textiles was heavily dependent upon its exports and the years between 1914 and 1945 presented a formidable challenge to its ability to maintain a dominant position in the world market. Surprisingly, this once great industry has been little researched, especially in the period after 1914, despite the wealth of studies and discussion of the staple industries in inter-war Britain. Indeed a recent special issue of Business History on responses to international competition in textiles since 1870 contained only one article on wool textiles - and this on the period before 1914 (2).

1. Board of Trade, Committee on Industry and Trade, Survey of the Textile Industries, (H.M.S.O., 1928), 165.

2. See Business History, Oct 1990.

Wool textile employers' day-to-day experience was the assumed context in which their collective policies were formulated. Most studies which refer to employer organisation have been national or issue-based, and those such as Blank's and Wigham's were constrained by their uncritical acceptance of employers' tactical attempts to compartmentalize their activities in 'trade' or 'employer associations'. Trade, governmental and labour relations, however, were not independent variables - they were inextricably linked. The organisations which employers established to formulate policy on them were operational groupings and referred to the integrated process of doing business.

In order to reconstruct this perspective special attention will be paid to organised employers in Bradford. The extreme regionalization of wool textiles in the West Riding of Yorkshire, and Bradford in particular, presents on the one hand an opportunity to study employers' organisations active at a local, national and international level. On the other hand, dominated by the buying, combing, spinning, manufacturing and merchanting of wool and worsteds, Bradford provided a special focal point for organised activity, and a microcosm of employers' day-to-day experiences in a rapidly changing environment.

As Bradford was central to the production of wool textiles, then so wool textiles was central to the life of Bradford.

The city had in fact grown with the industry. In 1800 its first steam powered mill had only just been established; by 1841 there were 112 worsted mills, 6 woollen and 2 cotton, and the population, as indicated in Table 1, stood at over 66,000.

Table 1 The Growth of the Population of Bradford

<u>Year</u>	<u>Pop.</u>	<u>Year</u>	<u>Pop.</u>
1801	13,264	1891	216,361
1821	26,209	1901	279,767
1831	43,527	1911	288,458
1840	66,000	1921	285,961
1851	103,771	1931	298,041
		1951	292,403 (1)

In the 1920s according to A. N. Shimmin, (a contemporary professor at the University of Leeds), the overwhelming majority of workers in Bradford depended directly upon the wool textile industry for their livelihood (2). He noted that official figures recorded 51.9 per cent of the city's insured population as woollen and worsted workers, and that this was clearly an underestimate as it did not include juveniles or workers employed in dyeing and wool merchanting (3). In 1914 sixty per cent of children leaving school in Bradford went to work in the mills (4).

1. Figures taken from Charles Ogden, The History of Bradford, (Bradford: Bradford & District Newspaper Co., [1935]).

2. A. N. Shimmin, 'The Distribution of Employment in the Wool Textile Industry of the West Riding of Yorkshire', Journal of the Royal Statistical Society 89 (Jan 1926), 101/102.

3. Shimmin, op. cit., 101/2.

4. See p.87.

In these circumstances the domination of wool textile capital had extended to the social and political life of the city, and remained a potent force long after its influence at a national level had declined. In both mill and community the leading figures were the 'large manufacturers' (1). They were Non-conformist, M.P.s and councillors, builders of model villages, sponsors of adult education and temperance societies, mill cricket teams and works trips. Paternalist, strict authoritarian, or distant manager, the choice of style was the employers' and formed part of an outlook on life which they carried with them in their philanthropy, party politics and prayers. Alfred Illingworth, worsted spinner, Liberal non-conformist and M.P. for Knaresborough 1868-74 and Bradford West from 1880-1895 was typical of this. 'He sat in the House', notes Jack Reynolds, 'as the representative of Bradford's business interest and simply wanted to retain as much as he could of the once absolute authority of the millowner and manufacturer' (2).

In the twentieth century close involvement in the mill and community were less characteristic of the great families. Third generation owners, educated at Eton and Oxford, were inclined to perceive Bradford as somewhere they happened to

1. Tony Jowitt, 'The Retardation of Trade Unionism in the Yorkshire Worsted Textile Industry', in Employers and Labour in the English Textile Industries, 1850-1939, eds J. A. Jowitt & A. J. McIvor, (Routledge, 1988), 96.
 2. Jack Reynolds, 'Alfred Illingworth', in Dictionary of Business Biography, 5 vols, (Butterworths 1984), ed. David J. Jeremy, vol. 3, 417-422.

do business, and bought homes and estates elsewhere (1). At the same time, the working class increasingly looked to their own politics for improvement in their lives. By 1913 Labour was the largest party on Bradford council and remained so throughout the 1920s and 30s, although for the most part it was prevented from taking control by a Liberal/Tory pact which operated throughout the Yorkshire textile area (2).

Although the 'great families' were less dominant in the local community than they had been, their capacity to make their views known took many forms. Sir W. E. B. Priestley, manufacturer, was variously a Liberal councillor, a J.P., Mayor of Bradford and, along with Sir James Hill, topmaker, was a Liberal M.P. for Bradford during the First World War. Hill was Chairman of the Yorkshire Observer, the Observer Budget, Keighley News, Bradford Daily Telegraph, and Bradford Weekly Telegraph (3). In his Tory M.P., Simon Haxey commented on the very important links which employers, through their trade organisations, maintained with governments in the 1930s: 'many of them have either a member of their governing body or a director of an affiliated concern among Tory M.P.s' (4). Col. F. Vernon

1. Jowitt, *Ibid.*, 96/97.

2. J. A. Jowitt, 'Late Victorian and Edwardian Bradford', in Bradford 1890-1914; the Cradle of the I.L.P., eds J. A. Jowitt & R. K. S. Taylor, (University of Leeds, Dept of Adult Education and Extra Mural Studies, Bradford Centre Occasional Papers No. 2, 1980), 17.

3. See entries for Sir James Hill and Sir W.E.B. Priestley in Who Was Who, 1929-1940, 640, 1104.

4. Simon Haxey, Tory M.P., (Victor Gollancz, 1939), 45.

Willey of Francis Willey, the largest wool merchanting concern in the world, fulfilled such a role for wool textiles. Born in Bradford and educated at Eton and Oxford, Willey was Coalition Unionist M.P. for South Bradford from 1918-22, was a member of the House of Commons Industrial Group and the British Commonwealth Union, inherited a seat in the Lords and the title Lord Barnby on the death of his father in 1929. He was Controller of Wool Supplies 1916-20, founding Chairman of the Wool Textile Delegation in 1921, President of the F.B.I. 1925-6, as a freemason was Master of the Woolmen's Company and was a director of numerous worsted mills, including manufacturers C. F. Taylor's and Henry Mason's of Shipley. He was chairman of the industry's research association, an executive member of the Economic League, and was a director of the company which bought the Economist in 1928 (1).

Willey's importance as a representative of organised employers was not only in the influence pertaining to his party political involvement, but in his skill in organisational politics generally. The power of authority associated with the nineteenth century industrialist had been substantially eroded by changes in the nature of the market which squeezed profits, provoking mergers, amalgamations and bankruptcies; by, in some cases, employers' own

1. R. P. T. Davenport-Hines, 'Francis Vernon Willey', in Dictionary of Business Biography, vol. 5, op.cit., 810-1.

withdrawal from close association with the daily life of the firm; and by the move towards political democracy. What was important to Col. Willey and his contemporaries was not the 'absolute authority of the millowner and manufacturer' as per Alfred Illingworth, but that policies and actions which in some way affected the reproduction of their capital should pay due attention to their collective perspective. When employers began to close ranks and form employer organisations they embarked, some consciously, some unconsciously, upon a transformation of business strategies. This will now be explored.

SECTION I

THE DEVELOPMENT OF WOOL TEXTILE EMPLOYERS' ORGANISATIONS

Introduction

The wool textile industry is the oldest of Britain's great manufacturing industries. For 250 years up to the 1950s it was also the world's largest. Already by the end of the seventeenth century it was estimated that the annual value of wool textiles was nearly as high as that of British arable produce and higher than the rent of agricultural land (1). Measures taken to protect and enhance the industry have ranged from a ban on the export of wool in the thirteenth century, to voyages of discovery to extend the market in the fifteenth and sixteenth centuries, and tariff barriers against foreign manufactures in the 1930s.

In view of its long and central importance to the British economy it is perhaps not surprising that for centuries wool textile producers frequently demonstrated a capacity to influence foreign and domestic policy in the industry's favour. At the end of the eighteenth century there were over three hundred laws on the statute book relating to wool and its manufacture (2). During the period of concern to this thesis, 1914-1945, wool textile employers had a quite different experience. In retrospect, these years can be seen to have presented a challenge to wool textile

1. E. Lipson, A Short History of Wool and its Manufacture, (William Heinemann, 1953), 52.

2. Ibid., 54.

capital - not simply in its capacity to influence State policy, which had been greatly eroded by industrialization - but in its capacity to remain profitable in an intensely competitive environment.

This was the experience of many British industries - with varying intensity and duration after the 1870s. It is after this that the phenomenon of permanent employers' organisations becomes an established feature of all British industries. In the 1890s cotton, engineering and ship-building had already developed sophisticated organisational frameworks, while in wool textiles it was after 1904 that organisations of any lasting importance were formed. By 1921 organisations had been formed in each of the main sections of the trade - in buying, woolcombing, spinning, manufacturing and dyeing - co-ordinated in several specialist 'umbrella' groups designed to protect the interests of the industry as a whole.

It is perhaps important to note at this point that the development of collective activity among businessmen, whether in employer organisation or groupings such as cartels, was not unique to Britain. Italy, France, Germany, Japan and the U.S.A. all had, to varying degrees and strengths, complex webs of organisation by 1930. According to Robert Brady, Germany and the U.S.A. in 1931 had 2,272 (plus 2,100 cartels) and 19,000 employers'

organisations respectively (1). In the U.S.A. these had largely been formed after 1900 - most of them since the First World War. In 1952 N. H. Leyland observed the lack of any official record of the number of organisations in Britain, but said that there were 'probably around 500 trade associations' in 1919, and around 2,500 in 1944 (2).

One of the purposes of this section is to establish the development of employer organisation in wool textiles in that context. Association in wool textiles was not an isolated phenomenon, but was part of a much broader movement which expressed employers' perception of where their collective interests lay. This is not to suggest that those interests were at all times a matter for agreement. As Brady acknowledged some businessmen were interested in expansion, others contraction; some in local, others in national and international markets; some businesses were big and others were small (3). The differing perspectives among employers for Zeitlin meant that the institutional operation of their organisations was, in the long term, indeterminate, and not to be explained by reference to pre-existing objective interests (4). It is important to recognise that employers were not an homogenous group, and that differences between them could have a significant

1. Brady, op. cit., 10/11.

2. N. H. Leyland, 'Trade Associations', in The British Economy 1945-1950, eds G. D. N. Worswick & P. H. Ady. (Oxford: Oxford University Press, 1952), 87.

3. Brady, op. cit., 3.

4. Zeitlin, op. cit., 168.

effect upon what their organisations were able to do. However, differences and divisions between employers there had always been. What was more remarkable was the newly expressed desire to establish and maintain organisational unity, and the fact that that desire was not unique to any industry or country. Employers clearly had common interests which were a prime motivating factor in their collective activity.

Chapter One details something of the historical circumstances in which British employers began to consider ongoing co-operation to be more effective than individual action. Although the literature on employers' organisations is still relatively small, discussion of them has largely been delineated by the way in which they have been conceptualized and periodized. This firstly, establishes two main periods of growth - the late 1880s/90s, and the war period, and secondly, associates 'employer association' growth with the earlier period and 'trade association' growth with the later one (1). Although many studies do acknowledge the diversity, in reality, of such organisations' activities, (i.e. that they were not necessarily confined solely to 'industrial relations' or 'trade' matters), that diversity is never fully explored. Instead we are left with the impression, explicitly or implicitly,

1. See for example, Blank, op. cit., 11/12; H. A. Clegg, Alan Fox and A. F. Thompson, A History of British Trade Unions Since 1889: Vol. 1: 1889-1910. (Oxford: Clarendon Press, 1964), 73, 113, 145; Leyland, op. cit., 87; P.E.P., Government and Industry, 150.

of the single purpose organisation. The point becomes extremely important in considering the interests of employers, as these must refer to those things which concerned them and not those things which concerned them most.

This is not to deny the valuable contribution of many of those studies which have concentrated on a particular aspect of employers' activities. The work of Howard Gospel and A. J. McIvor has been especially important in broadening understanding of the industrial relations process by bringing the employers' perspective into sharp focus. Many employers' groups did specialise in certain functions, and their representatives were frequently at pains to stress that they could not consider things which fell outside that.

The reasons why employers developed particular organisational forms or emphases is the subject of the first two chapters. The contextual origins of organisation will be outlined in Chapter One, and provides a basis for an analysis of the objectives of organisation. The second chapter will then look at the structure of the wool textile industry and how that related to the elaboration of employers' organisational network. This will help clarify the complexity of ownership in the industry and, very importantly, identify some of the priorities of, and tensions between different capital forms.

These relationships and understanding of how things worked were vital to the functioning of employers' organisations. They represented the framework via which policies were devised and dealt with. As such they are worthy of prime consideration as a prelude to the exploration of the policies themselves.

The Context

It has been estimated that by 1939 there were around 1,200 organisations of employers, '... covering practically every leading district, every important trade and industry in the United Kingdom, and endowed with policies increasingly running the entire gamut of business interests' (1). This observation fits uncomfortably with some of the comments more commonly made about employer organisation growth. These, while frequently not denying the changes in Britain's trading position as a causal factor in the greater organisation among employers, emphasize the stimulus provided by trade union growth and government encouragement. Stephen Blank, for example, notes the growth of employers' federations as a result of the rise of trade unionism in late nineteenth century Britain, and that

Trade associations appeared in large numbers on a permanent basis in British industry only during the First World War when the whole structure of government-industry relations was altered and government involvement in industrial affairs vastly increased. (2)

Similar views can be found in earlier and later studies of business organisation (3). The broader motivations for organisation are thus reduced in importance by default.

1. Brady, op. cit., 157.

2. Blank, op.cit., 11/12.

3. See for example J. H. Richardson, 'Employers' Organisations in Great Britain', in Industrial and Labour Relations in Great Britain, eds F. E. Gannett & B. F. Catherwood, (P. P. King, 1939), 139; P.E.P., op. cit., 150; Middlemas, op. cit., 48.

Why did businessmen resort to the particular collaborative form of employer organisation, at the time that they did? What were the circumstances in which this kind of collaboration came to be regarded as a progressive factor for development, rather than one which interfered with the natural equilibrium of the market? These questions need to be addressed in attempting to locate the raison d'être of employers' organisations, not least because they represent a shift in the ideological perspectives of the business community which cannot be underestimated. It is only in this context that we can conceive of a collective activity by 1939 which ran 'the entire gamut of business interests'.

Collaboration among employers in late nineteenth century Britain was not new. What was new about it were the economic, social and political circumstances in which it took place, and its consequent persistence. In his survey of Lancashire, A. J. McIvor reported evidence of some association of employers in the 1790s and after in cotton, printing, coal, shipbuilding and the paper trades (1). This grouping together of employers tended to occur on a local and temporary basis to deal with specific problems. According to Eric Wigham,

They were formed in reply to the organisation of workers into trade unions, to resist particular demands which they regarded as excessive and in general to prevent the unions from enforcing rules which interfered with their freedom to run their factories as they wished. (2)

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1. McIvor, op.cit., 6.
 2. Wigham, op.cit., 22.

In short, they were a kind of reflexive action aimed at mutual defence at critical moments.

However, both McIvor and Grove have shown a greater variation in the origins of early organisations. Some groups operated collective agreements aimed at eliminating 'cut-throat' competition, worked to co-ordinate trade and commercial policies or, as was the case of the Mining Association of Great Britain in 1854, formed specifically for political action to oppose the promotion of legislation to regulate working conditions (1). Very importantly too, in view of the subsequent history of collective action among employers, was the emergence of Chambers of Commerce. Leeds, in 1785 the first Chamber, disintegrated and reformed - the whole movement only really beginning to stabilise after the formation of the Association of British Chambers of Commerce in 1860 (2). Formed on a local basis, the Chambers were open to businessmen from all sectors, with an eye to pressing their commercial interests more effectively. The Chambers may well have provided something of a model for business co-operation. Their relatively open membership must have helped to dispel notions of 'conspiracy', and have enabled employers to retain their sense of adherence to the morality of individual enterprise.

1. McIvor, op. cit., 7; J. W. Grove, Government and Industry in Britain, (Longman, Green & Co., 1962), 6-13.

2. A. R. Ilersic and P. F. B. Liddle, Parliament of Commerce: the Story of the Association of British Chambers of Commerce, 1860-1960 (Neame, 1960), 1-14.

The idea that organisations of employers were peculiarly a response to the organisation of workers does not really stand up to the evidence. Employers worked together when they felt they needed to - whether it be to counter labour organisation, to influence government legislation or to gather commercial information. For the most part they did not need to seek the support of other employers. The political system was such that their interests were generally well represented at a local and national level, and Britain's dominance in terms of industrial production was as yet unchallenged. Britain's successful position confirmed employers in their individualistic outlook and convictions about the value of the free market. Somewhat paradoxically, this last has been identified as one of the reasons for employers' periodic resort to collective action against combinations of workers. Such combinations, it is argued, were perceived by employers as contraventions of the freedom of contract between the individual operative and the employer, and were further resented because of the implications for workshop discipline (1).

Towards the end of the nineteenth century the climate of optimism surrounding British business faltered. Contracting or protected markets, foreign competition, new science-based technology, increasing State intervention, and the growth of trade unions and socialism posed long term challenges to its continued profitability.

1. Henry Phelps Brown, *op. cit.*, 101.

The impact of these factors varied from industry to industry, and often from firm to firm, as indeed did responses to them (1). Some employers sought to decrease costs by increasing productivity, and some sought the shelter of Empire markets and/or joined Chamberlain in the campaign for tariff reform (2). Others tried to assert control over trading conditions via trusts and cartels, or to achieve economies of scale through mergers or amalgamations. Among the most noted of the attempts at merger are Vickers in the engineering industry, Lever in the soap industry, and a series of combines in the textile finishing trades (3).

In addition to these, some employers now established the organisations, which they had previously used as temporary expedients on a more permanent footing. For example, steamship owners first organised in 1874 in the Steamship Owners' Mutual and Protecting and Indemnity Association to protect themselves against losses. In order to present their views to a Royal Commission in 1886 they formed a Central Association of Shipowners, and then organised more permanently in the Shipping Federation from 1890.

1. Andrew James Marrison, 'British Businessmen and the "Scientific" Tariff: A Study of Joseph Chamberlain's Tariff Commission, 1903-1921, with special reference to the period 1903-1913', (University of Hull, Ph.D., 1980), pp.148-50.

2. W. H. Mitchell, worsted manufacturer and senior vice-president of Bradford Chamber of Commerce, joined Chamberlain's Tariff Commission in 1903, and called for 10-20 per cent duties to prevent further damage to the trade already occasioned by foreign tariffs. See *ibid.*, 569.

3. Hannah, *op. cit.*, 23/4.

According to its former Secretary this last it was said, was founded as a 'permanent battleaxe' against 'oppression and abuse' posed by trade union demands for a closed shop (1). In the 1890s engineering, coal, cotton and iron and steel employers similarly established permanent organisations (2).

Many employers were particularly incensed at the persistence of the labour movement in making its voice heard. The struggles of the Match Girls and the dockers had captured some public sympathy and resulted in defeats for employers. The disputes seemed to confirm the mounting power of the labour movement, as did the election of labour activists to local councils and the pressure for working class representation in Parliament. The growing independence of working class action and the influence of socialism was of great concern to the propertied. The birth of such organisations as the Liberty and Property Defence League, the Free Labour Association and the Anti-Socialist Union, were intended to oppose the movement and to reassert the rights of property and authority (3).

The Engineering Employers' Federation (formed in 1896) was

1. L. H. Powell, The Shipping Federation 1890-1950 (by the Federation, 52 Leadenhall St., 1950), 1/2.

2. P.E.P., 'Industrial Trade Associations', Planning, 21, No. 383 (Jul 1955), 123.

3. See Clegg, Fox & Thompson, op. cit., pp.170-175; K. D. Brown, 'The Anti-Socialist Union, 1908-49', in Essays in Anti-Labour History, pp. 234-61, ed. idem., (Macmillan, 1974).

especially vociferous in its outrage against trade union and socialist organisation. In 1897 it instituted a thirty week lock-out of the trade in a forceful attempt to reassert its 'right to manage'. Col. Dyer, its president, proclaimed that the 'socialist element' was 'trying its best to destroy the real proper function of trade unions, and to bring the employer and capital down to their knees' (1). In 1898, in conjunction with Lord Wemyss (a well-known figure in anti-labour activity) the Federation promoted the establishment of the Employers' Parliamentary Council to oppose 'the movement towards state socialism and the influence of the T.U.C. in Parliament' (2).

The actions pursued by the Engineering Employers' Federation need to be related to the experience of its membership. In their attempts to address the problem of decreasing profitability some employers had successively reduced wages, recruited apprentices in greater numbers and instituted piecework as a means of cheapening production, against a background of the development of mass production techniques to be worked by semi and unskilled labour (3). Trade union growth and militancy took place in this context, so that the formation and subsequent struggles of the Employers' Federation were just part of a series of linked responses - on the part of foreign capital to

1. Wigham, op. cit., 60.

2. Middlemas, op.cit., 46/7.

3. See McKinlay & Zeitlin, op. cit., 34/35; Wigham, op. cit., 16/17, 29/30.

British domination of world markets, on the part of British capital to competition and a falling rate of profit, on the part of trade unions to pressures in the workplace etc.

Both the examples of the Engineering Employers' Federation and the Shipping Federation suggest that although increased organisation of labour may have precipitated their immediate formal establishment, it was not the only factor involved. Although these organisations are frequently portrayed as responsive and designed for mutual defence against trade unions, it is difficult to pinpoint any association of employers which in reality was so narrow in origins or orientation. The contextual origins of the Engineering Employers' Federation, in particular, indicate collective action represented a stage in the development of engineering capital, and the real importance of the Federation's subsequent strategies must surely have been in their breadth. The few examples given referred not only to trade unionism in the workplace, but to the sphere and methods of government and to the ideas which might inform that. Of course, the Engineering Employers' Federation was noted for its antipathy towards the labour movement (1), and it will be useful to compare this experience with that of wool textile employers who, if anything, have been noted for their paternalism.

1. See Clegg, Fox & Thompson, *op. cit.*, 164/8, 174/5; McIvor, 'Crusade for Capitalism'.

Britain's entry into the war in 1914 was to aggravate many of those conditions which had long been precipitating collective action on the part of employers. Restricted markets, price and supply controls, increased taxation, and the further growth of trade unions all interfered with the conduct of business and provoked greater organisation among employers. The role of government in this extension of collective activity is generally perceived to have been significant. According to N. H. Leyland,

... the First World War provided an important stimulus to trade associations both directly (as the Government intervened in industrial affairs), and indirectly, by showing industry the advantages to be gained from co-operative action in their dealings with Government. (1)

Keith Middlemas perceives the relationship to have been part of the process of organised employers' elevation to the role of a 'governing institution'. 'To an extent which has never been fully documented', he says,

...employers at the local level actually ran the war effort ... the business community reached to the centre of government in an unprecedented fashion ... and promulgated a theory of government by and for economic interest groups... (2)

Middlemas quite correctly highlights a very important point in the development of the British State - a point where State policies and capital's imperative for accumulation can be seen to be dependent on the greater organisation of employers. This will be returned to in

1. Leyland, op. cit., 87.

2. Middlemas, op. cit., 114.

later chapters. The interchange between organised business and the State was not entirely new; in the 1880s Chamberlain had actively encouraged contact with trade associations and Chambers of Commerce on all important matters of policy and day to day administration (1). Moreover, the extensive State intervention represented by the Liberals' reforming legislation between 1906-14 had been accompanied by a flurry of activity from some business groups keen to press their interests, such as the Shipping Federation and the Birmingham Chamber of Commerce (2). The number and importance of employers' organisations did increase substantially during the war period (3), but it would be too simple a correlation to make between Government encouragement on the one hand, and a corresponding increase in the rate of organisation on the other.

Government encouragement and stimulation of employer organisation was, nevertheless significant. It was notably so in the formation of the Federation of British Industries (F.B.I) in 1916 - to which two senior officials from the Commercial Section of the Foreign Office were seconded. The early aims of the F.B.I. were towards greater collaboration with government and with labour in support of members' common interests and 'for the general good of the

1. Grove, op. cit., 23/4.

2. J. R. Hay, The Development of the British Welfare State 1880-1975 (Edward Arnold, 1978), 32/38.

3. This is almost impossible to quantify as the various associations/federations/organisations were not all obliged to register in any way, and were noted, as the Committee on Trusts observed in 1919, for their 'unobtrusiveness'.

country'. At the end of its first year its membership consisted of 350 firms and 62 trade associations, organised in local branches. Its first report included activities involving participation in government Departmental committees, collaboration with French manufacturers and lobbying in support of members' interest vis à vis the Education Bill and Excess Profits Duty (1). The F.B.I.'s understanding of 'the general good of the country' was represented in a series of propaganda campaigns, partially inspired, Middlemas recounts, by Liberal and Tory politicians who found it technically difficult to directly employ Government resources (2). The campaigns condemned industrial unrest and the Triple Alliance of trade unionists, Bolshevism, proposals for nationalization and low productivity.

The post-war period was briefly one of boom and the potential for profit great. Combined with revolution abroad and social upheaval at home, the business community had substantial cause for alarm. Dominated by the large firms who were dually represented through their trade organisations and as individual members, some of the F.B.I.'s public pronouncements favoured greater conciliation with labour. These were not appreciated by the bulk of the membership in the affiliated federations, many of whom advocated a tougher line (3). Some F.B.I. members,

1. Brady, op. cit., 159/61.

2. Middlemas, op. cit., 112, 131/2.

3. Brady, op. cit., 164, 171/2; Howard F. Gospel, 'Employers

most notably the mining, cotton and engineering employers' federations, promoted the formation of the National Confederation of Employers' Organisations (N.C.E.O.) specifically to deal with labour and social issues (1). Membership was confined to employers' organisations representative of industries (not a section or product) only. Terence Rodgers notes that the N.C.E.O. quickly took on '... a cohesive identity and a common outlook on industry and politics, marked by an unshakeable belief in free enterprise and the national importance of the staple industries, and sharpened by a powerful anti-socialism (2).

These 2 organisations, the F.B.I. and the N.C.E.O., became extremely important to employers. Their role was partly that of collating and disseminating information to members, and presenting their views to Government committees and inquiries. They also had an important political and ideological role in working to ensure that ideas and movements opposed or 'unsympathetic' to their members' business strategies did not gain ground. How this related to some specific interests of wool textile employers will be considered in Section II.

Government encouragement of the formation of the F.B.I. and

and Managers: Organisation and Strategy, 1914-39', in A History of British Industrial Relations. Vol 2. 1914-1939, ed. Chris Wrigley, (Harvester Press, 1987), 161.

1. Rodgers, op. cit., 316.

2. Ibid., 317.

later the N.C.E.O. was at once an expression of approval of their basic aims, and an approval of similar organisations. It served to confirm the validity of the movement towards collaboration, evident over several decades, and to dispel what had once seemed a natural conclusion - that such co-operation tended towards conspiracy for the restraint of trade. In 1918 the Balfour Committee on industrial policy and the Committee on the Textile Trades After the War advocated the use of well organised trade associations as authorities on industry (1). During the 1920s and 30s the degree of organisation among employers was used as a test of efficiency in terms of State policy (2). It was especially the case as far as consideration of applications for tariff protection, assistance with rationalization programmes and wage settlements were concerned.

This relationship between the State and employers was by no means simple. State policies suggested that to be efficient capital needed to be organised, but the activities of employers reinforced the fact that governments found it increasingly difficult to act without the information and goodwill of employers, to which the associations controlled access. As the 1957 P.E.P. survey of trade associations concluded,

... associations enable a Government to know where it stands with industry in general, and with particular industries on particular issues

1. Grove, op. cit., 40.

2. P.E.P., Industrial Trade Associations (George Allen & Unwin, 1957), 21, 24.

Without them, administrators would be groping in the dark for up-to-date knowledge of industry and for understanding of its attitudes. (1)

This, of course, raises some important questions - about the way in which the State functioned, about the role and the capacity of business to secure its 'best interests' - questions posed earlier in relation to the work of Ralph Miliband and Keith Middlemas. These will be taken up at several points in the following chapters, with specific reference to organised wool textile capital.

Employer organisation in the wool textile industry

Organisation among wool textile employers has followed much the same pattern as that in other industries, although when compared with engineering, shipbuilding, coal and cotton, references to it are limited. Much of the literature referring to employers' organisations deals with industrial relations - an area noticeably under-researched for wool textiles. Nevertheless, operating in the same general context of dramatic shifts in international trade and socio/political change at home, wool textile employers experienced pressures similar to those in other industries.

Unlike most industries, there was a strand of continuity in collective action stretching from the late eighteenth to the twentieth century (2). In 1776-7 the Worsted Acts were introduced as a means of securing the untroubled

1 Ibid., 254.

2. Printers' and cotton spinners' organisations are known to stretch back to the eighteenth and early nineteenth

expansion of the industry, and confirmed the formation of a Committee of Worsted Manufacturers to administer its provisions (1). According to the Acts the Committee was to direct prosecutions against the embezzlement of materials, breach of contract on employees' part, and against unlawful combinations of any persons employed in the trade.

The handwritten Minutes of the Committee indicate regular (usually quarterly) meetings and the appointment of inspectors to identify and institute proceedings against contraventions of the Acts. In order to fund the work of the Committee, clothiers were allowed to claim back one third of the duty they paid on soap, of which they used large amounts (2). The interests of the State and the interests of employers were here effectively one and the same, and expressed a morality which was to be long-lasting: combination among employers was a necessity in combatting combination amongst employees, which was bad.

Not surprisingly, the Committee acted as a forum for employers to discuss and plan action on issues which went

centuries. See H. A. Clegg, 'Employers', in The System of Industrial Relations in Great Britain. Its History, Law and Institutions, eds Allan Flanders & H. A. Clegg, (Oxford: Basil Blackwell, 1954), 202.

1. See Committee of Worsted Manufacturers, Minutes; Idem., The Acts of Parliament Relating to the Committee of Worsted Manufacturers, (Pamphlet, Bradford, 1901).

2. Herbert Heaton, The Yorkshire Woollen and Worsted Industries: From the Earliest Times up to the Industrial Revolution. 2nd ed. (Oxford: Clarendon Press, 1965), 423.

beyond their original brief. These included lobbying Parliament on legislation affecting the worsted trade, the collation of statistics, investment in the Leeds/Liverpool canal in 1853, and sponsorship of James's history of Bradford in 1857 (1).

As in the shipping and coal industries, these activities were sporadic - the difference being that wool textile employers had the advantage of an established structure through which to channel their efforts. For much of the nineteenth century, however, the Worsted Committee continued to exist because it was officially constituted, had a Secretary and still employed inspectors. Attendance at meetings steadily dwindled, from an original 18 to just one or two. A decision was taken to reorganise the Committee from 1870 from which time subscriptions slowly began to increase. The Committee continued to institute prosecutions against fraud and stealing of materials until the 1930s. It does not appear to have played any formal part in the elaboration of new organisations in the twentieth century.

In addition to the above, the textile districts were served from 1851 by relatively well-organised Chambers of Commerce. Unlike the Worsted Committee, which had been constituted by statutes of a Pittite, protectionist State,

1. John James, A History of the Worsted Manufacture in England, (First ed. 1857; 2nd ed. Frank Cass & Co., 1968).

the Chambers of Commerce were constituted on a voluntary basis to meet contemporary needs, and were under private control. Bradford Chamber began with 189 members (overwhelmingly wool textile employers), increasing to 290 in 1889. Between 1889-1900 membership leapt to 382 firms, and by 1910 was 532 (1).

The increase in collective activity among employers in the late nineteenth and early twentieth century can be closely correlated with the acute difficulties being experienced in overseas markets which Sigsworth and Blackman have observed. The erection of tariff barriers in the American market in particular was such as to provoke fears that 'grass would grow in the streets of Bradford' (2). However, although there were periods of difficult trading between 1870 and 1914, it is important to note that the annual average of wool consumed almost doubled. Wool textile capital was undergoing a partial restructuring, involving a high mortality of firms and a high rate of new entrants so that, according to Sigsworth and Blackman, 'the population of firms in 1912 bore little resemblance to that in 1870' (3). The mortality of firms was particularly marked in dyeing and woolcombing, with their high fixed

1. Bradford Chamber of Commerce, Report and Statistics, 1914.

2. See E. M. Sigsworth and J. M. Blackman, 'The Woollen and Worsted Industries', in The Development of British Industry and Foreign Competition 1875-1914, ed. Derek H. Aldcroft, (George Allen & Unwin, 1968), 138; Board of Trade, Working Party Report on Wool (H.M.S.O., 1947), (hereafter Working Party Report), 4.

3. Sigsworth and Blackman, *op. cit.*, 130-133.

costs and dependency on receiving work on commission (1). In worsteds, the decline in export demand for the finished product and increase in demand for the intermediate products served to increase specialization. Of the firms existing in 1912 a great many were not only not the same firms as existed in 1870, but were not the same type of firms either.

In order to alleviate the pressures affected by increasing foreign competition and shifting patterns of demand, employers sought to reduce their labour costs of production. Their attempts included speeding up machinery, raising productivity and replacing male with female and juvenile labour. In mohair spinning in the 1880s the system of one operative per frame was replaced with one operative to six machines. In worsted manufacturing it was observed that,

One weaver will now mind in two looms as much as 11,000 to 12,000 ends for practically less wages than were once paid for minding two looms with a matter of 800 ends each.

(2)

Although trade unions did expand, it was most noticeable in the skilled trades. Tony Jowitt has described the difficulties for workplace organisation, particularly in

1. The structure of wool textile capital will be discussed in Ch. 2 .

2. Quoted in Tony Jowitt, 'The Retardation of Trade Unionism in the Yorkshire Worsteds Textile Industry', in Employers and Labour in the English Textile Industries, 1850-1939, eds J. A. Jowitt & A. J. McIvor, (Routledge, 1988), 97.

the context of recurrent unemployment and the 'almost endemic' short-time working in the industry (1). The structure of employment in the industry will be discussed in greater detail in the following chapter, but one observation on wage levels in 1909 is worth noting:

Out of 31,000 men ... 5,200 earn less than a pound a week - mainly wool washers, combers, piecers, stuff weavers and general labourers. This is bad enough but there are 8,000 women earning less than 10s a week and over 21,000 earning less than 12s a week ... Put bluntly there is sweating going on.

(2)

If trade unionism did not expand at the rate experienced in engineering and the other staple trades, then a strong sense of disenchantment was expressed in changes in local politics. Labour clubs and socialist activity flourished, especially after the collapse of the celebrated Manningham Mills strike in 1890 (3). Fairly evenly divided between Tories and Liberals until this point, the Labour vote in local elections increased from 5.3 per cent in 1891 to 18.8 per cent in 1900 and 43.1 per cent in 1913 (4). Nevertheless, Labour were denied control of the Council for most of the period by an anti-socialist alliance which Tories and Liberals operated throughout the textile areas in the twenties and thirties (5).

1. Ibid., 98.

2. Ibid.

3. Ibid., 100.

4. Jowitt & Taylor, op. cit., 17.

5. Jack Reynolds & Keith Laybourn, Labour Heartland. The History of the Labour Party in West Yorkshire During the Inter-War Years, 1918-1939, (Bradford University Press, 1987), 46/48.

Early attempts to deal with changed trading conditions were evident in the dyeing and woolcombing sections, both of which worked on a commission basis. The piece-dyeing employers' cartel in the 1880s was received with much hostility by wool textile manufacturers (1) who commissioned the dyeing, regarding their action as 'monopolistic price-fixing'. The dyers' joint action was ultimately to find greater acceptability and success in the form of a combine in 1898 - the Bradford Dyers' Association Limited (B.D.A.). Its intentions were,

to enable the various firms unitedly to meet the more severe trading conditions which were appearing, by effecting economies and improvements in production through the pooling of technical skill and experience and the centralisation of administration, purchasing, distribution and accountancy. (2)

Within the next five years the slubbing dyers, combers, spinners and manufacturers had all made similar attempts.

Woolcombing employers first combined, unsuccessfully, in 1893 in the Bradford Woolcombing Association 'to keep up prices and prevent undercutting', and again in 1895 in the Yorkshire Woolcombers' Association. Precisely why the attempts failed is unclear. According to Sigsworth the matter was 'shrouded in secrecy ... There was a scandal, a court case, and a suicide'. Macrosty attributes the failure of the first combine to the withdrawal of the two

1. Employers whose business centred upon weaving are generally referred to as 'manufacturers'.

2. D. T. Jenkins and K.G. Ponting, The British Wool Textile Industry 1770-1914, (Heinemann Educational Books, Pasold Research Fund, 1982), 180.

largest firms, Holden Burnley and Isaac Holden and Sons Ltd. J. H. Clapham attributes the failure of the second to the refusal of the largest firms to join in (1). This suggests that both combines may have been overcapitalised and unable to survive in a climate of periodically intense competition and falling prices. Hermann Levy has noted that over-capitalisation was characteristic of such arrangements in the nineties and early part of this century (2).

In January 1900 one hundred and six firms of worsted spinners met to discuss the possibilities of forming a combination. By their second meeting in July that year (which was intended to discuss a draft contract) some spinners, with the failure of the woolcombers in mind, voiced doubts as to the advisability of going ahead. The meeting included worsted spinners from Darlington, Scotland, Keighley and Bradford (3). Similar discussions also took place among dress goods manufacturers, textile machinery makers and merchants in the Bradford steam-coal trade (4). Writing in 1901, Henry Macrosty was moved to

1. See Eric M. Sigsworth, Black Dyke Mills: A History (Liverpool: Liverpool University Press, 1958), 131; Henry W. Macrosty, Trusts and the State (Grant Richards, 1901), 172; J. H. Clapham, The Woollen and Worsted Industries (Methuen & Co., 1907), 137.

2. Hermann Levy, Monopolies, Cartels and Trusts in British Industry (Macmillan & Co., 1927), 283.

3. Worsted Spinners' Combination, Report of a Meeting of Worsted Spinners held at the Victoria Hotel, Bradford 18 July 1900, (pamphlet 1900).

4. Although hardly in its second year the B.D.A. bought £50,000 worth of shares in at least two of these combines.

comment: 'Bradford, it would seem, is to-day the Mecca of English monopolists' (1).

In 1904 a third combination attempt by woolcombing employers resulted in the 22-firm Woolcombers Ltd, although at least half that number remained outside, including a number of spinners possessing combing plant. The B.D.A. had involved 90 per cent of the trade in its venture, but in other trades the large number of firms precluded such agreement. Despite the general interest in the benefits of combination, worsted spinners failed to muster commitment from a 75 per cent minimum of firms (2).

The combine may have been an inappropriate/premature remedy for the problems being experienced by the hundreds of small, often family firms, in the wool textile trades. Yet some employers did recognise the need for collective action to combat persistent trading difficulties. The Home Woolbuyers' Association was established in 1904, organisations of spinners and manufacturers in 1907, the Woolcombing Employers' Federation in 1910, Bradford Manufacturers' Federation and further localised organisations of spinners and manufacturers in 1913.

Both J. H. Clapham and G. M. Colman have observed the connection between the combination and employers'

1. Macrosty, *op.cit.*, 173.

2. *Ibid.*

organisation movements. Colman comments that it was 'impossible to draw a hard line between combines and employers' trade unions'; and Clapham that 'Association was an alternative to amalgamation; it appealed to the lesser firms ...' (1). These observations suggest that employers' organisations whatever their particular appearance - 'trade' or 'employer association' - had a distinct economic function comparable with the combine or amalgamation. In wool textiles permanent association did follow combination attempts, and the suggestion that this was in some way an alternative means of achieving business unity, market control or monopoly must be seriously considered in assessing what it is that employers' organisations do.

The point which so far is clear, and can be carried forward in considering the further development of wool textile employer organisation during the First World War and after, is that their existence was precipitated by a substantial shift in the basis upon which their businesses were conducted. As a group wool textile employers were no longer able to assume ease of entry to international markets (2), technological superiority, uncontested changes in the organisation of production or continued acceptance of their rights as property owners.

1. See G. M. Colman, Capitalist Combines (Longmans, Green & Co., 1927), 14; J. H. Clapham, An Economic History of Modern Britain, Vol. 3, (Cambridge: University Press, 1938), 301.

2. G. C. Allen, British Industries and Their Organization, (Longmans, Green & Co., 1959), 265; see also Ch. 3.

Of course, this did not mean that all employers were racked with a collective doubt based on recognition of the above. The degree of penetration of the market for wool textiles meant that while some employers were able to secure satisfactory profits others went out of business. For a significant section of employers the power of individual enterprise was now touched with uncertainty, and it was those employers who spearheaded moves towards collective action.

By 1914 there were federations of employers in each of the main sections of wool textiles. In woolcombing, spinning and manufacturing the first recorded activities refer to relations with trade unions. The Minutes of the Woolcombing Employers' Federation (W.E.F.) records its formative motive as a request from the Woolcombers' Society for a meeting to settle wage grievances (1). Its first year of meetings also shows activity upon issues such as local authority bye-laws on offensive trades, National Insurance and Factory and Workshop legislation.

The value of the employers' organisation as an ongoing forum for the exchange of information and experience and the formulation of appropriate policies was evident in the consolidation of association before the onset of war. In July 1913 manufacturers' organisations in seven districts of Bradford centralised their activities in the Bradford

1. W.E.F., Minutes, 23 Jun 1911.

Manufacturers' Federation and worsted spinners resolved to do likewise (1).

Factors which employers saw as impinging upon the conduct of their business concentrated during the war years, provoking greater collective activity in all industries. The increased strength of trade unions and government need for 'channels of communication' are the most frequently cited reasons for the growth in business organisation during and just after the war. Howard Gospel has said that this last was largely a reaction to the doubling of trade union membership between 1914 and 1920. Further it was a result of the desire of the government to improve its consultative relationship with businessmen and to have representative organisations which could make and administer agreements for the whole of the industry (2).

E. M. H. Lloyd's account of state control during the war, which is significantly entitled Experiments in State Control, shows this policy to have been the culmination of prosecuting a world war (3). It was not a coherent or carefully calculated strategy introduced at the onset of war. Nevertheless, consolidation of employer organisation in the early stages of the war undoubtedly did owe much to

1. North Bierley Spinners' & Manufacturers' Federation, Minutes, 8 Jun 1914.

2. Gospel, 'Employers' Organizations', 16.

3. E. M. H. Lloyd, Experiments in State Control, (Economic and Social History of the World War: British Series. Oxford: Clarendon Press, 1924).

government policy. But this was perhaps due more to the negative implications for control of profitability rather than to notions of co-operation.

Rising prices and army difficulties in obtaining supplies provided the backdrop to the introduction of control in the jute industry in 1915, and the possibility of similar measures was of concern to many employers in wool textiles, where profits were still largely uncontrolled (1). The need for some voluntary control over prices was the basis of a recruitment drive among worsted manufacturers in 1915. It was the focus of discussion at a meeting in favour of a general federation of manufacturers in February 1916. In April 1916 Government proposals to commandeer the output of spinning firms was a real and immediate concern to the West Riding organisations of spinners; and the inclusion of wool supplies in government controls provided an incentive to buyers of British, Australian, Colonial, Skin and Waste wools to collaborate more closely than they had in the past (2).

The threat of Government control was one factor, albeit a very important one, among several others which might be cited as encouraging greater organisation among employers.

1. Ibid., 36, 112.

2. See B.M.F., Minutes, Feb-Jun 1915, 18 Feb 1916; and both North Bierley and Great Horton Manufacturers' and Spinners' Federation, Minutes, 12 Apr 1916. In the early part of the war the Home Wool Buyers' Ass. had become the British Association of Wool Buyers, becoming, with the new affiliations, the British Wool Federation in 1918.

Labour shortages, dilution and a crop of wage claims were additional issues confronting employers in all areas (1). In 1916 twelve organisations of woollen and worsted manufacturers in the West Riding grouped together to form the Woollen and Worsted Trades' Federation (W.W.T.F.). Its Annual Report noted that the organisation's origins date from October 1915 in 'the small informal meetings of associations affected by wage applications upon which it was felt more formal co-operation was absolutely necessary'(2).

The pressures felt by manufacturers to co-ordinate their activities on a sectional basis had a similar impact on worsted spinners. The records of the West Riding Committee of Spinners date from June 1916 with joint discussions on wage claims, labour supply and output. Employer interest in co-ordinating policies clearly formed part of a broader concern with the whole context of trade and production.

As different groups of spinners perceived great value in consulting with each other, then so joint meetings with woolcombing employers, manufacturers or wool buyers seemed to be similarly valid. Restrictions on exports, including the loss of the important German market, the absorption of labour into the armed forces, rationing and wage claims all required considered responses as separate, sectional

1. See the Minutes of the B.M.F. and the W.S.F. for 1916.
2. W.W.T.F., 'General Council Report for the 18 months to 31 December 1917', filed in Minutes.

policies might, as employers put it, 'prejudice the interests of the trade' (1).

Despite the increasing pressures which many employers felt for presenting a 'united front', in practice agreement was not always easy. The combined demand for wool textiles from the British Armed Forces and the Allies provided a ready, expanding and profitable market, for which some employers were prepared to bear the risks represented by restrictions and interventions. Even where there was goodwill, the cornerstone for successful enterprise, for employers, rested upon their individual expertise and judgement (or at least that of the firm), and policy agreements with other employers were fraught with difficulties. In December 1916 the B.D.A. convened a general meeting of Masters' Associations for the purpose of discussing a wages policy. The W.W.T.F., while recognising the importance of co-operation on wages, was wary of the dyers' liberal attitude towards labour and the fact that dyers might well be the 'predominant influence' at the meeting, and refused to attend (2).

The pressing need for collaboration on wages had been underlined in May 1916 when firms dependent on Government for more than 50 per cent of their work became subject to the Munitions Act. This meant that any disputes had to be

1. See W.W.T.F., Minutes & Agendas, 29 Oct 1915; W.E.F., Minutes, 3 Jan 1916; W.S.F., Minutes, 4 Jan 1917.

2. W.W.T.F., Minutes, 6 Dec 1916.

arbitrated in order to ensure army supplies. Sir George Asquith, the Government arbitrator, made it quite clear to G. H. Wood, Secretary of the Woollen and Worsted Trades' Federation, that he did not intend to hear numerous applications, and intended his awards to apply to the whole of the trade (1).

The implications of this for the wool textile industry and firms in Bradford in particular were great. Unlike the engineering industry, to which the Munitions Act applied, wool textiles did not have any industry-wide procedural agreements with the trade unions. In Huddersfield recognition of the General Union of Textile Workers (G.U.T.W.) had been agreed soon after formation of the Huddersfield Woollen Manufacturers' and Spinners' Association by Liberal employers in 1907. In Bradford trade union organisation had been so weak that only the stronger, predominantly male unions such as the Managers' and Overlookers' Society were recognised by organised employers (2). As a result wage levels in Bradford were generally lower than those in Huddersfield. In the interests of social and productive stability industry-wide recognition and negotiations were now rendered inevitable, as was an increase in unit labour costs in Bradford. Labour relations had been brought within the realms of

1. Ibid.

2. See Jowitt, op. cit., 98-100, and the early Minutes of the W.E.F. and the Great Horton, North Bierley and West Bowling Spinners' & Manufacturers' Federations.

legal control and employer co-operation stimulated (1).

As the military demands for wool textiles continued to rise, employers became increasingly dissatisfied with the way in which the main customer, the British Government, intervened in the conditions of production. Wages, prices and production priorities were all the subject of Government directives by mid-1917. Where meetings involving employers from different sections of wool textiles had been relatively infrequent, by 1917 they were not uncommon. This exchange of policy considerations was, in fact, reinforced by the calling of general meetings of employers by one or other Government department. Government policy thus confirmed and stimulated the long term tendency towards greater industrial collaboration (2).

In October 1916 the Bradford Manufacturers' Federation (B.M.F.) had suggested setting up a Joint Committee of Federations on wages, and in February 1917 Bradford Chamber of Commerce convened meetings to discuss the need for some kind of united front. During the next two years, the campaign to establish organisations with an industry-wide

1. Manufacturers took advantage of this as the effect was to slow down wages movements. Although it was largely woollen manufacturers who fell under the Act, the W.W.T.F. resolved to make all increases the subject of arbitration. In worsteds, where production was to a greater extent for the hugely profitable civilian and export trade, changes in wages were thus tempered in a way which might not otherwise have been possible. See 'Report of the General Council, 30 Jun 1918' filed in W.W.T.F., Minutes.

2. See, for example, W.S.F., Minutes, 1915-1917.

base crystallized in three distinct forms - the Wool Textile Association, the Joint Consultative Board of Textile Employers, and the Employers' Council of the Wool (& Allied) Textile Industrial Council.

The Wool Textile Association (W.T.A.) was made up of 23 associations of mainly buyers, shippers and Chambers of Commerce. It arose from the series of meetings convened by Bradford Chamber of Commerce in February and March 1917, at which concern was expressed at increasing Government control (1). The formal aims of the Association were that it would act as a filter for Government proposals, and a source for information about the industry. It would, in short, enable employers to establish an agreed stance, which could not easily be ignored, on any matters affecting wool textiles (2). What this meant in practical terms was expressed by Chairman Sir William Priestley at the Association's first Annual General Meeting in 1918:

Control had become very powerful, and if we are not very careful it will disposses many of those who have helped to build up this great industry of their interest in it ... The Association was formed with the idea that after the war everything should go on as before the war. (3)

The W.T.A. operated for two years, but never really had the wholehearted support of the various textile trades. Under the Chairmanship of Liberal M.P. Sir William Priestley, a

1. Times, 30 Jun 1917.

2. Wool Textile Association of the U.K., Year Book 1918-19.

3. Times, 17 Jul 1918.

worsted manufacturer and West Bradford representative on the B.M.F. Central Board, the Association had not been the initiative of the trade organisations themselves. The W.E.F. objected to the inclusion of Chambers of Commerce which admitted non-textile employers and employers who were not members of their appropriate trade federation (1). An additional factor which kept the main body of spinners and manufacturers aloof was the involvement of the merchanting section. No advantage was to be seen in merchants being privy to matters affecting the productive sections (2).

These two issues were recurrent themes in the development of employer organisation; firstly, that non-textile interests and non-federated employers should not be party to or influence trade (i.e. federation) policy, and secondly, that the influence of merchants who added no value to the product, should be kept to a minimum (3). In the nature of their organisation employers associated primarily to secure the profitability of their own special investment, and were wary of any commitment which had the potential to compromise that.

This was evident in the second joint organisation which was set up in December 1917. The Joint Consultative Board

1. W.E.F., Minutes, 1 Mar 1917.

2. Wool Record, 13 Oct 1919.

3. This antipathy towards merchants or middlemen was quite typical of 'productive' industry and was espoused by the F.B.I. See pp. 111, 116.

of Textile Employers was formed following a series of meetings between combers, spinners, manufacturers and dyers affected by a strike of mechanics in November/December. 'The Board', reported the W.E.F., 'has no actual powers but was formed for consultative purposes so that no movement may be made by one section without the knowledge of the others' (1). Predominantly an association of Bradford textile employers' organisations, the Board was sufficiently flexible to include 'outside' firms and organisations, such as the Yorkshire Dyers' Committee and Crossley and Co., or even the Engineering Employers' Federation, whenever their interests were seen to coincide.

It is significant that at the same time as Bradford employers were formulating their own method of dealing with industrial relations issues, they were being pressed by Government officials (as were almost all industries) to take up the scheme for Joint Industrial Councils proposed by J. H. Whitley (2). Whitley was author of the report of the Government Committee on Relations Between Employers and Employed, established at a time when stability and high productivity were vital to the continuation of the war. The report recommended the formation of Joint Industrial Councils in well organised industries for 'active and continuous co-operation' and 'a permanent improvement' in industrial relations (3). Many industries did not have

1. W.E.F., Annual Report, 1917.

2. W.E.F., op. cit., and Minutes, 29 Nov 1917.

3. Asa Briggs, 'Social Background', in Flanders & Clegg,

established procedural agreements for disputes and wage claims, and in view of the increasing strength of trade unions, the Government was keen to see some means of conciliation in place before the arbitration associated with government controls was withdrawn.

Although Whitley himself had intended that such Councils should be voluntary, the press presented the views of other members of his Committee somewhat differently: ' Either you prove yourselves capable of running your own shows, or undoubtedly the heavy hand of the State will have to come in and do it for you' (1). Some worsted manufacturers were less than enthusiastic and did not intend to be rushed. For G. H. Wood, Secretary of several organisations of woollen manufacturers, the W.W.T.F., and a keen federationist, the points at issue were clear,

The question is not Will the Industry accept the plan of Councils or go on as it pleases? But Will the Industry control itself and work out its own future? Or will it be controlled, that is collectivised? (2)

Similar pragmatism was expressed by worsted spinners. J. C. Acworth of Acworth and Rhodes pointed out that if a Council was not formed they ran the risk of

... having foisted upon us a Trade Board under the Trades Board Act, the effect of which would be that Government officials would be introduced onto the Board, and to a certain extent deal with matters over our heads. (3)

op. cit., 29.

1. Greenwood quoted in the Wool Record, 7 Jan 1918.

2. W.W.T.F., Annual Report, 1918.

3. W.S. F., Minutes, 6 Dec 1918.

The scheme for the Wool (& Allied) Textile Industrial Council (J.I.C) was finally agreed in December 1918. The employers' representatives to the Board then formed themselves into the Wool (& Allied) Textile Employers' Council as a forum for a collective labour policy. The Consultative Board formed a year earlier, it was agreed, should be continued as a separate entity because of its greater 'pliability' (1). This referred to the fact that the Board was relatively informal, had no adopted rules and no formal relationship with trade unions.

Although the Consultative Board seemed to have proved its value by the end of 1918, it was by no means the case with the Wool Textile Association. As a result of the anxiety as to its constitution it had not functioned as intended. Yet the need to establish collaboration between the various trades was clear. As the Wool Record reported,

... it frequently happened that one section was clamouring on the doors of Government departments for certain steps to be taken, while other sections were doing everything in their power to bring about a totally different course of action.

(2)

After lengthy negotiations, and in order not to cut across similar work, it was finally agreed that a new body - the Wool Textile Delegation - should be constituted as part of the Federation of British Industries. Most organisations were already members of the Federation and co-ordinating

1. W.E.F., Minutes, 5 Jan 1920.

2. Wool Record, 28 Jul 1921.

policy through its Wool sub-group. It was argued that the connection would save duplication of effort while good use could be made of F.B.I. structures and contacts in representing the industry's industrial and commercial interests (1).

This network of organisations which was in place by 1921 formed the basis for wool textile employers' activity over the following sixty years. The severe problems of the 1920s (intensified competition, wages disputes etc) did result in some significant changes in the organisational links and active role of the of both the W.T.D. and the Employers' Council in 1931, with the result that the Consultative Board was rendered redundant by 1936. As this meant a change in emphasis rather than new organisations, the details will be discussed in Chapter 2 on the structure of organisation. Having examined the contextual origins of employers' organisations, the next consideration must be how employers themselves expressed the purpose of organisation.

Objectives

Employers were extremely cautious in declaring their objectives. The freeing of the market so forcefully argued and legislated for in nineteenth century Britain had successfully created a climate of public opinion suspicious of collaboration. As a result, employers' own

1. W.T.D., Minutes, 1 Mar 1921.

representations of the purpose of organisation were concerned as much to establish their organisational legitimacy as to specify their goals (1). Thus, where statements of objectives exist, they cannot be taken as an uncomplicated synthesis of organisational intent. To draw conclusions from such statements alone would be to ignore the importance of context, and would prejudice any comparison of their theory and practice.

For example, Eric Wigham, author of the commissioned history of the Engineering Employers' Federation (E.E.F.), has shown the organisation to be at pains to stress their role as an 'employers' association':

Unlike some other employers' federations, for instance that of the builders, the Federation is not concerned with trade matters but confines itself to labour relations. It has always been careful not to go outside that field and no less insistent that no other organisation obtrudes into it. (2)

Yet, in his research on engineering employers in the North West, McIvor has noted that in reality, the local associations of both building and engineering employers were involved in price and trade regulation (3).

The constitutional objectives of the E.E.F. were practically word for word the same as those of Bradford

1. See Ch. 2 for the legal considerations affecting organisational form.

2. Wigham, op. cit., 1.

3. McIvor, 'Employers' Associations', appdx on trade and pressure group activities.

Manufacturers' Federation (1). This last, unlike the E.E.F.- as its participation in the Consultative Board, and the Wool Textile Delegation indicates - was much clearer in the wide-ranging nature of its objectives. Of these organisations' shared objectives, the first three related specifically to their relationship with 'combinations of workpeople'. The Federations aimed to protect and support members affected by trade union action, with reference to wages and conditions of employment, 'interference' with plant or raw material employed in production, or actions which otherwise affected the fulfillment of Federation policy. The Federations were also to offer members such assistance - legal, pecuniary, advisory, arbitrary - as seen fit at any moment in time. Due attention was also to be given to the potential of legislation, and to pursuing whatever channels or 'do all such other things as may in the opinion of the Federation or of the Board be incidental or conducive to the attainment of the above objects'.

Although these objectives do indicate certain broad areas of employers' collective interests, they remain relatively imprecise, requiring interpretation. A 1957 survey of Industrial Trade Associations found this to be typical of employers' organisations:

The objects of the association ... are usually stated in the widest terms, and the mention of some activity is no indication that the associa-

1. See Appendix I.

tion actually performs it, or intends to perform it in the foreseeable future. (1)

This confirms the finding of a 1944 survey, but which made one further important observation - that many objectives were '... so widely framed as to cover almost anything' (2). While organisational objectives, in their nature, need to be sufficiently general to accommodate a certain degree of change, why should these particular organisations stress one aspect of their activities, effectively denying the 'catch all' phraseology of their formal objectives? This refers us back to the social and political context in which the ideological transition of business opinion was taking place.

Harry Golden, the Secretary of the early Dyers' and Finishers' Association, recalls that to admit, for example, restrictive pricing policies as an aim of organisation was to invite hostility from the public and customers alike (3). Many employers too disliked the idea of 'compulsion', of having to stick to agreed prices, output or wages when a bit of flexibility in a competitive environment might mean the difference not simply between a large and a small profit, but between covering overheads and insolvency. W. A. Crowther, President of the newly formed Huddersfield

1. P.E.P., Industrial Trade Associations, 176.
 2. P.E.P., 'British Trade Associations', op. cit., 7.
 3. Harry Golden, A History of the Commission Dyeing and Finishing Trade Association (Bradford: The Dyers & Finishers' Association, 1968), 12.

and District Woollen Manufacturers' and Spinners' Association in 1908 stressed that the Association was not intended to be aggressive towards customers or members, but was entirely protective. Further,

His wish was that the association would develop and become prevalent throughout the whole woollen district, and that while they trespassed upon nobody's privileges and nobody's rights they were just sufficiently strong to look after their own interests and see that they got that to which they were entitled and ought to have in all commercial equity and right. (1)

Crowther's message was that association was simply a means of securing the legitimate dues of capital. 'Restraint of trade', compulsion or monopoly was not their intention; 'fairness' was what employers sought.

The notion of the desirability of freedom of contract was encapsulated in law. In seeking to co-ordinate the activities of worsted manufacturers in Bradford, founding members of the B.M.F. were obliged to adjust their plans. Its Chairman, Sir H. B. Shackleton recalled:

When we consulted our legal advisors they told us that to form an employers' federation covering the whole of the manufacturers in Bradford would probably lay us open to difficulties concerning restraint of trade. We were advised that, instead of forming one federation, we should form seven district federations. (2)

In forming the Worsted Spinners' Federation in 1919, its promoters displayed similar concern, ultimately becoming a federation of nine constituent associations.

1. See press cutting on A.G.M. filed in Minutes, 2 Mar 1908.

2. W.W.T.F., Annual Report, 1946.

These legal considerations had special implications in terms of the resulting structure of organisations (see Chapter Two), and they clearly affected the presentation of objectives. Briefly, to be considered to be 'in restraint of trade' could have made employers' organisations technically trade unions and subject to trade union legislation. This would not only have been counter-productive, but in the main could also have been self-negating. The B.M.F.'s Memorandum and Constitution of Rules stated that,

... no person who is a member of a Trade Union nor any firm in which any partner or director is a member of a Trade Union may be admitted a member of this Federation.

The whole area of legal status was a grey one, and through their own contacts and solicitors employers found it useful to look at how other organisations had framed their constitutions. In forming the Huddersfield association of woollen manufacturers and spinners in 1907, W. A. Crowther consulted the local engineering employers' association; in 1916 Great Horton worsted spinners and manufacturers took advice from the Federation of Master Cotton Spinners' Association; and in 1917 Spen Valley worsted spinners contemplated Dewsbury and Bradford association rules (1). The fact that these (wool textile) organisations all later worked together through the Wool Textile Delegation and the

1. See the Minutes of Huddersfield & District Woollen Manufacturers' & Spinners' Association, 3 Dec 1907; Worsted Spinners' Federation, 19 Apr 1917; Great Horton Spinners' & Manufacturers' Association, 25 Oct 1916.

Employers' Council suggests that their practical objectives were the same, but that other considerations determined how they were presented (1).

Given the difficulties involved, not all organisations deemed it necessary to adopt a formal statement of purpose. This was the case with both the W.E.F. and the Consultative Board of Textile Employers. The W.E.F. functioned for at least 18 years without one, although agreement as to their purposes was implicit in members' collective actions. The members of the Consultative Board felt written aims to be inappropriate since its business was 'purely of a consultative nature'. Logical as this may seem, consultation always has a purpose. The real value of the Board, was, according to its members, in its elasticity of character ... unbound by cumbersome regulations' (2).

Although the Wool (& Allied) Textile Employers' Council recognised the value of adopting a set of Rules, its objects were no less vague than the Consultative Board's aim of 'consultation':

The objects of the Council shall be to be a body representing Employers organised into Associations, having collective relations with organised employees, and engaged in the Wool & Allied Textile Trade from the raw material to the finished piece. (3)

1. This is discussed further in Chapter Two with reference to the structure of the trade and the structure of employers' organisational framework.

2. Consultative Board, Minutes, 8 Jan 1920. See pp. 118/119 for further discussion of the Board's activities.

3. W.(A.)T.E.C., Rules, Mar 1920.

The Employers' Council was, of course, closely connected to the Whitley-inspired Joint Industrial Council, the employers' representatives to which made up its membership. But, the Employers' Council as an organisation was quite separate to the Industrial Council. Its purposes were not those of the Industrial Council, although it did act as a forum for discussing them. This ambiguous relationship threatened to split the employers' movement on more than one occasion during the 1920s - being finally resolved in the abandonment of its link with the Joint Industrial Council.

The Wool Textile Delegation of the Federation of British Industries which was formed in 1921 appears a little more precise in its stated intent. As with the afore-mentioned groups, it did not totally avoid equivocation - its object being:

The encouragement, promotion, and protection of the Industrial and Commercial interests of the Wool Textile Industry, and in particular with a view to obtaining recognition of the Government as the authoratative body to speak for the Industry on all matters of commercial and industrial legislation, or Government action affecting either a Section or the whole of the Industry, except rates of pay and such questions as might be more suitably dealt with by the Industrial Council or other approved or constituted bodies. (1)

In short, the Delegation proposed to become the medium of communication between the Government and the Industry on 'interests' other than industrial relations. Which other questions fell outside its sphere of operation are not

1. W.T.D., Minutes, 15 Jul 1921. See also Appendix I.

indicated and, on examination, even its proposals regarding 'industrial and commercial interests' are severely qualified in the last clause of the statement.

Writing in 1952 N. H. Leyland noted that '... the real purposes of trade associations may vary with conditions. Any objective named in their constitution may not necessarily be actively pursued'. Similarly, the 1957 P.E.P. survey concluded that '... associations develop for various reasons and continue in existence for quite different reasons ... a description of their activities cannot be timeless' (1). In formulating their organisational objectives it does seem logical that employers would want to take into account the need for flexibility in view of changing conditions of trade and production. The need for continuity and the legal considerations mentioned above provide some explanation for the breadth of organisations' stated aims. It also precludes the possibility of coming to any firm conclusions about the purpose of employer organisation, particularly in view of the almost universal presence of a general clause permitting organisations to do whatever members wished.

One of the most comprehensive records of wool textile employers' perception of the purpose of organisation is expressed in a pamphlet issued by the Employers' Council in 1931:

1. P.E.P., op. cit., 58; N. H. Leyland, op. cit., 91.

District Associations or Federations were formed in the first place as a result of the attempts of Trades Unions to impose upon the individual employer rates of wages or conditions of employment which were not economically sound ... As time passed the Unions found that the existence of District Employers' Federations had put an end to their policy of playing off one district against another ... In the early days of the war the position thus brought about was rapidly becoming intolerable, and as a result larger Federations which were, in effect Federations of Associations were formed, for example the Woollen and Worsted Trades Federation and the Worsted Spinners' Federation.

(1)

The initial purpose of organisation is here portrayed as an entirely responsive, defensive strategy. Writing in 1938 Alex Smith of the Worsted Spinners' Federation gave a slightly different account:

Two or three years before the War the action of individual firms in the Wool Textile Industry led up to a feeling that some sort of combined action was necessary. One firm would give an increase of 6d or 1/- per week to its workpeople without any consultation with neighbouring firms or any consideration as to the effects of their action. This increase was soon made known to nearby firms whose workpeople either tended to leave or asked for the same increase to be paid to them. In this way three District Associations were formed in Bradford ... This was the position up to 1915/16 when the Trade Unions started to exercise more power and to make more general demands for wage increases. An "ad hoc" body was formed called the West Riding Spinners' Federation ...

(2)

In 1944 Wilf Turner, again for the Worsted Spinners' Federation, had somewhat different recollections:

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1. W.(A.)T.E.C., The Employers' Organisations in the Wool Textile Industry, (pamphlet, May 1931).
 2. Alex Smith to J.B.Forbes Watson, N.C.E.O. Archives, Correspondence, 1938, filed at MSS.200/B/3/2/C863W.

Thirty eight years ago a meeting took place in a Spinners' office in Great Horton. There were but three persons present - a Manufacturer and two Spinners. In those days that was a most unusual happening in the Textile Trade. Competitors held strictly aloof from each other ... A change in local annual holiday arrangements seemed desirable. Several parts of Bradford closed their works in different weeks, and much delay and irritation ensued ... Could united action redress this problem, and whilst that question was on the anvil, could certain deficiencies be agreed whereby poaching of workpeople should be discountenanced?

The employers thus meeting were joined by others and formed the Great Horton Spinners' and Manufacturers' Federation in 1907.

By 1913 not only had Great Horton, West Bowling and North Bierley formed their Associations, but the Bradford and District Manufacturing [sic] Federation was launched ... When war broke out in 1914, the existence of these groups was instantly recognised as a valuable means of securing combined action, and solving the numerous conditions which war conditions projected. (1)

The first account attributes the purpose of organisation to defence against trade unions, where the second account indicates that defensive action came only after initial organisation to regulate the price and turnover of labour. The third account suggests early aims concerned the continuity of production, and the price and stability of labour, whereafter organisation was found useful in dealing with 'numerous' other situations.

All three accounts refer to the same phenomenon. So why should there be such a great difference in emphasis? Wilf

Turner's recollections came in the closing moments of the Second World War, and are written very much in the manner of a fond remembrance of the 'progress and achievement' of organisation in the face of 'adversity'. Alex Smith's notes were intended as a basis for an after-dinner speech to be given to worsted spinners by the director of the National Confederation of Employers' Organisations. The Employers' Council pamphlet, on the other hand, was circulated at a time when it was being proposed to reduce wages without reference to the trade unions, effectively abandoning the negotiating machinery of the J.I.C. which had been in operation since 1919. In this sense the pamphlet might be seen to be a rallying call for solidarity among employers rather than an objective historical note.

The employers' own records show that the motive for organisation and co-ordination of policies was never as narrow as the Employers' Council pamphlet implied. The differences in emphasis indicate something of the way in which an organisation's aims might be presented to suit particular moments. The fact that this happened should perhaps be no cause for surprise. In some circumstances it may have indicated the difference between long and short term objectives. In others, stress on one aspect served to establish the organisation's legitimacy - as a defensive body against trade unions or for mutual protection against adverse trading conditions. An organisation's objectives represented a manifesto, a statement of what members might

expect. By stressing aspects of its work calculated to provoke a response, the organisation could appeal still more directly to employers for support. The effect of putting extra emphasis on one particular objective not only showed what the organisation most decidedly was about, but also detracted any public attention from other activities while never disavowing them.

The recurrent emphasis on organisation as a counter-weight to trade unionism is quite typical of this. The E.E.F consistently maintained its purpose was for dealing with industrial relations issues, yet it also had quite clear economic and political functions. These last were similarly indicated in the first Annual Report of the W.W.T.F. in 1917. It stated:

The place of organised labour in the counsels of the nation is at once a testimony to the value of organisation and a sign of the times. The war has brought with it great changes; organised labour has gained a great succession of power and influence and opportunity; and unless met with a corresponding increase of organisation on the part of the Employers the influence of organised labour will be disproportionate to its value.

The concern expressed here about the influence of, not simply 'trade unions' but 'organised labour' can be compared with that expressed by the E.E.F. at the turn of the century. It extends the range of employers' interests beyond trade unions in the workplace to the value and validity of labour in general to influence the State. Organised employers understood quite clearly that the

organisational capacity of labour could result in a disproportionate influence which could challenge the basic structures of labour relations, industry, or the State. In this sense the organisation of employers can be seen to be proactive rather than reactive.

Introduction

As voluntary organisations of capital*, the common link between employers in association was the special form of their investment. The ability to gain profits on this was considered, as the woollen manufacturer W. A. Crowther proclaimed, to be an inalienable right (1). As such, a return was to be secured at all costs (even if it meant a loss in the short term), and stoutly defended. In so doing agreements or alliances might be made with any of those forces - labour, governments, other employers - which periodically impinged upon their 'rights'.

The ability of the various groups of employers to do this ultimately referred to their relative position in the market. The 1957 P.E.P. survey noted that:

The formalisation of previously unstated relationships is an inherent quality of the growth of institutions in society; and the key to the significance of many trade association constitutions - particularly those of federations - is that they must recognise the proportionate strengths of sections of industry. (2)

Given the nature of the market, 'proportionate strengths' were by no means static; changing market experience is discussed in Section II as a prelude to consideration of practical strategies. The concern here is to detail the

* 'Voluntary organisations of capital' as distinguished from, for example, the Worsted Committee which was constituted according to an Act of Parliament; or as distinguishable from the organisation indicated in the Cotton Industry (Reorganisation) Act, which enabled a majority of 'reorganisers' to compel a reluctant minority.

1. See p. 67.

2. P.E.P., Industrial Trade Associations, 177/8.

structure of wool textile capital and how that was reflected in the organisational framework elaborated by employers by 1921.

The Industry

The organisation of wool textile production between 1914 and 1945 had changed relatively little since its entry into the factory almost a century earlier. Similarly the geographical concentration of wool textile production in the West Riding of Yorkshire, to the extent of 90 per cent of worsted and 50 per cent of woollen capacity in 1850 had changed only slightly by 1935, to 92 per cent and 66 per cent respectively (1).

The degree of concentration of wool textile production was such that particular product specialisms were associated with particular areas. The production of woollen goods has a long association with the towns to the South and the East of the West Riding (Leeds, Batley, Morley, Dewsbury), and the production of worsteds with the towns to the North and West (Bradford, Halifax, Keighley) (2). Regional specialization, although typical was not exclusive; Huddersfield was noted for its production of both fine woollens and fine worsteds. Further East the Heavy Woollen District towns of Batley, Dewsbury and Ossett

1. Board of Trade, Report of the Wool Working Party, (H.M.S.O., 1947), 2.

2. Much of the information on regionalization is taken from the Wool Working Party and the Committee on Industry and Trade, Survey of Textile Industries, (H.M.S.O., 1928), 165.

produced a variety of woollen goods made from rags and what the finer end of the trade rejected as 'waste'.

Outside the West Riding the most important centres of wool textile production were scattered between the Scottish border counties, the Midlands, Lancashire and the West Country. These, as with the Yorkshire districts, were noted for their product specialisms - Scottish tweeds, hosiery, flannel and West Country cloths respectively. However, when compared to the dominant region of production, the West Riding, their importance was minimal. The largest individual area, Lancashire, accounted for no more than 7 per cent of the West Riding's total wool textile employment (1).

The regionalization of wool textiles was nowhere more marked than in Bradford where a majority of the workforce relied directly upon the industry for employment (2). Bradford, in addition to being the main commercial centre, was also closely associated with the production of worsteds. The worsted section accounted for 58 per cent of the industry's total output, and of this Bradford produced around 57 per cent. According to the returns of Bradford Chamber of Commerce for 1918 (see Table 2), three quarters of total combs, one third of worsted spindles and one third of looms were located in the Bradford area. While

1. Shimmin, op. cit., 101/2.

2. Wool Working Party, 2.

Table 2 The Relative Concentration of the Wool
Textile Industry in Bradford, 1918

	<u>Combs</u>	<u>Worsted</u> <u>Spindles</u>	<u>Woollen</u> <u>Spindles</u>	<u>Looms</u>	<u>Employment</u>
Bradford	2,123	1,853,70	69,810	32,286	57,436
West Riding	2,745	4,225,117	1,981,354	87,135	(148,796) ^a
Great Britain	2,939	4,803,432	2,993,010	114,206	267,009

a This figure refers to the United Kingdom, but the difference is so slight as to be negligible. (1)

not strictly the centre of the woollen and worsted industry because of its lack of involvement in the production of woollens, as a focus of activity Bradford was extremely important (2).

As product specialization was broadly reflected in the regionalization of wool textiles in the West Riding districts, so was industrial organisation. Firms which specialized in the production of woollens were typically vertically organised. Most incorporated all the processes of production from the handling of the raw wool to the finished product, including in 50 per cent of cases, the dyeing and finishing (3). In the woollen producing areas employers were primarily manufacturers, since firms commonly integrated some or all of the processes prior to weaving.

1. Bradford Chamber of Commerce, Annual Report & Statistics, 1940.

2. Clapham, op.cit., 19.

3. Committee on Industry and Trade, op.cit., 162.

As the production of woollens tended to be vertically organised, the production of worsteds was characterized by its horizontal organisation according to the major processes of combing, spinning and weaving (1). A minority of firms did combine two processes such as combing and spinning, or spinning and weaving, and there were also a few large integrated firms such as Salt's at Saltaire and Foster's at Queensbury.

The different processes combined in this way were not completely interdependent within the firm. The departments of the integrated worsted firms were often run as separate businesses so that, although the combing department might supply some of the needs of the spinning department, its product, tops, might also be bought and sold independently (2). Likewise, the combing plant of the spinner comber would not be capable of supplying all his tops requirements and some would be bought in separately. In these cases the employer would consider himself primarily a worsted spinner and his combing function a subsidiary interest.

The sectionalization of worsted production was, according to Clapham, partly to do with tradition and partly the result of technical and commercial factors (3). The

1. An indication of degree and types of integration is given in Sigsworth & Blackman, op.cit., 130 for 1912, and in G. F. Rainnie, 'The Woollen and Worsted Industry', in The Structure of British Industry, Vol. 2, ed. Duncan Burn (Cambridge: University Press, 1958).

2. Clapham, op. cit., 140.

3. Ibid., 149.

durability and smooth finish of worsted tissues depended, above all, on the careful and relatively lengthy processes of combing and spinning. By comparison, the emphasis in the production of woollens was much more on the blending, dyeing and finishing. As the stages of production involved less time and expertise than that of worsteds, woollen manufacturers were in a better position to supervise and finance the whole process (1).

Specialization in the worsted processes was reinforced by the differential rate at which machinery was applied to them. Worsteds spinning had been adapted to Arkwright's spinning frame at an early date, while combing machinery was not developed until the 1840s and 50s. Here, fiercely protected patents and high prices fostered the development of combing on a commission basis, since few spinners had the kind of capital investment in it would have required. Although some spinners did buy combing plant, as did a number of woolbuyers, the dominant pattern (especially after the 1880s/90s) was one of specialized combing on commission for woolbuyers who also dealt in the combed product (tops). Thus, in the combing section, there was both a backward and a forward overlap - with the buyers with combs ('topmakers' with combs, as opposed to 'topmakers' without combs who had their tops combed on

1. See Clapham, *ibid.*, Chs 3-4.

commission), and with spinner-combers in the spinning section.

Working on commission was typical of both the combing and dyeing section. As dyeing might take place at any of the major stages of production firms tended to specialize in loose wool, slubbing (combed wool), yarn or pieces (the woven product). Given the scale of plant required for dyeing few worsted firms possessed their own, and most dyeing was carried out on a commission basis (1). It was in this section of the trade that price-fixing and amalgamation was first evident in the late nineteenth century - apparently as a result of the fierce competition engendered by the need to maintain a high level of output to cover fixed costs. G. F. Rainnie has pointed to the fact that the absence of foreign competition in the home market because of high transportation costs, supported attempts to maintain prices (2). He adds that the possibility of foreign competition was sufficient to preclude restrictive action. This interpretation was not that of the dyers' customers, who complained bitterly about high charges to the Committee on Industry and Trade in 1928 (3).

In both worsted spinning and weaving a limited amount of work was undertaken on commission. New firms could enter

1. Rainnie, op.cit., 250/1.

2. Ibid.

3. Committee on Industry and Trade, op. cit., 179; Bradford Chamber of Commerce, Report and Statistics, 1925, 128/31.

the market, as in the North-East Lancashire cotton industry, at a relatively low cost by renting room and power (1). Operating capital could then be kept to a minimum by taking in spinning or weaving on commission. Commission weavers worked closely with what were referred to as manufacturers without looms (2). These 'manufacturers' were excluded from the B.M.F. and organised themselves in the Manufacturers' Society (3). They were in effect merchants who might buy in yarn, design the cloth and have it woven on commission. Since the manufacturer without looms provided the credit, and the expertise involved in design and marketing, there was little to stop commission weavers entering at the margin. In 1920 it was estimated that there were about 80 firms of commission weavers operating in the Yorkshire area (4). In spinning, the First World War had had the effect of reducing the number of commission spinners to negligible proportions as the security of government contracts, long credits and high profits allowed many commission spinners to accumulate sufficient capital to set up business independently.

The relative ease with which producers could start up in worsted spinning and weaving is indicated in Table 3. Sixty eight per cent of textile firms in Bradford in 1926

1. Shimmin, op. cit., 105.

2. Rainnie, op. cit., 247.

3. See Table 9, p.108.

4. United States Tariff Commission, A Survey of the British Wool-Manufacturing Industry, (Washington: Government Printing Office, 1920), 15/16.

Table 3 Limited Liability and Private Firms in Bradford, 1926

Operatives	Limited Liability	Private	Total
1-100	74	212	286
101-200	45	35	80
201-300	15	9	24
301-400	3	5	8
401-500	2	3	5
501-1000	10	1	11
1000 +	<u>3</u>	<u>1</u>	<u>4</u>
	<u>152</u>	<u>266</u>	<u>418</u>

(1)

employed less than 100 operatives. Of a total of 418 firms only 36 per cent were of limited liability. However, while the incidence of small firms is of great relevance and worth stressing, then so is the obverse. In Table 4 it will be seen that although there were 882 firms employing

Table 4 The Size of Firms in Relation to Actual Numbers Employed in Wool Textiles, 1926

Operatives	Number of Firms	Actual Totals
1-100	882	30,234
101-200	280	40,184
201-300	94	23,107
301-400	48	16,486
401-500	30	13,209
500-1000	36	24,761
1000 +	<u>14</u>	<u>19,688</u>
	<u>1,384</u>	<u>167,669</u>

(2)

less than 100 operatives each, and an actual total of

1. Shimmin, op. cit., 116.

2. Ibid., 118. These very valuable statistics were presented by Arnold Shimmin in a paper to the Royal Statistical Society in 1926, and were in fact used in the Committee on Industry and Trade's later report on wool textiles. The information was particularly welcomed by representatives of the B.D.A. (as was the critique of the value of the 'small man' which went with them). H. Sutcliffe Smith lamented that there were only two trades which seemed to have proper statistics - the coal and steel trades. He said that the only people to blame for poor statistics in wool textiles were those who gave out the

30,234, 44,449 operatives were employed by just 50 of the larger firms. Although the actual totals of employees for each of the sections are not available, Table 5 does give some indication of the distribution of employment related to the size and type of firm. The small firm employing

Table 5 The Size of Firms in Terms of Employment in
Some Sections of the Wool Textile Industry, 1926

Operatives	BRADFORD			HUDDERSFIELD
	Combing	Spinning	Manufacturing	Manufacturing
1-100	42a	49	176a	77
101-200	14	22	38	36
201-300	7	7	9	15
301-400	2	3	3	12
401-500	1	1	3	7
501-1000	1	4	6	7
1000 +	<u>1</u>	<u>1</u>	<u>2</u>	<u>3</u>
	<u>68</u>	<u>87</u>	<u>237</u>	<u>157</u>

a It is highly likely that some of the firms registered in these categories were topmakers without combs or manufacturers without looms who did not do the work themselves but had it done on commission. They were not so many as to affect the overall picture. (1)

less than 100 operatives was the most common, but the overwhelming majority of workers were employed by the larger firms in all sections except worsted manufacturing. While some of the 176 small firms in Bradford were in reality manufacturers without looms (in effect, merchants), the small firms were not so heavily outweighed by the larger ones in terms of operatives employed (2). As

information. G. H. Wood, the industry's statistician, could not have been less enthusiastic. He rather stressed the inadequacy of the statistics as a result of governments' inconsistencies of method, and only regretted that Shimmin's labours had not been spent on something more worthy. See *ibid.*, 124/125.

1. *Ibid.*, 112-115.

2. *Ibid.*, 104/5.

employers organised on a sectional basis, this balance of firms was potentially of great importance.

The distribution of employment within the worsted trades was as distinctive a feature of wool textiles as the profusion of small firms. As can be seen in Table 6, the worsted trade in Bradford depended upon the labour of women and children to the extent of about 75 per cent of the workforce. In making its first report in April 1914, the Juvenile Employment Special Sub-Committee of Bradford Education Committee showed that of those leaving school, 56 per cent of boys and 65 per cent of girls went to work in the mills (1).

In worsted spinning the dependence was such that only 7.5 per cent of employees were adult males and 46 per cent of the total were under the age of 18. This pattern of employment was long established. In February 1919 manufacturers considered that too many women were remaining spinners, and complained that spinning firms were keeping 'their' labour (2). While girls might stay on as spinners after the age of 18 many would, if considered capable, progress to the weaving sheds. Most youths would go on to seek employment elsewhere - perhaps in a 'man's' job in the weaving, combing or dyeing sections, or even outside the industry altogether.

1. Wool Record, 7 Apr 1914.

2. B.M.F., Minutes, 11 Feb 1919.

TABLE 6: Numbers of Persons Employed in the Bradford Woollen and Worsted Trades, 1918

DEPARTMENT	MALES			FEMALES.			Half Timers	Total
	Men	Boys Full Time	Total	Over 18	Under 18	Total		
Woolsorting	632	33	665	43	1	44	-	709
Carbonising	126	27	153	-	-	-	-	153
Combing	4,407	684	5,091	3,942	256	4,198	-	9,289
Worsted Spin- ning, Twisting & Winding	1,734	3,147	4,881	10,482	6,254	16,736	1,038	22,655
Worsted Wea- ving, Burling etc.	2,893	663	3,556	13,272	1,371	14,643	85	18,284
Woollen Prepa- ration, Spin- ning & Twisting	266	112	378	103	33	136	-	514
Woollen Wea- ving, Mending etc.	151	14	165	935	88	1,023	-	1,188
* Dyeing & Finishing	322	111	433	133	35	168	2	603
** Warehouse	1,676	309	1,985	247	64	311	4	2,300
Auxiliary Occupations	430	24	454	180	10	190	-	644
Rag Pulling & Shoddy Manufacturing	5	2	7	-	-	-	-	7
Engine	1,012	54	1,066	15	8	23	1	1,090
Total	13,654	5,180	18,834	29,352	8,120	37,472	1,130	57,436

* Exclusive of those engaged by commission dyers

** i.e. Employees engaged in the warehouses of woollen and worsted factories and not in the warehouses of merchants.

Source: Chamber of Commerce Annual Report & Statistics, 1940, Bradford.

In the combing section, which was heavier work, the workforce had traditionally been overwhelmingly adult and male - and organised to help keep women out. This was assisted by the Factory Acts which 'protected' women from night shifts (1). The effect of the relaxation of legislation and dilution agreements during the war permitted an influx of female labour which was not easily dislodged thereafter. During the Second World War it was reported that 45% of woolcombing employees were women (2).

Table 7 shows the relative costs of adult/female/juvenile

Table 7 Average Earnings in the Wool Textile Industry
in One Week in 1935

	Men	Youths & boys (under 21)	Women	Girls (under 18)	Total Aver. Weekly
	s d	s d	s d	s d	s d
Woolcombing & Topmaking	53/6	27/9	28/1	22/1	44/3
Worsted Spinning & Weaving	55/8	21/8	30/6	20/4	33/9
Woollen Spinning & Weaving	55/0	22/2	33/2	20/2	41/0
Woollen & Worsted Weaving	57/11	23/0	32/0	19/0	39/11 (3)

labour. Although the figures refer to 1935 the proportionate differences in the price of labour indicate the real

1. Barbara Drake, Women in Trade Unions, (Labour Research Dept., 1920, reprinted with a new introduction by Noreen Branson, Virago, 1984), 128/9, 237/9.

2. Report by a Court of Inquiry into the Wages and Hours of Work in the Woolcombing Section of the Wool Textile Industry in Yorkshire, (H.M.S.O., 1944).

3. Labour Gazette, Feb 1937.

significance for employers of the distribution of labour detailed in Table 6. When manufacturers complained about the retention of 'their' labour, it was in the context of the alternative of paying adult male labour almost twice as much. Woolcombing employers' dependence on higher cost male labour suggests quite different priorities to those of worsted spinners whose dependency was on cheap juvenile labour. Woolcombing employers were obliged to compete with others for adult male labour and could not easily substitute juvenile or female labour which was precluded from nightwork by the Factory Acts (1). By comparison there was little competition for juvenile labour, but such low labour costs made potential disruptions in their supply, such as raising the school leaving age, alarming (2).

What has been said above indicates that the extensive employment of women and children in the wool textile industry was an important factor in the employers' cost structure. So was the durability of textile buildings, plant and equipment. At the 1925 investigation into wages in the industry, Philip Snowden, M.P. for the Colne Valley commented,

When one goes through Lancashire one sees evidence of new mills everywhere, but you never see that in the West Riding of Yorkshire. Most of the mills you see there give one the idea that they were built when the Ark was floated. (3)

1. Drake, op. cit., 129.

2. See Ch. 6 for discussion of this.

3. Court of Investigation, Wool (& Allied) Textile Industry, Evidence, 18-23 Sept 1925, 101.

In 1947 the Wool Working Party reported that 77 per cent of the industry's total factory space was built before 1900, and that a high proportion of its machinery could and did have a working life of over 50 years. It noted in particular that some of the woollen carding (preparatory) machinery had been in use for more than 80 years, and that a quarter of worsted spindles dated back to the nineteenth century (1).

In its survey of the industry in 1920 the United States Tariff Commission had observed that American manufacturers were far in advance of their British competitors in the adoption of the automatic loom (2). In 1946 these were still only 6 per cent of the British total, compared to 75 per cent of the American. The picture in the combing section was somewhat better - 75 per cent of combs having been replaced since 1920 (3).

Two last, and very important factors relative to the organisation of wool textile production, were the cost of the raw material and the external demand for intermediate products. In the production of worsteds, tops and yarns, as well as the woven tissue, were highly marketable products. The export market for tops and yarns rose considerably from the late nineteenth century as countries building up their own textile industries first established weaving

1. Wool Working Party, 76-84.

2. United States Tariff Commission, op.cit., 47.

3. Wool Working Party, 81-85.

plants, working on imported intermediate products, before further investment in spinning and combing plant*. In 1912 approximately 14 per cent of top production was exported and approximately 28 per cent of worsted yarns. A further 19 per cent was taken up by the hosiery industry (1). Although worsted spinners were dependent upon domestic worsted manufacturers for the sale of just over 50 per cent of their production, worsted manufacturers relied upon domestic supplies of worsted yarns to the extent of about 75 per cent of their requirements.

The item which consistently affected the marketability of tops, yarns and tissues was, of course, the cost of the raw material. In his 1958 study G. F. Rainnie estimated the cost of raw wool in total spinning costs to be around 70-80 per cent. Fluctuations in its price meant that manufacturers, and more especially spinners and topmakers, needed to be adept in their buying and selling procedures - putting 'commercial 'know-how' at a premium and technical 'know-how' at a discount' (2). The antipathy of the productive sections to associating with merchants in industry-wide organisation is illustrative of the everyday tensions between them as buyers and suppliers (3).

* This has implications for the structure of wool textile production internationally and is discussed in Ch. 3.

1. Committee on Industry and Trade, op. cit., 21-3, 205, 276.

2. Rainnie, op. cit., 242.

3. See Ch. 6.

The picture that emerges is that wool textiles was by no means a straightforward chain of production with each section dependent upon the next for its market, but rather one which admitted a variety of linkages. Although worsted production was highly sectionalized the existence of employers with secondary functions meant the existence of a minority of producers in any one section whose priorities might be substantially different to the majority. The overlapping of production functions consequently provided a periodic source of conflict between employers.

This very brief overview of the organisation of wool textile production indicates something of the nature of the links between wool textile employers. As wool users engaged in the world's largest wool textile industry, with long established patterns of production and dependent upon the world final demand for wool products, employers in the industry had special interests in common. In the sense that they were also product specialists, with varying degrees of inter-dependence, they also had more particular, sectional interests which all could not share.

The extent to which these relationships were reflected in employers' organisational structure will now be considered.

The Organisations

The organisational network which wool textile employers had developed by 1921, and which functioned for the rest of the period to 1945, had evolved as a means of protecting and

promoting 'the interests of the trade'. The structure of wool textile production meant that such interests did not always coincide, and at times might even be opposed. The 1957 P.E.P. survey comments that 'There is always a possible conflict in associations where one group of members are suppliers to others, as is often the case in ... the Wool Textile Delegation' (1). But, conflicts, tensions, and consensus in organisations were not only a reflection of commercial relationships, but were about tactics, economic experience, political perspectives and power.

a) tactical considerations

It was in order to maintain their power to secure a return on their investments that employers had begun to combine. Employer organisation took place primarily on the basis of product and/or process, with the intention of taking united action on one or more factors affecting their businesses. In the Great Horton and North Bierley districts of Bradford the first minuted activities of organised employers were of meetings between spinners and manufacturers seeking to work out a joint strategy towards workers they employed in common. The meetings did not last beyond the short period taken to settle the immediate points of dispute with the trade unions. Thereafter, employers continued to meet separately, formalising the separation (and difference of interests), in 1913 with the consolidation of manufacturers in the B.M.F.

1. P.E.P., Industrial Trade Associations, 187.

According to the General Manager of the W.S.F., the early organisations of manufacturers were generally stronger than those of spinners throughout the West Riding (1). However, there were significant distinctions between the way in which woollen manufacturers organised and the way in which worsted manufacturers organised. In Huddersfield, the larger firms of woollen manufacturers, headed by W. A. Crowther, recognised and developed procedural agreements with the General Union Of Textile Workers (G.U.T.W.) within their first year of formal organisation. Their purpose in doing so was clear. The Executive Committee felt that:

... recognition of a Sectional Union to make terms on behalf of workers of one occupation only involves a continuous danger of a whole concern being involved in a dispute in which only a few are directly interested, and subjects the employers to a constant threat of Sectional trouble. (2)

The interest of woollen manufacturers was in recognising a particular kind of trade union, one which could control and negotiate on behalf of all categories of workers, as a means of securing uninterrupted production. H. Phelps Brown has said that 'reluctantly or willingly employers took the unions as they found them. They did not force regrouping upon them' (3). In this case employers took one as they found it, according the General Union a legitimacy they feared to give to a sectional union. Employers did not 'force regrouping', but the power of recognition was

1. Alex Smith to J.B. Forbes Watson, op. cit.
 2. Huddersfield & District Woollen Manufacturers' and Spinners' Association, 'Report of the Executive Committee', 1908 filed in Minutes.
 3. Henry Phelps Brown, op. cit., 107.

accepted as a means of discouraging a potentially more disruptive 'grouping'.

To carry out their administrative work, the Huddersfield and District Woollen Manufacturers' and Spinners' Association recruited George H. Wood, a former Fabian, from the Board of Trade as Secretary*. Wood shared manufacturers' enthusiasm for the greater organisation of employers and trade unions. Writing under his pseudonym of Henry Wilmott, Wood urged workers through the pages of the Socialist Review in 1910 to become better organised. His concern regarding the lack of organisation would have found great sympathy with trade union activists - and at the same time reflected his employer's own concerns about the need for and type of unionism necessary.

Instead of manifesting itself as a trade-wide movement for better conditions, the 'unrest' in the woollen trade is breaking out spasmodically and irresponsibly in sections....Chaos reigns supreme, and nobody can speak responsibly or authoritatively.

His article went on to call for an end to resistance to piece-work, which could end sweating; for a strategy which would force wages in other areas up to the Huddersfield rates; and that if present trade union leaders did not have the 'necessary imagination' for that, they should be got

* Wood had worked for many years in the Labour Department of the Board of Trade. On a trip to Huddersfield in 1907, A. L. Bowley recommended his work to W. A. Crowther who was then looking for a statistician for the woollen manufacturers' organisations. During the First World War he worked as Chief Statistical Officer to the Wool Control. He became Secretary of the W.W.T.F. when it was formed in 1915 - a job he remained in until his death in 1945.

rid of (1).

Although business was booming, organised employers in Huddersfield were keen to see some standardization of wages before the inevitable slump. In the event their position would be difficult given wage differentials between the West Riding districts. Average weekly earnings in Huddersfield were 20/1d compared to 17/11d in Batley and Dewsbury, 15/11d in Leeds and just 13/11d in Bradford (2).

In these circumstances, the priorities of organised manufacturers in Bradford were quite different. In Bradford trade unionism according to Ben Turner of the G.U.T.W., was 'heartbreaking' (3). Communications with the B.M.F. from the union were consistently left 'to lie on the table', until recognition was virtually enforced under the compulsory arbitration provisions of the Munitions Act in 1916*. Worsted manufacturers were interested in seeing some standardization of wage rates in the district, but unlike woollen manufacturers, they did not see the advantage to lie in establishing a dialogue with the G.U.T.W. The B.M.F.'s strategy to regulate wages, was to request members to refer all trade union demands to the

* See p.56.

1. Henry Wilmott, [pseud], 'The "Labour Unrest" and the Woollen Trades', Socialist Review, 6 (Sept-Feb 1910-11) 214-218.

2. Ibid. 212.

3. Ben Turner, Short History of the General Union of Textile Workers, (Heckmondwike: Labour Pioneer & Factory Times, 1920), 124.

Federation, so that members could discuss them and agree an appropriate policy for the firms concerned. This effectively maintained the union in its weak position as any general action required multiple efforts.

In this sense the early organisations of worsted manufacturers had far more in common with the organisations of worsted spinners than with woollen manufacturers. In worsted spinning recognition of the G.U.T.W. was similarly resisted, and only accorded (as per the B.M.F.) to the stronger craft/male based unions such as the overlookers and warp-dressers. In dyeing and woolcombing, where the employers' federations were dominated by large conglomerations trade union membership was greater, as too was federation membership. Woolcombing employers before the war were 80 per cent organised, and employees (predominantly adult male) around 70 per cent organised. On formation in 1910 the W.E.F., desperate to stabilize production to cover high fixed costs, experimented with a closed shop arrangement with the Woolcombers' Society. It was abandoned after only 6 months, when it failed to contain worker militancy (1).

Of course, the desirability of control could be applied equally well to other employers as well as to trade unions, as far as federated employers were concerned. In his study of cotton employers A. J. McIvor noted that

1. See W.E.F., Minutes, 1910.

association was an important means of preventing intense competition between masters (1). G. H. Wood's appeal to trade unionists to organise and force the standardization of wage rates can be seen to have similar implications for wool textile employers.

There was still concern, particularly among the smaller firms, that organisation would involve a loss of independence and commitment to policies which ran contrary to their interests. Recalling the first meeting of worsted spinners and manufacturers in 1907 in Great Horton, Wilf Turner observed,

In those days that was a most unusual happening in the Textile Trade. Competitors held strictly aloof from each other. It was fondly imagined that the business of each was to be jealously safeguarded, and the illusion of valuable secrets so operated as to make such intercourse unthinkable. (2)

Huddersfield manufacturers on federating actually wrote to the press to assure customers and fellow manufacturers that theirs was not a combine of the aggressive American type and,

So long as competition took the form it did, and was so intense, there was no fear of that association being a combination to raise prices or impose conditions upon the trade ... (3)

In working out their rules for the operation of the B.M.F. in 1913, worsted manufacturers agreed that firstly, rates

1. McIvor, op.cit., 119.

2. W.S.F., Annual Report, 1944.

3. Huddersfield & District Woollen Manufacturers' and Spinners' Association, Minutes, A.G.M. 1908.

of wages and conditions of employment should not be changed without reference to the federation, and secondly, that no firm would have to fight for any principle unless it wanted to (1). The large number of 'small men' in worsteds were not at all keen to commit themselves to any line of action, such as lock-outs, which had the potential to put them out of business. In practice, the federation provisions did mean the loss of personal control over wages rates - a situation which some employers found difficult to accept. John Emsley, Chairman of the B.M.F. in 1915 promised his overlookers an increase in wages in a situation of labour shortage, contrary to Federation policy. When challenged Emsley protested that this was simply to bring his establishments into line with each other. Pressed to withdraw his offer he did so, and soon after resigned when the Board's refusal to increase overlookers' wages resulted in strike action (2).

Although Emsley, a Liberal, and later to become Chair of Bradford Chamber of Commerce, had some minority support for his views, his actions at such a critical stage in the development of the Federation were regarded by some as treachery. H. B. Shackleton who took over the Chairmanship from Emsley referred to the incident more than once during his many years as Chairman of that Federation and the Woollen and Worsteds Trades Federation. Indeed, in an

1. East Bradford District Manufacturers' Association, Minutes, 3 Jun 1913.

2. B.M.F., Minutes, May 1914 - Mar 1916.

Annual Report 30 years later, Shackleton used the example to emphasise the importance of solidarity:

If, when decisions are being taken, you do not agree, make your case as strongly as you can but, if the majority is against you, stand by the majority to the very end. In all things we either hang together or hang separately. When one joins a federation one makes a contract with one's colleagues. Odd people seem to have insufficient understanding of what is expected of those entering an agreement. I remember a case many years ago when a member of a certain body did something contrary to agreed policy and when asked to undo it said that was very difficult as he had made a promise to his workpeople. Another member acidly remarked, 'I would remind Mr. So-and-so that he made a prior contract with, and promise to, us and had better carry out the first one first'. Such people are odd in more than one sense and any federation is better for their loss. (1)

The clash, in fact, illustrated something of the dilemmas confronting employers in the interface between individual and collective strategies. For the paternalistic employer accustomed to appeasing his workforce with additional payments or occasional time off, for the employer with a keen sense of making his own decisions, for the small man who depended on under-cutting in difficult times to stay in business, or for the liberal adherent of freedom of contract, federation represented a break with strongly held principles. These principles had provided the basis for legal enactments, which in fact continued to cast a shadow of suspicion over the real purposes of organisation. Such considerations not only affected attitudes towards organisation but, inevitably, the form of organisation.

b) legal considerations

In legal terms an employers' organisation might be considered a company, a trade union or an unincorporated body (1). Prior to the 1971 Industrial Relations Act, the legal definition of a trade union could easily have been applied to organisations of employers:

... any combination, whether temporary or permanent, the principal objects of which are under its constitution statutory objects: namely the regulation of the relations between workmen and workmen, or between masters and masters, or the imposing of restrictive conditions on the conduct of any trade or business, and also the provision of benefits to members, whether such combination would or would not, if the principal Act had not been passed, have been deemed to have been an unlawful combination by reason of some one or more of its purposes being in restraint of trade. (2)

Most organisations were keen not to fall under the definition, which would have made them subject to trade union legislation. Trade unions were obliged in law to lodge their rules with the Register of Friendly Societies and open their accounts up to public inspection (3). Employers' organisations generally preferred to remain 'unobtrusive'.

Some employers' groups - for example, the W.S.F. - opted for the legal status of 'company'. While this required some documents be made available, such as membership lists,

1. P.E.P., 'Industrial Trade Associations', 128 .
 2. L. C. B. Gower et. al., (eds), Principles of Modern Company Law, 4th ed. (Stevens & Sons, 1979), 273. The fact that the definition referred to a combination's objects illustrates employers' concern for how they were presented. See pp. 63/64.
 3. P.E.P., Industrial Trade Associations, 173.

it meant that the organisation was a separate legal entity to its members, could own property and had the ability to make amendments to the Articles of Association without unanimous support (1). For an organisation such as the W.S.F., in which the majority were medium and small firms, this was potentially advantageous to the more active large firms. In practice, however, the Federation was governed by a set of bye-laws, agreed in conjunction with a legal advisor which, it was thought, were 'neither wise nor useful' to embody in the Articles. These covered entry requirements, penalty clauses for failing to act in accordance with Federation policy, procedure for dealing with trade union demands and a requirement of a two thirds majority before any important action was taken (2).

There were legal drawbacks to company status, particularly regarding the freedom to institute 'restraint of trade' activities - although it must be said the legal position was far from clear. One report states that it was the enforcement rather than the existence of restrictive practices which made an organisation a trade union (3). Further, neither was an organisation a trade union if they were not the main activities.

The majority of employers' organisations remained unincorporated bodies. Of the 1300 associations of

1. Ibid., 172.

2. W.S.F., Minutes, Feb 1920.

3. P.E.P., Industrial Trade Associations, 171.

employers known to exist in 1957, 200 were registered companies, around 50 were registered trade unions, and 1050 were unincorporated (1). As unincorporated bodies, organisations - such as the W.E.F. - could maintain a greater degree of privacy than the registered trade unions or companies. The W.E.F. did not formally adopt any rules, so that its structure and its policies had to be agreed by general meetings as and when required. The danger, in theory, was that the Executive and sometimes members of the organisation could be held responsible for actions they had authorised (2). The fact that so many organisations were unincorporated suggests that the danger was not perceived to be great.

Given the complexities of legal status, the 1955 P.E.P. survey was of the view that legal form gave only a slight indication of the nature of a trade association (3). This was certainly true of wool textile employers, but legal form could and did have a significant effect on the means by which employers carried out their policies. For example, the W.E.F., which was not incorporated, operated a price maintenance policy via the publication of a list of charges for the different categories of woolcombing. To become a member of the W.E.F. firms had to agree to charge the published combing tariff, as they also had to agree not

1. In legal terms a trade association was a trade union, and some trade associations chose to register as such.
2. P.E.P., Industrial Trade Associations, 175.
3. Idem., 'Industrial Trade Associations', 129.

to pay above a maximum rate of wages. There is no record of penalties for subsequent failure to comply.

The W.S.F., on the other hand, a company limited by guarantee, operated a similar policy with regard to wage levels, but for not adhering to which members could be fined. Although they did not have a general price maintenance policy (partly because of the difficulty of getting the large number of firms to agree to one, and partly because of concern regarding restraint of trade), they did recommend and provide facilities for speciality producers to formulate their own (1). This suggests that, despite their disparate legal forms, both organisations facilitated similar policies, and further, that such organisation had an inherent logic which was not necessarily represented, or necessarily perceived by those involved. This would seem to confirm the observations made earlier by both J. H. Clapham and G. M. Colman (in theory so far at least), that there was no hard line between amalgamation and associations of employers.

The centralising and co-ordinating function of the amalgamation was clearly evident in the way in which wool textile employers' organisational framework developed over time. From the early local, product-specific groups formed before the First World War, employers' began to co-ordinate their activities first of all on a sectional basis, by

1. See Ch. 5.

affiliation to a 'parent' body, and soon after through cross-sectional collaboration in industry-wide associations. This was by no means a smooth or linear process, as while some employers might perceive the logic of such broad co-operation, the economic and political circumstances of the 20s and 30s severely tested their ability to present a united front. In fact, employers' inability to agree in the 1920s resulted in two lock-outs in the short space of 5 years.

c) the period before 1921

The stages by which co-ordination of employers' activities progressed can be divided roughly into three time periods. The first was the period before 1921, during the later years of which both the profitability of, and the threat to, wool textile capital had never been greater. These contradictory pressures were encapsulated in the furore surrounding State controls during the war and the Profit-eering Investigations in 1919/20. In the wake of demands from the War Office in 1917 for increased production for army contracts, the West Riding Spinners' Federation appealed for greater solidarity in the industry;

We would emphasise with all the power that we can command that unless the trade acts as one man at this present critical juncture they are "done" ... We know that in many respects that the outlook is becoming better, but we dare not disabuse our minds of the fact that the grip which officialdom has secured is so strong that it will require a herculean effort to shake it off.

(1)

The 'grip of officialdom' was not so tight as to unduly affect profits. Following a public outcry and labour movement campaigns against the soaring cost of living, amidst reports of industries such as shipping declaring profits after the deduction of Excess Profits Duty of 33.3 per cent, the Government agreed to set up investigations into profiteering (1). The press carried articles on alleged profits of between 400 -3,200 per cent in the wool trade, and Sidney Webb, a member of the investigating committee, said there would be 'howls of execration' throughout the land once the true extent of profiteering was known (2). Organised employers responded with fury - sending a 14-man deputation to the Board of Trade to argue the illegitimacy, in their eyes of the investigations. They protested

... many orders which were on the way have been held up by reason of a malicious, slanderous, and vindictive Press campaign of calumny which has been proceeding during the recent weeks as the result of grotesque misrepresentations made entirely in opposition to all the rules of the game. (3)

Employers' generally were under pressure in a way they had not been before (4). The degree of concern among wool textile employers was evident at the rate at which organisations in all sections recruited new members. By 1919 the

1. Arthur Marwick, The Deluge. British Society and the First World War (Macmillan Press, Student ed., 1973), 123/6.

2. Wool Record, 22 Jan 1920.

3. Ibid., 29 Jan 1920.

4. A measure of this was the formation of the N.C.E.O. and National Propaganda, the forerunner of the Economic League. For further discussion see pp. 314-325.

B.W.F., the W.E.F., the W.S.F. and the W.W.T.F. included 80 per cent or more of their trade sections (see Table 8). In

Table 8 Organisation Among Wool Textile Employers
in 1919

B.W.F.		W.E.F.		W.S.F.		(B.S.A.)*	W.W.T.F.		(B.M.F.)
Firms	%	Firms	%	Firms	%	Firms	Firms	%	Firms
360	95	53	90	232	90	(95)	871	85	(129)

* Bradford and District Master Spinners' Association (1)

1919 alone the B.W.F. admitted 109 new members, organised in 7 speciality committees - topmaking; colonial and British Australian; English; Skin, Short and Foreign Wool; Merchants; Noil; and Waste.

The W.E.F., with just 53 member firms accounted for over 90 per cent of the combing section. This involved the great majority of the machinery employed on commission combing, but only 50 per cent of the combs in the industry. The significance of this was that, in periods of good trade, the W.E.F. effectively set the price level for the whole trade via its price maintenance policy. During periods of difficult trading, then W.E.F. members were vulnerable to those combs owned by topmakers or worsted spinners being turned over to commission combing at cut-price rates.

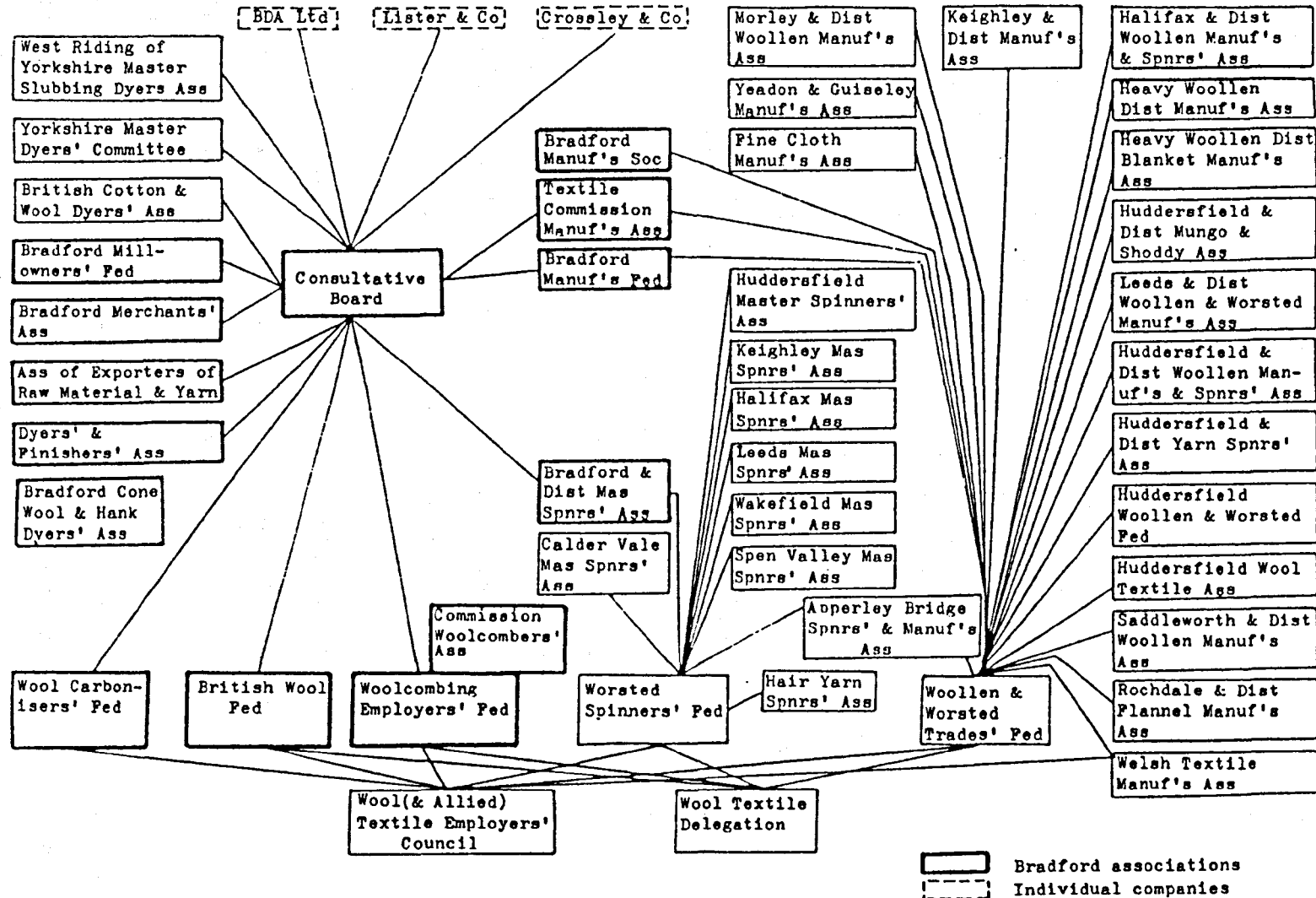
1. The figures are taken from the Annual Reports of the organisations concerned; some of the percentage figures are estimates based on information given in the Committee on Industry and Trade, op.cit., 178-80.

Table 9 indicates the structure of the wool textile organisations. The W.S.F. in 1919 included 232 firms among its affiliated organisations, in Bradford, Keighley, Halifax, Leeds, Huddersfield, Wakefield, Spennings Valley and Calder Vale. In the woolcombers' federation the vast majority of firms were located in Bradford, and in the W.S.F. the Bradford association constituted around 40 per cent of the membership. The W.W.T.F. in 1919 covered around 85 per cent of manufacturing firms, with 871 firms in 21 affiliated associations. These had both a geographical and product base which ranged from manufacturers of heavy woollen goods made from wastes to manufacturers of fine worsteds made from the best of the virgin wool. The B.M.F. was the largest individual group with 129 member firms.

It was these groups which determined the shape of the organisational framework elaborated by 1921. In the course of their joint deliberations, the dyeing section rarely figured, and when it did it was with a degree of ambivalence. Working largely on a commission basis, and organised in the Yorkshire Master Dyers' Committee (Y.M.D.C.) which was dominated by several large combinations, the dyers were in a fairly powerful position in terms of keeping prices up. But, there were some things which the main body of wool textile employers felt necessary to co-ordinate with the dyers. As a result, the Y.M.D.C. was invited to join the Consultative Board of

Table 9

Employers' Organisations in The Wool Textile Industry, 1931



Textile Employers which 'consulted' on matters of special relevance to Bradford and the Wool Textile Delegation. According to Harry Golden, who soon after became Secretary of the Yorkshire dyers' group,

... it was felt that to sit round a table with representatives of "customer" organisations who would be able on any matter, to outvote the dyers' representatives, would be of doubtful benefit. It is a difficult procedure at any time and fraught with a certain amount of danger to attempt to "run with the hare and hunt with the hounds". As the primary object of the Association in these days was to defeat the efforts of customers in their attempts to debase dyeing and finishing prices, co-operation with one's customers was the first essential. However the Association let it be known that its members would always be willing to co-operate with the Wool Textile Delegation in any matter of mutual concern and, when necessary, to shoulder their share of any expense involved. (1)

The early records of the W.T.D. indicate that, contrary to Golden's account, the dyers' organisations did indeed participate in the Delegation, although infrequently, until the late 1920s and contributed towards its expenses on the basis of 7 per cent of expenditure.

The Y.M.D.C. also participated briefly in the Wool (& Allied) Textile Employers' Council which represented the employers' side at the Joint Industrial Council. The difficulty here was that the associations of dyers generally adopted a fairly liberal approach towards labour matters, and found themselves constrained by the different attitudes and priorities of the other organisations. By early 1920 they had already decided to wait for an

1. Golden, op.cit., 14.

appropriate moment to leave and join forces with the Lancashire based Allied Association of Bleachers, Dyers, Printers and Finishers (1).

The anxiety which the dyers felt about the possibility of their interests being adversely affected by other groups through formal association was a common sentiment among employers, and a great deal of attention was given to the constitutions of the various organisations. All important actions without a ballot of member firms, and policies which did not have substantial majorities in favour were not implemented. Within the sectional organisations votes were accorded on the basis of the amount of machinery owned by individual firms.

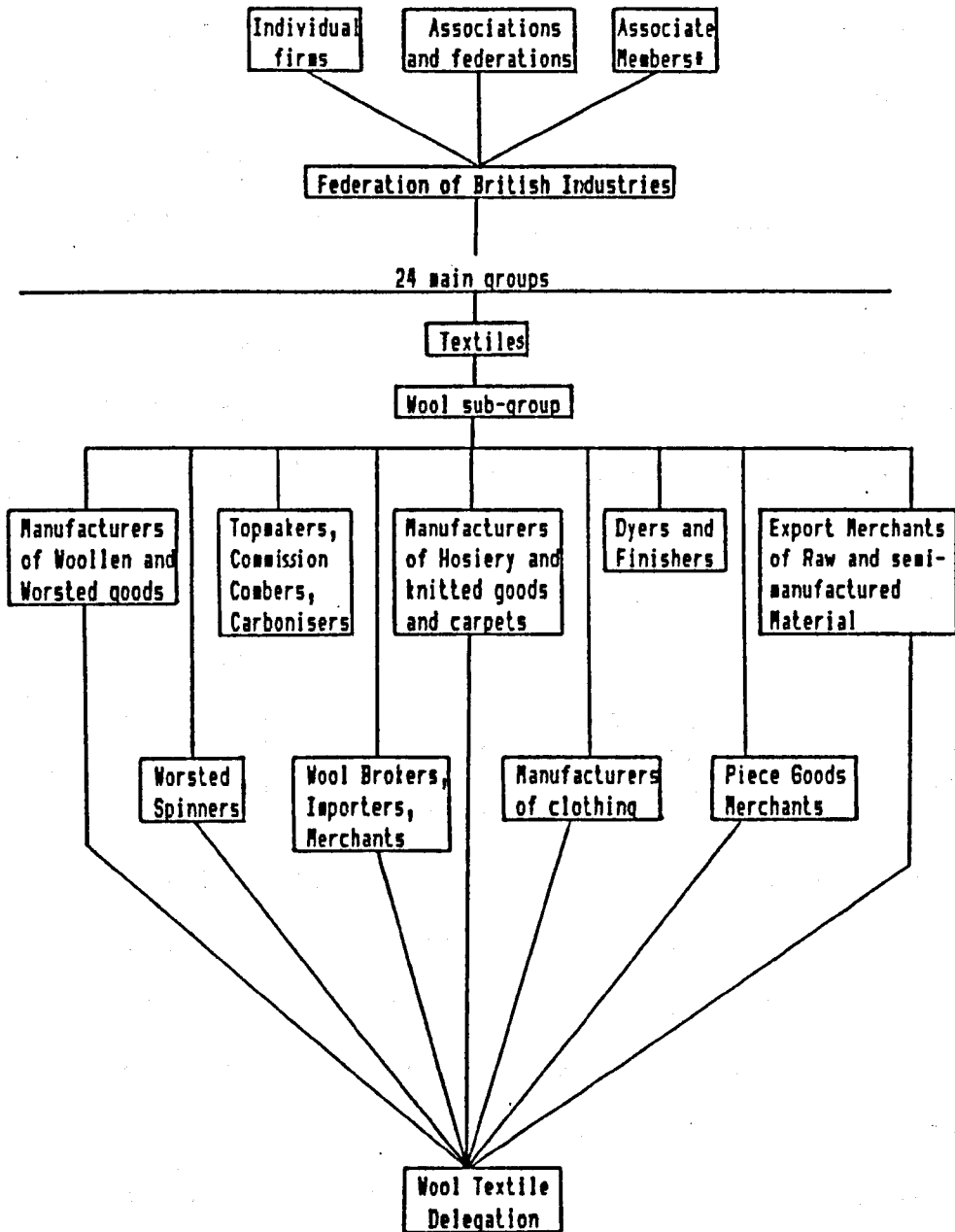
Membership of and representation on the Employers' Council and the Wool Textile Delegation was somewhat more complex. The Employers' Council in 1919 was made up of the employer representatives of the sectional organisations to the Northern Counties division of the J.I.C. Employers in the West of England and Wales also met on a regional basis, and although not members of the Employers' Council they did initially receive the Minutes in order to co-ordinate strategies. Representation on the J.I.C., and thereby the Employers' Council was on the basis of numbers employed. This effectively meant that manufacturers were in a

1. Huddersfield Master Dyers' & Finishers' Association, Minutes, Sept 1920 - Apr 1921.

dominant position on the Employers' Council with 13 seats, while the other organisations shared 14 between them (1). The Employers' Council was not vested with executive power and policies had to be initiated by or referred back to the member organisations for approval. According to the constitution of the J.I.C. issues affecting the wool textile industry or a section of it came within its purview.

The constitution of the W.T.D. in 1921 reflected an acknowledgement on the part of the sectional organisations that some kind of structure was necessary for the co-ordination of activities on commercial and industrial issues, but that employers were extremely sensitive as to when and how that might be done. Membership of the W.T.D. might be secured either by joining the F.B.I. directly as an individual firm, or by joining a trade federation which was a member. As the F.B.I. was essentially an industrial organisation, the merchanting associations were admitted as associate members only, representing an inherent source of friction. Wool textile firms or employers' organisations joining the F.B.I. were assigned first of all to the Wool Sub-Group which included merchanting, dyeing and carpets as well as the machinery sections. The sections then appointed 4 representatives each, who together constituted the W.T.D. (see Table 10). Each section was entitled to one vote.

Table 10 The Wool Textile Delegation of the Federation of British Industries, 1921



*Associate Members: e.g. Those federations engaged to a subsidiary extent in the Wool Textile Industry, but not considered to be, in the main productive.

Source: W.E.F., 'Proposed Formation of a W.T.D.', Minutes, 1 March 1921; Brady, op cit., 165/6.

The W.T.D. was formed as a result of the failure of the earlier established Wool Textile Association to become a representative organisation. But, the idea of the W.T.D. as an adjunct of the F.B.I. did not meet with wholehearted enthusiasm either. The Wool Record proclaimed that 'The industry is sufficiently self-contained to stand by itself, and we fail to see what it can have in common with, say, the steel industry' (1). The W.S.F. voiced similar doubts as to the advisability of allowing firms outside the wool textile trade organisations to have access to their policy deliberations through the W.T.D. J. R. Pollitt of Briggs Pollitt & Co. noted that,

... not all members of the Wool Textile Delegation are members of any Federation - if the Wool Textile Delegation was not unanimous in a decision would it be able to frustrate the decision of a Federation? (2)

Woolcombing employers, manufacturers and dyers were keen for the W.T.D. to become part of the F.B.I. (possibly because of the difficult situation in which it placed the merchants, on whom their profits depended to varying degrees), and the matter was finally agreed in 1921. Fears that the Delegation might be in a position to frustrate the activities of the trade federations were allayed with the proviso that the W.T.D. should only act when requested to do so by a member group (a federation or the Wool Sub-Group), and that it should not discuss matters which the federations considered to fall within their sphere of influence.

1. Wool Record, 30 Oct 1919.
2. W.S.F., Minutes, 7 Mar 1921.

d) 1921-31

Despite the careful constitutional arrangements made before 1921, the second stage of organisational development - the period up to 1931 - was characterised by an increasing sense of unease at the constraints which they imposed. The links between the Employers' Council and the J.I.C., and between the W.T.D. and the F.B.I. had been established during a period when business was under severe pressure from labour and from Government, and profitability high. In these circumstances employers' priorities were to secure a social and political stability which would go some way to restoring the balance of forces in social and economic affairs, and at the same time enable them to take advantage of the post-war boom (1). Thus, the W.T.D.'s connections were part of that general move, not simply to provide a 'channel of communication' with governments, but to provide a means of tempering or pressurizing any forces which might affect the conduct of business. In much the same way the Employers' Council's connection with the J.I.C. was perceived as a means of avoiding legislative compulsion (nationalisation, a Trade Board, social legislation etc) and industrial disruption through dialogue.

For its first few years the J.I.C. functioned well in its intention of 'improving the relations between employers and

1. For wool textile employers this involved a range of strategies from a bonus-on-production scheme to a burst of propaganda. See esp. Chs 5 & 7 for further details.

employed'. Its Report for 1923 states,

The method of procedure laid down in the Constitution of the Council has ... invariably proved effective in composing differences without any serious development of ... trouble ...

Of fifteen notified disputes that year two had been to arbitration, one was outstanding, and twelve had been settled by negotiation. As boom had given way to recession 1921-3, wage reductions were successfully negotiated each year, although worsted manufacturers were beginning to voice serious dissatisfaction that the whole procedure was failing to reduce wages quickly and sufficiently (1).

The difficulty which preoccupied the employers' side for the rest of the 1920s was its agreement that the J.I.C. should regulate wages and conditions for the industry or a section of it. This obliged organised employers to present not only a united front, but a uniform policy when their material conditions of trade were quite different. The Committee on Industry and Trade in 1926 reported that of the Industrial Councils established 25 had ceased to function because of inefficient organisation, the difficulties of wage adjustment, and divergent sectional interests (2). Similar strains were evident in the wool textile J.I.C., but were contained by compromise. In 1925 and 1930 failure to resolve such tensions resulted in widespread stoppages and the abandonment of the J.I.C. as a means of maintaining

1. See N.W.(&A.)T.E.C., Minutes, 1921-30.

2. Committee on Industry and Trade, Survey of Industrial Relations, (H.M.S.O., 1926), 299.

the organisational unity of the Employers' Council. This is discussed in Chapter 6.

The 1920s similarly proved to be a testing time for the W.T.D. Its procedural arrangements, which had been designed to ensure that no action could be taken in the industry's name without the unanimity of the sectional organisations, in practice precluded united action. By its second Annual General Meeting in 1923 there were charges that the Delegation had become moribund, and by 1926 its Chairman F. Vernon Willey suggested the need to overhaul their organisation. Recent discussions on the question of statistics, he said, had shown that wool textile employers did not know their position as well as those in cotton or iron and steel. Germany and the U.S.*, he said, had long ago set about large scale reorganisation and he felt that there was something in their own employees' charges of inefficiency (1). Willey had been highly impressed by his trip to the U.S.A. in 1925 as part of an F.B.I. mission. In the months thereafter he spent a great deal of time touring F.B.I. branches urging the need for 'collectivism' - amalgamation and cartel agreements - to secure maximum economies of scale (2).

* The formation of the Imperial Tobacco Co. before the First World War, and I.C.I. in 1926 were both inspired by the ambitions of American and German combines respectively. Throughout the 1920s there was a flood of literature comparing German rationalization and American mass production with Britain's industrial structure. See Hannah, op. cit., 40-44 for further discussion.

1. W.T.D., Minutes, 15 Oct 1926 and 15 Mar 1927.

2. Robert W.D. Boyce, British Capitalism at the Crossroads

Such calls for strong central action were generally countered by steady assertions from members that the Delegation should only act when called upon to do so by a constituent organisation, and that it was rather a good thing that such action was not necessary. The reality was that the federation representatives knew that their members would not support any measure which might result in compulsion (1). Manufacturers, furthermore, were intent on pursuing tariff protection and wage reductions, and were not ready to admit their economic difficulties might be a question of efficiency.

By 1928, when international trade began to show signs of imminent severe depression, F.V. Willey's appeals to the Delegation to take positive action by participating in international developments in trade regulation, began to take on new meaning. French wool textile producers had been proposing greater international collaboration for a number of years and in 1928 conferences were held to discuss tariff barriers, export restrictions and uniformity of customs nomenclature (2). These clearly were very sensitive issues and arguments against the Delegation's continued association with the F.B.I. resurfaced. Several associations of dyers and merchants had already resigned because they felt the F.B.I. to be 'inimical' to their

1919-1932, (Cambridge: C.U.P., 1987), 102.

1. B.S.A., Minutes, 21 Jan 1926.

2. B.W.F., Minutes, 21 May 1928; W.T.D., Minutes, 21 Jun 1928; W.S.F., Minutes, 11 Oct 1928.

interests (1), so that the unrepresentative nature of the W.T.D. was becoming increasingly obvious.

Plans to reorganise, therefore, included the need to recruit wool textile organisations in Scotland and Leicester and to sever the constitutional link with the F.B.I. The resignation of free traders F. V. Willey and George Garnett from their positions as Chairman and Vice-Chairman of the Delegation in 1931, when the F.B.I. finally threw itself behind the protectionist lobby provided the pretext for the split. The Delegation resolved that,

In view of the fact that doubt regarding the complete independence of the Wool Textile Delegation has militated against the confidence reposed in the Delegation by the industry, it is hereby resolved that the Delegation shall become a completely separate body and amend its constitution accordingly.

(2)

H. B. Strang, Secretary to the Bradford Branch of the F.B.I. and the W.T.D., explained the situation to Sir Roland Nugent, Director of the F.B.I.:

The trouble has been brewing now for some two or three years, when the Merchant organisations left the Delegation, presumably for the reason that they could not have any connection with a body like the F.B.I., which was opposed to Merchants and, as they claimed, was doing everything possible to cut out the middle-man. This, of course, was an absurd excuse, but the trouble has cropped up again by the fact that, according to the constitution, the Chairman of the Wool Group of the F.B.I. is ex officio a member of the Delegation. There was no objection to this as long as the Chairman for the time being was a member of his appropriate trade federation, but unfortunately, my present Chairman, Mr. J. H. Bates, has withdrawn from the Worsted Spinners' Federation and

1. W.T.D., Minutes, 21 Jun 1928.
2. W.T.D., Minutes, 29 Apr 1931.

according to the established practice of the local federations none of their members are permitted to sit on any committee with representatives of non-federated firms. (1)

In concrete terms, organised employers' formal connections with the J.I.C. and the F.B.I. had prevented them pursuing policies designed to deal with their changed trading position. In 1931 both labour in the workplace and in Government was in retreat, and the progressive collapse in trade meant that the mediating procedures of the J.I.C. were no longer necessary nor, for a significant section of organised employers, appropriate. In the case of the W.T.D. the tariff question at home and the importance, as the largest producing country, of remaining a dominant influence in international developments in trade, made the connection with the F.B.I. similarly unnecessary and inappropriate.

Before considering the adjustments in the organisational framework of wool textile employers after 1931, it should be noted that, in the Bradford area, the trade federations also worked together through the Joint Consultative Board of Textile Employers (see Table 9). The absence of a formal constitution or formal relationship with other bodies accorded organised employers a degree of flexibility which ensured the Board's survival after the formation of the Employers' Council and the W.T.D.

Its existence was found to be extremely useful in addressing issues of special local significance. These included local government bye-laws, such as on Smoke Abatement, the 'line' to be taken by employer representatives on local Employment Committees etc., and also acted as the link organisation for the Organisation of Maintenance and Supplies during the coal disputes (1). As the employers' side at the J.I.C. this was a function which would have been difficult for the Employers' Council to undertake. The Board's main function during the 1920s, however, was to co-ordinate policies with reference to ancillary workers employed in the textile industry, such as mechanics, enginemen and firemen. The role of the Board was gradually eroded as some of these workers were drawn into the industry's general wages agreement during the 1920s. Once the Employers' Council had freed itself of the restrictions of working with the J.I.C., then the necessity for the Consultative Board was further reduced. The Board was finally wound up in 1937.

e) 1931-1945

In the period after 1931 - the third stage of employers' organisational development - the centralisation of activities was taken a step further. The W.T.D. was moved

1. Consultative Board, Minutes, 1924, May 1926, Jan-Apr 1928. During the General Strike the Chamber of Commerce got short shrift from the Board when it proposed itself as an Emergency Committee for the trade. The Chamber was advised that such a Committee already existed in the Board and, if the Chamber wished, it might appoint representatives to it.

into the same offices as the Employers' Council, and both their constitutions were revised. This enabled the two organisations to initiate activities which could previously only be set in motion on the resolution of one of the member groups. The Employers' Council had shed commitment to procedural links with the trade unions and in severing their connection with the F.B.I., the machinery sections had rid themselves of 'outside' organisations and effectively taken control of the Delegation (1). In the 1930s, therefore, the W.T.D. and the Employers' Council acted with a confidence which belied the industry's near schism in 1925-30 and the continuing underlying tensions between the sectional organisations.

These tensions referred primarily to their position in the market in relation to each other. There, were, of course, individual differences in outlook, but employers did not organise according to their party politics, long or short term perspective, but according to their collective experience as owners of woolcombing or spinning concerns etc. Wool textile employers were fellow wool users, customers and buyers, fellow employers, competitors. The deflation of the 1920s had affected all - but it affected worsted manufacturers most acutely as manufacturing was the first process to be developed by new market entrants abroad. This was not the problem of the combing and spinning section, who found alternative markets in those

1. See Table 9 for the structure of the W.T.D. in 1931.

same competitors, and in the growing demand for hosiery. However, there was a degree of inter-dependence between the wool textile sections and price-maintenance, rationalisation or changes in employment conditions in one section were not without repercussions in another. These issues are discussed further in the second section of the thesis which deals with the practical aspects of employer organisation activity.

The organisational confidence which wool textile employers displayed in the 1930s was partly a result of experience, particularly the defeat of the trade unions in 1930, and partly through a sense of having won all the important arguments. The case for tariff protection, eventually with the full weight of the N.C.E.O. and the F.B.I. behind it, was upheld against the obstinacy of a Labour government, and with that the idea that business knew better than labour what was in the best interests of the country seemed to be confirmed. The outcome of all this was that the dominant public concern of the 1930s was how to restore trade and industry to its previous profitable position.

In this context, the opinion of organised employers was of considerable importance (1). From tariff protection to consideration of changes in hours of employment or rates of unemployment benefit the collective views and goodwill of employers were vital. In many ways this was ironical, as

1. Rodgers, op. cit., 340.

the examples of wool textiles, cotton textiles and engineering indicate that employer organisation was, in fact, less representative in the slump of the early 1930s than it had been 10 years earlier (1). Despite being representative of perhaps no more than 55/60 per cent of firms in those industries, the fact that employers' organisations were able to express a single view (whatever the material reality) accorded them a disproportionate ability to make and influence policies affecting their industries as a whole.

As business recovered during the 1930s and the intense competition associated with the years between 1929-32 eased somewhat, firms came to rely less upon undercutting to secure business, and began to join or rejoin their trade federations. It was also the case that the advantages of being in the federation were being enhanced. In 1930 periodic meetings between European producers resulted in a resolution to form an International Wool Textile Organisation, and in the years which followed tariff treaties between Governments transformed the basis on which market share was allocated (2). Access to agreements, and their formulation thus became increasingly important.

Of special relevance to the strengthening of the structure of the domestic network of employer organisations in the

1. See McIvor, *op.cit.*, Table 1:3 and Wigham, *op. cit.* 303.
2. See Ch. 3.

later 1930s was contingency planning for war. The 1935 Conservative Party Conference had proposed that action be taken for organising the speedy conversion of production to defence, and the F.B.I. had been quick to seek assurances from Government that organisation should not be imposed on industry (1). Pre-empting any possible plans to the contrary, the W.T.D. offered to work out its own system of voluntary controls - the acceptance of which clearly served to reinforce the value of organisation. By the outbreak of war in 1939 the sectional organisations had achieved 90 per cent or more membership and the B.W.F. included 100 per cent of firms in its trade section.

The dual importance of bringing as many producers as possible into the federation was emphasized by the President of the W.S.F. in his address to the Annual Meeting in 1941:

... it is of the utmost importance that we should get as near 100% of the firms and spindles inside the Federation in the near future. One can visualise that when this war is over, all kinds of treatment may be meted out to us by the then Government. We may have to fight like blazes against the legislation of that day and we cannot fight unless we are somewhere in the region of 100% strong. The cotton trade, with all their vast experience of failures in amalgamations and Federations, are of the opinion that no percentage under 90% is any use at all in any claims, if it is to be workable. In other words, any higher percentage than 10% in any one industry could break down price agreements, term agreements or anything else. (2)

1. George Peden, 'Arms, Government and Businessmen, 1935-1945', in Businessmen and Politics: Studies of Business Activity in British Politics, 1900-1945, ed. John Turner, (Heinemann Educational Books, 1984), 136.
 2. W.S.F., Minutes.

Both this statement, and the way in which employer organisation developed over the period of 30 years or more, suggest two functions, in addition to the more common arguments about their purpose vis à vis government and trade unions, which need to be explored further. These involve the extent to which organisation was a vehicle for accelerating the internal unity of capital, and secondly, the extent to which organisation was a means of securing the political interests of capital.

Starting from the point of querying the system of British government, Keith Middlemas identifies the increasing links between 'Government' and 'representative industry' as evidence of a 'new form of political harmony' and the latter's elevation to the role of a 'governing institution' (1). Starting from the point of reconstructing the purpose of employer organisation per se, the evidence of its very broad aims and methods, its powerful position as the source of vital information and means of implementation of much government legislation, presents a certain incongruity with Middlemas's claims. The practical details of how the wool textile employers' organisational framework operated are explored in the following section.

1. Middlemas, op. cit., 18-20.

Conclusion

In exploring the origins, objectives and structure of the wool textile organisations this section has explored the context in which employers themselves began to consider systematic collaboration as a means of protecting and promoting what they referred to as 'the interests of the trade'. In doing so, due note was taken of a continuity in employer organisation dating back to the Worsted Acts of 1777, when the centrality of employers' interests to the British State was encapsulated in law. Thus, when wool textile employers (and many others) at the turn of the century proclaimed their new form of organisation to be a reaction against trade union activity, the idea had deep historical roots.

Wool textile employer organisation, as in engineering, shipbuilding and cotton, was just one manifestation of the great changes taking place in the trading environment from the late nineteenth century onwards. In the engineering industry amalgamation and employer organisation - in Vickers, the Engineering Employers' Federation and the Employers' Parliamentary Council, were all ways of adapting to the new conjuncture of circumstances. A series of amalgamations in the textile finishing trades, in the 1880s and 90s, failed attempts in most other wool textile sections, and a crop of new employer organisations after 1904, followed much the same pattern.

The amalgamation, of course, facilitated the rapid centralisation of administration, purchasing, distribution, accountancy and labour policy for a block of capital in a way that employer organisation did not. However, the evidence for wool textiles indicates that, despite the formal and informal declarations of employers - that theirs was a response to the increasing power of trade unions - other considerations were of some importance. The prime concern of Great Horton Spinners' and Manufacturers' Federation, according to one of its founding members, was to regulate the distribution of employment between the sections (i.e. a matter of employer relations). The W.E.F., ostensibly formed in response to striking workers' demands, published an agreed list of prices from its inception, but never referred to the accord in the records of its proceedings. In the cotton and engineering industries in West Lancashire A. J. McIvor observed that it seemed likely that some associations were created to fulfill the 'endogenous interests of the masters', but that in the majority of cases it was more a response to worker militancy (1). It would clearly be of great value to have more information on this formative period for all employers' organisations.

Given the ideological and legal context described in Chapter 2, it is perhaps not surprising that employers' articulation of the purpose of organisation should focus

1. McIvor, *op. cit.*, 41.

upon the idea of counteraction. Collaboration, more commonly linked to 'restraint of trade' activities and 'gentlemen's agreements', was not considered to be gentlemanly - publicly at least. 'Mutual protection' which counteraction implied, bridged the apparent ideological divide between the laissez-faire individualist and notions of 'friendly co-operation'. By emphasising association as an unavoidable response to militant trade unionism, employers were making a statement that they were not 'in conspiracy', but forced to collaborate in defence of their business.

However, just how many employers maintained some antipathy to collaboration per se is unclear. A large number of employers in worsted spinning and manufacturing had considered taking monopolistic measures similar to those in dyeing and woolcombing. The fact that proposed undertakings did not mature seemed to be less a fundamental objection to monopoly than a fear that the elimination of firms which it necessarily entailed might result in personal loss. This basic self-interest alone was sufficient to instill extreme caution in many employers when collaborative action was being discussed.

For woolcombing employers, worsted spinners and worsted manufacturers employer organisation did seem, as Clapham and Colman suggested, to offer an alternative to amalgamation. The formation of Woolcombers Ltd in 1904

achieved only partial monopoly, and while the formation of the W.E.F. in 1910 covered around 80 per cent of the trade, price maintenance was on a voluntary basis and member firms were free to resign from the federation if they deemed it necessary. The prevalence of such a large number of small firms in spinning and manufacturing precluded, initially at least, any action which might constrain employers' ability to take business at the price they saw fit. At the same time employers were enabled, through organisation, to uphold the same principles or to act as a single unit on those issues they were prepared to formulate policy on. To what extent this constituted an alternative to amalgamation will need to be considered further in the light of employers' policies.

The way in which employers organised together primarily referred to the structure of the industry. Worsted spinners and manufacturers first organised on an issue basis, but soon confirmed their essential difference of interest in separate organisation. Woolbuyers first collaborated on the basis of speciality function and then on the basis of general function (1). Of course, meeting at the Wool Exchange, Textile Society dinners, the Chamber of Commerce, Clubs or political meetings provided opportunities for informal exchanges, but the process of forming inter-sectional organisations indicated employers' acute sensitivity to relationships determined by the

1. See above p. 53.

structure of the industry. The members of the W.W.T.F. objected to collaboration with the B.D.A. because, despite the apparent bargaining strength it would produce vis à vis the trade unions, the possibility of being drawn towards the rates of wages paid by the B.D.A. (which referred to its monopoly position) was distinctly unattractive. Similarly, involvement in the Wool Textile Association, in which merchants were well represented, offered little attraction to worsted spinners and manufacturers who felt their position would be compromised.

The failure of the Wool Textile Association, and the first constitution of the Wool Textile Delegation referred to these basic considerations of self-interest. Promoted by Bradford Chamber of Commerce, the W.T.A. included merchants' associations, and employers who were not members of their trade organisations. Spinners and manufacturers had little interest in strengthening the position of competitors, customers and suppliers by revealing the weakness or trade interests which made collective action important. The constitution of the W.T.D. before 1931 only partially obviated the difficulty. In retrospect it seems possible that the machinery sections may well have encouraged the close link with the F.B.I. and the subsequently constraining constitutional arrangements, in an attempt to preclude the possibility of merchants and dyers securing organisational power over them. However, in the absence of detailed discussion of the issue in the

records, this must remain speculative. What is clear is that the constitution agreed in 1921 was a constitution for restraining and not promoting strong central action.

The record of the Employers' Council is one of much greater activity. Constructed from the employers' side at the J.I.C., its existence owed much to the social and political pressures of reconstruction and the post-war years. The situation was one in which the outcomes of confrontation were uncertain, and concessions had to be made if the boom in trade was to be taken advantage of. Once the boom gave way to differential trading conditions for the various sections, then tensions between them were reflected in the Council's strategies.

The outcome of these tensions was, ultimately, dramatic. Yet the drama of disagreement needs to be kept in perspective. i.e. the general context of employers' fundamental agreement and commitment to the rights of private enterprise. To recognise that organisation had a common logic need not, as McKinlay and Zeitlin have argued, involve teleological assumptions (1). Such logic was expressed in a historical recourse to anti-socialist activities, in speeches supporting greater collaboration, in formal statements of organised objectives and in the form of employer organisation locally, nationally and internationally. Employers quite clearly did have

1. McKinlay & Zeitlin, op. cit., 44.

objective interests which were embodied in the structures they established to protect them. How differing market positions and personal perceptions affected the methods and means which employers chose to uphold those interests will now be explored.

SECTION II

PROTECTING THE INTERESTS OF THE TRADE

Introduction

The organisational network which wool textile employers had developed by 1921 had evolved as a means of protecting 'the interests of the trade'. How employers defined these interests varied over time, between the different sections of the industry and between individual employers. Detailing the 'interests of the trade' seemed to be a matter of context, interpretation and individual emphasis. This is, perhaps, not surprising given the number of variables confronting employers and their differential effects. For an employer with large overheads any change in wage rates might be of vital significance, but might be of far less importance to the employer with his plant written down to almost nothing.

Nevertheless, there does seem to have been a quite conscious attempt by those involved in the organisations to underplay certain aspects of their activities, and overplay others. In the early years of their existence this in part reflected 'the ancient fear of being held "in restraint of trade"' (1). In this sense the overwhelming concern was to establish the idea of employer organisation as 'a good thing'; cautious employers were to be coaxed away from the individualist approach towards 'friendly' co-operation, and the organisation itself presented as a source of expert and representative authority. To complement these ideas

1. Middlemas, op. cit., 216.

free competition was increasingly portrayed as 'unfettered' competition and employer organisation a defensive response to trade union militancy and which had nothing at all to do with aggressive price-fixing.

Both the greater organisation of labour and changes in business practice provided the context in which employers began to group together on a long-term basis, and are not unconnected. Technical change, de-skilling, speeding-up and wage cuts stimulated trade union organisation, and were no match for the new trading relationships which tariff protection in the U.S. and Europe heralded. Employers were caught between defending the laissez-faire basis of their industrial predominance, and taking on the monopolistic, State interventionist ideas which their competitors now espoused, and which laissez-faire had made seem so unfair and illogical. Employer organisation provided a means of bridging the ideological divide, enabling employers to take co-ordinated action when they deemed it appropriate and without completely abandoning their individual autonomy.

Starting from the basis of the market experience of wool textile employers between 1914 and 1945 this section explores employers' strategies in securing what was of overwhelming importance to employers - the continued viability of their businesses. This was the most vital unifying factor between employers, although understanding as to the best means to that end might be very different.

The monopoly position enjoyed by the W.E.F., for example, was a frequent cause of friction on specific issues with the multitude of small firms engaged in the other sections. And, Col. Willey, 'the doyen of the wool trade' as the Wool Record described him (1), frequently spoke out in favour of greater co-operation, rationalisation and a liberal labour policy (2), while the conservative majority clung to product differentiation and a low wages policy.

For Phelps Brown, these differences denoted lack of common objectives (3), yet the community of interest between employers did not simply depend on a common perspective. Co-operation stemmed from the imperative of ownership of wool textile capital. Whether employers favoured free trade or tariff protection, wages reductions or work reorganisation did not change the fact that a return to it was a condition of their existence. Despite the divisions and differences internal to the trade, organisation denoted a clear unity.

This unity was expressed in an array of policies which are detailed in Chapters 4, 5 and 6. Sensitive to the constraining effects of collaboration, and their own vulnerability in an intensely competitive environment, the smaller employers were highly selective in their

1. Wool Record, 24 Feb 1927.

2. See, for example, pp. 115, 234.

3. Henry Phelps Brown, op. cit., 125.

co-operation. According to Zeitlin, the lack of centralised decision-making and the inability to impose authority in engineering was an indication of the overall weakness of organised employers (1). The number of firms engaged in wool textiles alone suggests that such cartel-like control would not be possible, yet it cannot be taken as self-evident that its absence denoted weakness. From 1915 at least governments (including Labour) encouraged employer organisation, taking it as a sign of efficiency, and dealing with it sympathetically when contemplating matters such as wages reductions, tariff protection and war-time controls. The wool textile organisations, moreover, became part of a national and international frame-work for employer collaboration. Accordingly, their policies were carried out at many levels - from agreement on an individual action at the level of the firm, to collective active commitment on prices, to passive support for an international strategy. The purpose of this section is to trace the day-to-day practical experiences of employers in organisation as an essential minimum for assessing what they were trying to do, why, and to what effect.

1. Zeitlin, op. cit., 175.

Introduction

The purpose of this Chapter is to establish the economic setting in which employers operated, since it was to their fundamental objectives in this sphere that all other activities would have to be accommodated. This does not mean that the activities of organised employers can always be explained simply in terms of particular economic experiences. Eric Wigham's work on the Engineering Employers' Federation, for example, indicated a preoccupation with the 'power to manage', and both Gospel and McIvor's research pointed out that this was not simply an economic concept. Involving matters such as management security, authority and status it was also a political concept (1). The previous section further suggested that association had political and ideological functions which extended far beyond the workplace. Nevertheless, the prime link between employers in association - predicated as it was on their capital investment - was an economic one, and market experience therefore presents the starting point for consideration of strategies intended to enhance it.

Although the wool textile industry is the oldest of Britain's great manufacturing industries, it has received a disproportionately small amount of attention in the modern period, compared to the other staple trades of cotton, coal, iron and steel and shipbuilding. J. H. Clapham's The Woollen and Worsted Industries remains an excellent

1. See Gospel, op. cit., 362 and McIvor, op.cit., 44.

survey for the period up to 1913. Jenkins and Ponting's more recent work on the same period, although otherwise useful, did not as Clapham did, include labour in its economic history (1). Given the central importance of labour in the organisation of production and the cost structure of the firm the omission undermines the study's overall value.

G. F. Rainnie's economic analysis of the industry concentrates on the years after 1945, as does his contribution on wool textiles in Burn's Structure of British Industry (2). This last does touch upon historical factors to a greater extent than the former publication, and is excellent in its focus upon the structure of the industry and the nature of competition within it. Other studies which refer more directly to the years between 1914-1945 generally form part of volumes devoted to the 'inter-war experience' or are short articles in journals. The reports of the Committee on Industry and Trade (1928) and the Working Party on Wool (1947) are also somewhat limited because of the nature of their brief, but they do represent valuable information and statistical bases from which to work. Similarly P. J. Garrod's thesis is useful in its treatment of the experience of worsted cloth manufacturers in the face of foreign competition 1870-1939 (3).

1. Jenkins & Ponting, op.cit.

2. Rainnie in Burn, op.cit.; see also G. F. Rainnie, (ed), The Woollen and Worsted Industry, (Oxford: Clarendon Press, 1965).

3. Peter James Garrod, 'The Bradford Worsted Industry and

The war years are probably the most difficult period for which to obtain statistics for any industry, and many economic historians have used pre-1914 and inter-war periodization in their studies. A comprehensive study of the economic history of wool textiles for the period since 1914 is certainly needed, and represents at least one thesis area in itself. The implications of its present absence for this brief survey, is that evidence on some aspects of wool textile employers' market experience will be of a symptomatic nature, particularly in cases where statistics are lacking.

Profitability

One of the best measures of employers' market experience between 1914 and 1945 would be a comparison of relative profits. The majority of firms in wool textiles were private companies (1) and were adamant that details of profits remain private. To reveal precise details of costings, turnover or profits would, in effect, have been to lay bare the foundations of their position. A good rate of profit would result in pressures from the workforce for a greater share, in criticism or tax pressures from governments in difficulties, and in heightened competition in terms of other producers. A poor rate of profit, on the other hand, would provoke government or trade union questions as to the industry's efficiency and organisation,

Foreign Competition, 1870-1939', (M. Phil. thesis, University of Leeds, 1981).
1. See below pp.78-92 for the structure of the industry.

and would reveal their vulnerability to competitors. In their application to the Canadian Tariff Board in 1934, British producers said that they would rather forego their chance to improve exports to Canada rather than allow the Board to verify statistics by examining employers' books. According to the Economist 'Fear of furnishing ammunition to trades union leaders or information to foreign competitors is probably the dominating motive in this attitude' (1).

Actual data on profitability was regarded as being intensely private and altogether too valuable to risk any possible disclosure. On occasion, employers' customary protection of profit-related figures resulted in serious conflict with government officials. Probably the best-documented of these concerns government policy designed to control conflict between capital and labour during and just after the First World War. Following a public outcry against profiteering in 1915, the Liberal Government introduced Excess Profits Duty - a tax of 50 per cent on profits more than 20 per cent above a pre-war standard (2). In the context of soaring inflation and widespread social unrest in 1919, a series of investigations into alleged profiteering was instituted. In wool textiles, investigating committees were set up for wool, tops, yarns and Yorkshire Tweed cloths.

1. Economist, 30 Jun 1934.

2. Sidney Pollard, op.cit., 64.

The trade organisations attempted to deflect the force of gathering charges of excessive profits. The W.S.F. lodged vociferous protests against allegations of undue profits and demanded evidence. It then pursued a 'discreet publicity campaign' intended to divert public attention towards retailers' profits as the major cause of the high cost of clothing (1). The Times printed a series of articles which employed a whole range of similarly diversionary reasoning. The 'socialistic press' had alleged profits of 7-8,000 per cent, which Inquiry had shown to be half that. The working class with their higher wages and finer tastes were largely responsible for pushing prices up. Traders could not help large profits because only two thirds of Europe's textile machinery was functioning. Finally it was suggested that the Government's share of profits on wool (thought to be £200 million) ought to be investigated (2).

The textile trade unions lost no opportunity to bring the issue of profiteering to public attention. At the Industrial Conference convened by the Government in April 1919, to explore means of preventing the dislocation of industry because of disputes, the N.A.U.T.T. representatives presented a list of recent dividends paid out by wool textile companies. Those of spinning firms averaged around

1. See W.S.F., Minutes, 29 Aug 1918, 30 Jun 1919; idem, Law & Parliamentary Committee, Minutes, 5 Sept 1919; idem, Annual Report, 1920.

2. Times, 20-27 Jan 1920.

20 per cent for 1918, although the Lion Spinning Co. had paid a 35 per cent, and the May Mill Spinning Co. a 53 per cent dividend. Companies such as Woolcombers Ltd and B.D.A. Ltd had paid out a steady 11.25 per cent and 17 per cent dividend, but had massively increased their share issue and doubled the amount put to reserve (1). Through the Labour Party, textile trade unionists further called for nationalisation and a Royal Commission on wool textiles, and in the columns of the local press regularly drew attention to the industry's 'colossal profits' (2).

The employers' federations on their part treated the trade union attack and government investigations with all seriousness. The constitution of the profiteering committees, and the political complexion of their members were discussed at length, as were procedural and legal technicalities. When the Board of Trade sent its own accountant to Bradford to inspect textile employers' books, the W.S.F. protested that it was looking at accounts in the light of allegations of undue profits, and the Government accountant was not necessary (3). The Wool Record that week explained that, in accordance with the law topmakers, spinners and manufacturers had no objection to the investigations, but there was a feeling that officials should not be allowed to abuse their power and draw wrong

1. W.(& A.)T.I.C., Minutes, 4 Apr 1919.

2. See for example Yorkshire Post for Jan 1920.

3. See W.S.F., Law & Parliamentary Committee, Minutes, 19 Nov 1919.

conclusions about a trade they were not familiar with. Referring to 'the errors that can be perpetrated by the lay mind when highly technical points are involved', the article stressed the need for co-operation with the trade organisations (1). The following week a joint meeting of the trade sections recorded receipt of an apology from the Board of Trade for its action (2).

In reality, as E.M.H. Lloyd has noted, government officials had no power to compel firms to make their books available - the House of Commons had refused to concede the revenue authorities such powers for the collection of E.P.D. - and it was generally felt that the business community would never submit to such an inquisition (3). The evidence for the wool textile trade confirms this. In the subsequently published Report on the Top Making Trade it was stated that there had been some delay in producing the report because the B.W.F. had refused to give information on total profits and turnover. At one stage the investigating committee did not meet for 8 months because the B.W.F. simply refused to divulge information on output, profit or turnover. In the Federation's view it was not relevant to the inquiry (as topmakers' profits derived not only from topmaking), and because it could not legally be demanded (4). Neverthe-

1. Wool Record, 27 Nov 1919.

2. W.S.F., Minutes, 4 Dec 1919.

3. E. M. H. Lloyd., op. cit., 59.

4. Board of Trade, Standing Committee on Investigation of Prices, Report on the Top Making Trade, (H.M.S.O., 1921); see also Times, 30 Apr 1920.

less, on the basis of details of just five firms which the B.W.F. were eventually prepared to submit, average profits of 59.44 per cent on capital employed in 1919 were recorded (1). A sixth firm which cleared 88.83 per cent upon its capital in the same year was discounted from the average as not being typical (2). The reports on worsted yarns and Yorkshire Tweed cloths were also based on a small sample of firms (just 8), and similarly characterised by the trade organisations' determined resistance to appeals to supply details of profits (3). To what extent the profits of the sample firms were typical is not known for certain. However, given the fact that they were put forward by the employers' organisations themselves it is highly unlikely that their profits overstated the general position.

The difficulty raises issues about the nature of the State which fit more easily with Miliband's perception of businessmen's ascendancy within the State system, than with Middlemas's claim to this period as an apprenticeship for the State as a neutral arbiter of competing pressures. Legislation on profiteering was indeed intended as a means

1. J. Morgan Rees, Trusts in British Industry 1914-1921, (P. S. King & Son, 1923).

2. Report on the Topmaking Trade.

3. See Board of Trade, Standing Committee on Investigation of Prices, Findings by a Committee on Worsted Yarns, Cd 550, Report upon an Investigation into the Prices, Costs, and Profits of the Manufacture of Yorkshire Tweed Cloths, Cd 858; and Board of Trade Memo., 'British Wool Federation - attitude of with reference to information required by the Central Committee', BT 68/71.

of conflict avoidance, but the ability of employers to frustrate its proper implementation begs the question firstly, of control of State policy and secondly, its real purpose. In this case, its apparent purpose - to put a stop to businessmen taking advantage of war-time conditions - bore little relation to political and practical realities. The same governments which introduced the excess profits and profiteering legislation demonstrated no real commitment to it by stopping short of approving enforcement measures. Excess Profits Duty was subject to 'much evasion, delay and fraudulent practices' - only half of the amount known to be due ever being collected (1); and the profiteering committees were hampered by evasion, delay and inadequate information. The potential impact on business was thus blunted, while the less apparent purpose of the legislation - to stem popular protest - succeeded in absorbing working class attention and energies.

At the Court of Investigation into Wages in the industry in 1925, Ben Turner for the N.A.U.T.T., noted the difficulty in finding information on profits because of the large number of private companies. He did, however, use the published dividends of the relatively few public companies in wool textiles, to support his claim for a wage increase (2). Isaac Holden's, the woolcombers, Turner pointed out,

1. Sidney Pollard, The Development of the British Economy 1914-1950, (Edward Arnold, 1962), 64.

2. Court of Investigation, Wool (& Allied) Textile Industry, Evidence, 173-183.

had paid a dividend of 7 per cent in 1914, an average of 11 per cent 1918-24, although in 1923 and 1924 it was 15 per cent. Lister and Co. of Manningham Mills had paid dividends of 7.5 per cent and 5 per cent in 1913 and 1914, and 10 per cent in 1923 and 1924. The 1913/14 total profits had been £1.65m on a share capital (including Preference and Debenture stock) of £2.28m. The problem with looking at dividends as an indication of profit, Turner observed, was that they did not indicate how much had been put to reserve, and how much a company was over-capitalized.

Over-capitalization in wool textiles, according to Allen, bore no comparison to the gross over-capitalization in cotton which had such a disastrous effect on its competitiveness in the inter-war period (1). Yet, over-capitalization was significant in wool textiles precisely because it affected leading firms in each section. The effects of high profits in 1920 and 1924 especially led to the merger and absorption of firms, the payment of inflated prices for mills and over-capitalization of combines. In the woollen section John Fenton and David Bradley Mills Ltd acquired the Fenton Textile Association and Thos Ibbotson and Co. in 1924, and subsequently bought out a further 2 firms (2). In 1924 in worsted weaving the largest firm, J.

1. See Garrod, *op. cit.*, and Alan Fowler & Terry Wyke, The Barefoot Aristocrats. A History of the Amalgamated Association of Operative Cotton Spinners, (Littleborough: George Kelsall, 1987). After the First World War 40 per cent of cotton spinning capacity was affected by recapitalization.

2. Labour Research 25 (August 1935), 170-171.

Cawthra and Co. Ltd (its 1250 looms representing just 1 per cent of the total in the trade), issued 100 per cent bonus shares (1) - which was far less spectacular than Woolcombers Ltd. Between 1919 and 1923 the combine issued shares amounting to £200,000 on an ordinary capital of £50,000, as indicated in Table 11.

Table 11 Woolcombers Ltd: Profits 1915-1924

<u>Year</u>	<u>Net Profit</u> £	<u>Dividend</u> %	<u>Issued Ordinary</u> <u>Capital</u> £	<u>Reserves</u> £
1915	52,838	11.25	50,000	30,000
1916	61,206	11.25	50,000	40,000
1917	61,680	11.25	50,000	40,000
1918	36,421	11.25a	75,000	5,000
1919	57,690	11.25b	100,000	35,000
1920	87,430	11.25	100,000	50,000
1921	51,897	11.25	100,000	25,000
1922	276,604	11.25c	200,000	225,000
1923	141,615	11.25d	200,000	100,000
1924	143,408	11.25	250,000	100,000

a Plus a capital bonus of 50%

b Plus a capital bonus of 33.33%

c Plus a capital bonus of 100%

d Plus a capital bonus of 25%

(2)

At the same time the company increased its reserves by £70,000 and paid a steady 11.25 per cent dividend. By 1935 bonus shares worth a further £450,000 had been issued (3).

Of course, for much of the time the woolcombing section and woolcombers in particular enjoyed a more buoyant trading position and an effective monopoly, which was not typical

1. Court of Investigation, Wool (& Allied) Textile Industry, Evidence, 18-23 Sept 1925, Pt 2, 176.

2. Wool Record, 5 Mar 1925.

3. Labour Research, op.cit.

of the other sections. The integrated worsted concern of Salt's (Saltaire) Ltd, (formerly Sir Titus Salt's), was acquired in 1918 by a group of local businessmen for £2 million and averaged an annual profit of £375,944 until 1923, when it was floated publicly at a price of £3.4 million. When trade collapsed after 1927, and profits were squeezed, its directors were obliged to reduce its capital to resume payment of a dividend (1). The effect of over-capitalization was detailed by Labour Research in 1935 with reference to worsted spinners Illingworth Morris:

Illingworth Morris & Co., probably one of the most extravagantly reared children of the 1920 boom, runs amongst its subsidiaries Bowling Green Mills (Bingley) Ltd., G. H. Leather, Ltd., Globe Worsted Co., Ltd., Illingworth Morris Trading Co., John H. Beaver, Ltd., John Robertshaw & Co., and William Morris & Sons, Ltd. Some of these subsidiaries were bought most expensively (the £150,000 capital of Wm. Morris & Sons costing £404,500). Naturally, indigestion followed here and even a cut of three-quarters of a million in the capital in 1927 leaves the Illingworth Morris problem still unsolved, as its debenture debt (raised partly to finance these acquisitions) totals £825,000 and has absorbed in the last five years in interest £242,000 out of a total income in that period of £376,000. (2)

Despite the difficulties of some large companies in securing large enough profits to make dividend payments on their inflated share issues, some had substantial reserves. Thus, while at the 1930 Macmillan wages inquiry H. B. Shackleton emphasised Holden's trading loss of £7,500 after providing for debenture interest and depreciation,

1. See the entry on E. H. Gates in Dictionary of Business Biography, (5 vols), ed. David J. Jeremy, (Butterworths, 1984), vol. 2, pp. 500-502.

2. Labour Research, op.cit., 170.

Macmillan observed that its general position was such that it 'would look very well in a prospectus for new capital' (1). In 1935 the Economist advised readers that although spinning and manufacturing carried greater risk than combing 'the wool textile industry as a whole is in a reasonably satisfactory position' (2). Table 12 overleaf shows the profits of 16 leading companies between 1931 and 1935.

Given the fact that the company which published its profits was not typical of wool textiles, it is difficult to know to what extent the profitability discussed above was typical of other firms in the industry. What is certain is that in the intensely competitive environment of the late 1920s and early 30s it was politic to emphasise, (as H. B. Shackleton did), the pressure upon profits. However, when Sir Francis Watson, M.P. for Pudsey and Otley, complained that the difficulties were such that 'over 200 mills have relinquished business during the last 4 years [before 1928]', the Bradford correspondent of the Manchester Guardian Commercial said that he had gone too far. He noted that if Sir Francis had said that 200 mill owners had made no profit in the past year he would have been nearer the mark. 'The firm that has made a profit', he continued,

1. Court of Inquiry, Wool (& Allied) Textile Industry, Minutes, 29 Jan 1930, 31.
2. Economist, 20 July 1935.

Table 12

Profits of Some Leading Companies 1931 - 35

Company	1931		1932		1933		1934		1935		Reserves and undivided profits
	N.P.£	%	N.P. £	%	N.P. £	%	N.P. £	%	N.P. £	%	
Illingworth Morris (d)	59,027	nil	66,941	nil	64,924	nil	136,526	nil	48,002	nil	166,115
Geo. Ingham & Co. (a)	15,319	10 <i>f.t.</i>	17,726	40 <i>f.t.</i>	12,066	10 <i>f.t.</i>	-	-	-	-	8,278
Smith Bulmer	-21,661	nil	-4,675	nil	27,791	nil	16,136	nil	-	-	-57,920 (b)
John Woodrow & Son (e)	-	-	6,499	n.s.	19,251	n.s.	19,334	n.s.	18,340	8	6,323
Edwin Woodhouse & Co.	-	-	4,959	nil	7,117	2.5	3,405	nil	-	-	90,972
Salts (Saltaire)	7,057	nil	42,254	nil	11,395	nil	189,917	25 (c)	156,548	25 (c)	174,548
Isaac Holden & Sons	6,031	5	24,556	6.25	41,197	10	49,326	10 <i>f.t.</i>	-	-	609,266
J. Cawthra & Co.	30,880	7.5 <i>f.t.</i>	25,031	7.5 <i>f.t.</i>	37,102	10.5 <i>f.t.</i>	49,326	10 <i>f.t.</i>	-	-	206,730
Wm. Fison & Co.	-32,638	nil	-8,532	nil	3,012	nil	3,701	nil	-	-	-40,454 (b)
Hield Bros.	41,774	7.5	22,742	5	7,939	nil	59,168	7.5	37,811	12.5	15,329 (g)
John Fenton and David Bradley	-	-	16,072	nil	1,749	2.5	3,678	5	-	-	87,179
Huddersfield Fine Worsteds	14,451	nil	-12,211	nil	-11,903	nil	-23,450	nil	-	-	-40,509 (b)
Woolcombers	95,439	11.25 <i>f.t.</i>	105,365	11.25 <i>f.t.</i>	134,711	11.25 <i>f.t.</i>	137,870	26.25 <i>f.t.</i>	-	-	874,414
Patons & Baldwins	112,186	2.5	287,006	7.5	409,272	12.5	330,300	10	243,649	10	736,330
John Crossley & Sons	-12,375	nil	29,183	nil	50,945	2.5	79,433	6.25	-	-	151,350

- indicates net loss

N.P. = net profits % = ordinary dividend. n.s. = not stated. *f.t.* = free of income tax

(a) total dividends 1923 - 1930 (8 years) 107.5 per cent. All dividends (except 1925) free of tax.

(b) debit balance carried forward. (c) on reduced capital.

(d) figures shown is income from subsidiaries. Interest payments made by Illingworth, Morris were £51,068 in 1931, £45,374 in 1932, £49,042 in 1933, £50,032 in 1934, and £46,295 in 1935. Also paid £71,321 in preference dividends in 1933-1934. (e) now mainly artificial silk. (f) and 33.5 per cent share bonus (£50,000). (g) Carry forward only.

Source: Labour Research, 24 (Aug 1935), 170.

... is to be congratulated.... The West Riding industry has had a very lean and difficult time the past 2 years, but if all the firms that have relinquished business in all sections of the trade were put together, the total would be nothing approaching 100. (1)

In The New Industrial Revolution published the same year, author Walter Meakin was of the opinion that 'While the industry as a whole is depressed, and many concerns are beset with difficulties, there is still a sufficient leaven of prosperity to damp down any efforts to bring about large scale co-operative effort (2). Just how lean or prosperous the situation was for the hundreds of firms which existed in wool textiles was a point of some public debate. The determination of the private companies to keep information relating to profits to themselves was consistent, and even government committees and inquiries which did try to find out were obliged to accept the futility of its pursuit. The profiteering inquiries were a clear example of this (3).

The Committee on Industry and Trade which was set up in 1924 in the wake of falling exports and increasing unemployment, logically included requests for detailed information on costs of production in its enquiries. The wool textile organisations strongly resented such questions, and agreed not to submit information of such a

1. Quoted in Bulletin of the National Association of Wool Manufacturers 58 (Jan 1928), (Boston, Mass.), 54.

2. Walter Meakin, The New Industrial Revolution, (Victor Gollancz, 1928), 191.

3. See above p.140.

technical and confidential character which they claimed might be misinterpreted (1). The published report on the wool textile industry explains the consequent lack of consideration of profits thus:

Since ... the wool textile industry is carried on mainly by private firms or private companies, comprehensive data are not available as to the financial results of its operation. (2)

During the whole of the 1920s and the early 1930s wool textile employers argued the desperate need to reduce wages if the industry was to survive. When the trade unions' claim for a wage increase in 1936 led to the Government setting up the third wages inquiry in 11 years, the investigating Board deemed it pertinent to consider the industry's general prosperity. Its conclusions, that the industry's prosperity had improved, were guided by information supplied by two accountants familiar with the accounts of about one third of the trade, and statements which 'certain firms ... were so good as to place at our disposal' (3). The Board had no powers to request comprehensive information and largely depended upon the goodwill of the trade organisations for that which it did receive. It ultimately recommended against the 15 per cent increase in wages claimed in favour of a 10 per cent increase (4).

1. See W.E.F., Minutes, 1925; B.S.A., Minutes, 1925; W.S.F., Minutes, 1924/5.

2. Committee on Industry and Trade, op.cit., 212.

3. Ministry of Labour, Report by a Board of Inquiry into the Wages and Hours of Work in the Wool Textile Industry in Yorkshire (except Woolcombing), H.M.S.O., 1936, 20.

4. Ibid.

What these examples indicate is that reports and decisions were being made by or on behalf of governments in the absence of information which had an important bearing on the subject in hand. In 1919 counsel to the profiteering committees had acknowledged that details of profits and costs could not legally be demanded, and the House of Commons had not been prepared to introduce the appropriate legislation. Steve Tolliday has similarly noted the inability of governments to elicit information in the steel industry:

When the Committee of Civil Service Research in 1925 and its successor the Sankey Committee under a Labour government in 1929 recommended regional amalgamations, they were in no position to make any assessment at all as to the impact on costs of such mergers or to do more than guess at the sort of capital needed to make such an amalgamation effective. (1)

Simon Haxey has drawn the connection between Tory M.P.s or governments and employers, pointing out that they were often one and the same (2). But, the failure to seek legislative measures to compel the information was not simply a question of vested interests. Indeed all governments during the period accepted or came to accept that to upset the interests of employers was to upset the national interest. Thus the various government committees had consequently to get on with their work without relevant information. The apparent effect was to reinforce

1. Steve Tolliday, 'Tariffs and Steel, 1916-1934: The Politics of Industrial Decline' in John Turner, *op. cit.*, 57.

2. Simon Haxey, *op.cit.*, 35/6.

employers' contentions that it was not in fact necessary.

It was the trading environment - an indicator of relative profitability - and not profits per se, which received most public attention during the 20s and 30s. As with the other staple industries, fluctuations in output and employment were the focus for much discussion, creating as they did, successive waves of economic, social and political instability. In the numerous investigations into the wool textile industry between 1914 and 45 reports concentrated on production figures - imports, exports, employment, machinery activity etc - and the marketability of products, as evidence of success. Their enquiries into profits in the industry generally elicited no more than indications or examples of profit margins. In the report of the 1936 Wages Inquiry, the Board's conclusions on the degree of prosperity within the industry refer briefly and in general terms to profits, but at length with actual figures with reference to production and sales (1).

Reasons for this emphasis are not difficult to understand. Details of imports and exports were logged in official records, and production and employment data in the periodic Census of Production. Additional associated information on trade patterns, and productivity was collated by the Committee on Industry and Trade in 1928. Trade journals and local newspapers also reviewed and carried reports on

1. Wool Textile Industry in Yorkshire, pp.17-20.

the state of the market. All these provided an accessible base of data which journalists, commentators and historians could draw upon in discussing the issue of persistent contemporary concern - the course of British industry.

Although such information is absolutely vital to any understanding of employers' market experience, it is important to acknowledge that without figures on profits, a precisely accurate picture of that experience is impossible. Import, export and production figures at best establish a context, and suggest patterns of profitability for employers, but they do not actually provide a most significant element in employers' own measurement of success at the end of the day - final profits.

The Course of Trade

Having stressed the limitations the lack of information on profits imposes in reconstructing employers' overall market experience, the course of trade and its implications can now be examined.

On reflection the trading environment between 1914 and 1945 appears dramatic and crisis-laden. Two world wars, a slump in the trade cycle, the convulsions of international finance 1929-31, and a redefinition of trading relationships, are examples of the changes which served to disrupt the long-established trading patterns and methods upon which Britain's dominance of the world market was based.

Characterised by instability and uncertainty as these years certainly were, the picture for wool textile producers was never completely bleak. Throughout the period the British industry remained the world's largest. Despite the absence of figures for some sections of production, it can be seen from Appendix II, Table 18, that the experience of the different sections within the industry was quite distinct. Apart from some not insignificant falls in output 1925/6 and 1929/30, production of worsted tops and yarns was well maintained.

Production of worsted tissues declined substantially after the immediate post-war boom, fell to still lower levels in 1929/30, recovering to the 1924 level after 1935. The output of woollen tissues (and yarns) on the other hand, remained high to 1930, then fell dramatically, recovering to almost reach pre-war levels of production in the late 1930s. Between 1907 and 1955 the combined output of woollen and worsted tissues fell by 25 per cent (1).

The relative buoyancy of tops and yarns was partly a function of the establishment of worsted weaving plant in industrializing countries, and their demand for intermediate products, and partly a result of developments in the home market. The deflated demand from British worsted manufacturers for tops and yarn was greatly

1. David Seward, 'The Wool Textile Industry 1750-1960' in The Wool Textile Industry in Great Britain, ed. J. Geraint Jenkins, (Routledge & Kegan Paul, 1972), 39.

compensated for for worsted spinners by increased demand from the hosiery and yarn-knitting sectors. Buxton and Aldcroft have estimated that in 1935 worsted weaving consumed 45 per cent of worsted yarn output, a further 16 per cent was exported, while hosiery and hand-knitting consumed 29 per cent and 10 per cent respectively (1). This broadening of the market for worsted yarns, added to the organised strength of worsted spinners, reducing as it did their dependence on demand from British worsted cloth manufacturers. This became especially clear 1925-30 when the divergency of opinion between the two sections on cost reductions strategies reached critical proportions (2).

In his study of the Bradford worsted industry P. J. Garrod notes that worsted manufacturers themselves have been allotted the blame for their marketing difficulties of the twenties and thirties. Their 'failure' to adapt production techniques in the face of French competition in the late nineteenth century, was then revisited upon them in the inter-war period as competition intensified. However, the manufacturers' policy of switching export markets and building up the home trade was, he says, 'perfectly rational'. The problem as he sees it was, that having expanded in a buoyant home market, there was a dependency post-war on its remaining so (3).

1. Neil K. Buxton, 'Cotton and Wool Textiles', in British Industry Between the Wars, eds Neil K. Buxton & Derek H. Aldcroft, (Scolar Press, 1979), 27.

2. See Ch. 5 for detailed discussion.

3. Garrod, op. cit., 116, 202.

When the post-war boom gave way after 1920, worsted manufacturers felt increasingly pressurised by the price-inelasticity of their product. The change in fashion to cheap, lightweight and shorter garments underlined their difficulty, and seemed to favour woollen manufacturers. Being vertically integrated the latter had the flexibility to use cheap admixtures in their yarns, and to affect other cost-saving measures. Horizontally organised worsted manufacturers felt themselves to be uniquely badly off as they were unable to affect direct cost reductions in the earlier processes or to deviate from the durability and quality which was worsteds. Accordingly, the problem of price-constraint was addressed from a different angle.

At the Balfour Committee on Industry and Trade investigatory proceedings worsted manufacturers claimed that imports of worsted cloths, (especially from Italy and France) had increased to such a degree that their machinery was only 50 per cent active. Garrod explains:

Although imports were not abnormal in the 1920s they became unacceptable to worsted manufacturers who were now faced with a severely restricted outlet in the home market due to lack of demand. Displacing foreign imports emerged as a crucial issue in the fight to improve home market production and led to searching enquiries into the reasons why part of the restricted home demand was being met from abroad. (1)

In October 1924 and February 1929 Bradford and Keighley Manufacturers' Federations and the Textile Commission Manufacturers' Association submitted an application for

1. Ibid., 125-9.

tariff protection under the Safeguarding of Industries Act 1921.

The case put by these worsted manufacturers was that the situation was actually much worse than the official import statistics indicated (1), as many had been mistakenly logged as lightweight woollens at the port of entry. The imports constituted unfair competition, and in effect dumping, they claimed, because their price was subsidized by the depreciated foreign currencies and cheap labour (2). The first application was unsuccessful on the grounds that the effect of depreciation could not yet be established. Although the 1929 application was successful, protection found little sympathy with the incoming Labour Government. The 1931 Abnormal Importations Act did include both tissues and yarns although there was a reduction in the tariff under the 1932 Import Duties Act (3). Despite this last, the effect of the duties was to accord British worsted manufacturers a monopoly of the home market.

It is difficult to pinpoint the exact reasons for the recovery in the home market for all sections from this point on. Garrod concludes that it was 'almost exclusively' a result of improvement in domestic demand due

1. See AppdxIII, Table 19 and Ch. 4.

2. Garrod, *op.cit.*, 132, 168 and Ch. 4, 21. For a discussion of employers' understanding of precisely what constituted 'dumping' see Marrison, 'British Businessmen', 596/7.

3. B.S.A., Annual Report, 1931, 1932.

to import replacement - although he does acknowledge that there had been some recovery before the 1931 Act (1). In his survey of the period Shimmin is careful to detail other factors in play. The effects of the depreciation of sterling after 1931, he notes, are difficult to disentangle from the effects of tariff imposition and the effects of the two wage reductions in 1930 and 31, which amounted to 20 per cent of the 1930 rates (2).

The improvement in output of worsted yarn and woollen and worsted tissues in the 1930s was certainly a result of recovery in the home market. Exports of worsted yarn improved between 1933-5, and then continued to decline to 22.9m lbs in 1939 - half what they had been in 1924 (See AppdxIII, Table 19). Although exports of tissues began to rise from 1933, recovery was weak and uncertain. While the fluctuations in worsted tissue exports fitted into a pattern of secular decline dating back to the turn of the century, the reduction in exports in woollen tissues was more dramatic. As worsted tissue exports began to fall before the First World War, those of woollens had increased, the two almost switching export positions. In 1924 57m square yards of worsteds were exported, compared to 171.8m square yards of woollen tissues. Exports of worsted tissues continued to fall steadily to half the 1924

1. Garrod, op. cit., 200.

2. A. N. Shimmin, 'The Wool Textile Industry', in Britain in Depression, ed. British Association, (Sir Isaac Pitman & Sons, 1935), 364/5.

figure in 1932. Those of woollens dropped from 171.8m square yards in 1924 to 112.3m square yards in 1929 and just 57m square yards in 1932.

The drastic reduction in exports on the one hand, and the recovery in the home market on the other, were not strictly compensatory and had serious implications (1). Those employers whose business was concentrated in overseas markets faced heavy losses and even bankruptcies, or where possible, readjustment of production for the home market. Those employers producing largely for the home market were relatively better placed, although the intensity of domestic competition was perhaps a tempering factor.

The easier marketability of worsted yarns during the period, as has been noted, owed much to the increased demand from the hosiery sector (2). To some extent this last also contributed to helping to sustain a high level of demand for tops. However, it was also the case that the British share of the world market for tops increased by 10 per cent during the twenties and thirties (3). In the mid-1930s exports of British tops were higher than they had ever been before, and in 1945 accounted for half the world's tops exports.

1. A. N. Shimmin, 'The Wool Textile Industry', in Britain in Recovery, British Association, (Sir Isaac Pitman & Sons, 1938), 464.

2. Allen, op. cit., 271.

3. Rainnie, 'The Woollen and Worsted Industries', 236.

The disparate trading experiences of the tissues end of the trade and that of the commission sections - woolcombing and dyeing - was noted by Sir Philip Cunliffe-Lister in a Board of Trade Memo in 1927:

Despite the fact that the worsted piece-goods trade has been losing ground in our overseas trade market for years past (even before the war) it is a remarkable fact that the wool-combers and the dyers and finishers have managed to pay handsome dividends, and it is, therefore, only natural that constant complaints are made that combing, dyeing and finishing charges are too high. (1)

The Committee on Industry and Trade Report in 1928 noted both these complaints and the degree (c.90 per cent) of control the W.E.F. and the B.D.A. had in their respective sections, but it was unable to confirm or refute such charges. Its analysis of the situation is qualified by numerous similarly worded acknowledgements such as '...comprehensive data are not available', 'not capable of exact evaluation', and 'sufficient particulars are not available' (2). The employers had collectively resolved not to divulge the information (3). Thus, the Committee was not allowed access to the very details which would have allowed it to make a really thorough analysis of the industry's export potential.

Although organised employers were privately lobbying

1. Board of Trade, Policy Committee Sub-Committee on Industry and Trade. 'The Wool Textile Industry', memo. by Sir Philip Cunliffe-Lister, 1927, BT55/49.
 2. Committee on Industry and Trade, op. cit., 212-5.
 3. See pp. 149-50. Prof. Shimmin of Leeds University was appointed to draw up the Delegation's submission.

woolcombers and dyers to reduce their charges, it was not the wool textile organisations themselves which emphasized the matter publicly at the Balfour Inquiry. The allegations were introduced by the West Riding Chambers of Commerce which, as part of the Associated British Chambers of Commerce, had been asked to submit evidence on commercial matters. The Wool Textile Delegation had resolved that they themselves were best placed to submit evidence on industrial and commercial matters, and would let the Chamber have a copy of their commercial evidence only when complete (1).

Relationships with Bradford Chamber of Commerce were already strained, partly because a leading official, John Emsley, (elected Chair in 1925) refused to join the appropriate employers' organisation, and partly because each group was fearful that the other was encroaching upon its chosen territory of representation (2). The Chambers' submission to the Balfour Inquiry can only have strained relationships further. Several worsted manufacturers' associations submitted applications for tariff protection in 1924 and at that inquiry, the Morris wages inquiry in 1925 and the Balfour inquiry into industry and trade, the policy of the employers' organisations was to focus upon high wage costs and unfair competition from imports, not

1. W.S.F., Minutes, 23 Oct 1924.

2. See Bradford Chamber of Commerce, Minutes, 17 Mar 1917, 24 Feb 1922 and Bradford F.B.I. Sub-committee on Industry and Trade, Minutes, 17 Dec 1924, MSS.200/F/3/S1/45/1.

the internal organisation of the trade.

According to Harry Golden of the then secret Dyers' and Finishers' Association (which included the B.D.A. among its members), allegations of high charges were no more than a trade tactic. It...

...had a tendency to intensify the pressure put on members by customers who in many cases hinted that competition compelled them to send ever increasing quantities of pieces to outside dyers who were always prepared to co-operate by quoting reduced prices for export business. The truth of the matter was, of course, that the trade was not there. So far as members were concerned, it was estimated that production was down to 60% of normal and had prices been reduced by half, it would not have added one piece to the total of trade available.

(1)

The precise situation is far from easy to determine because of the tendency, as one historian noted in 1933, to understate the position in prosperity, and to overstate the position in adversity (2). However, in 1920 and 1921 the B.M.F. had considered dyeing charges to be sufficiently excessive as to investigate the feasibility of either sending their pieces to France for dyeing or establishing their own plant (3). Given the changing state of the market and the high cost of the plant, the ideas were

1. Harry Golden, A History of the Commission Dyeing and Finishing Trade Association, (The Dyers' & Finishers' Association, 1968), 8. The Association maintained its anonymity (although some form of organisation was known to exist) because of customer hostility. In 1930 it moved into the same premises as the Chamber of Commerce, claiming the same right as other sections to trade organisation.
 2. Heaton quoted in Garrod, op. cit., 125.
 3. B.M.F., Minutes, 19 Oct 1921.

dropped. On the question of combing charges, spinner-combers found them sufficiently attractive during the difficulties of the late 1920s, as to turn their combing plant to commission work, much to the dismay of the woolcombing section (1).

Combing and dyeing charges were but two of numerous costs which the various sections regarded as being problematic. According to G. F. Rainnie, the fluctuations in wool prices were greater than other primary products, except rubber (2). However, the Economist in 1944 observed that widely fluctuating prices in wool were characteristic of raw material prices generally. The comparative figures in Table 13 it said, were notable not only in the range of

Table 13Variations in Raw Material Prices

	Avg Annual Variation 1921-38 %	Lowest Price 1921-38, as % of Highest Price %
Wool (64/67's raw wool)	20	22
Copper	26	27
Tin	28	31
Cotton	31	17
Meat	22	36
Rubber	47	3
Butter	23	32
Wheat	30	29

price variations within each year and over the whole period, but also for the similarity in the range of movements between wool and most other raw materials (3).

1. See p.231.

2. Rainnie, 'The Woollen and Worsted Industries', 228.

3. Economist, 19 Feb 1944.

In such circumstances, substantial profits were to be gained - or lost. Table 14 below, which shows average

Table 14 Average Prices of Wool, Tops and Yarn 1924-34

	Average Prices (per lb)		
	Raw Wool*	Merino Tops	Wors. Yarn
	d	d	d
1924	68	72.7	88.0
1929	38	38.5	56.5
1931	21	23.3	38.2
1932	19	22.1	36.3
1933	23	28.5	41.3
1934	27	31.4	45.1

* Queensland scoured super combing (1)

prices of raw wool, tops and yarn gives some idea of the dangers attendant upon holding stocks in the 1920s and 30s. Over the period 1924-34 the fall in the price of all 3 products was quite spectacular, and price movements could be yet more rapid than the table suggests. Between April 1934 and April 1935 the price of the wool indicated fell from 31.7d to 22.8d per lb. The producer's purchasing skills might thus be more important than productive efficiency. In spinning the 'inventory risk' was capable, on occasion of wiping out a whole year's profit.

The situation provided little incentive to invest in new technology as the margin for savings on production costs was so small. The Macmillan inquiry into wages in the industry in 1930 was of the opinion that, with raw material charges running at 50 per cent and wages at 32 per cent of total costs of production, remaining controllable costs

1. Ibid., 12 Oct 1935.

were too small to provide any solution to the problem of high costs. Organised employers themselves claimed that production techniques could not be changed as 'infinite variety' was a vital facet of the market. The Economist in 1930 was less impressed by this argument than Macmillan had been, and pointed out that rationalisation had the potential to reduce charges all round, including labour charges, without reducing wages (1).

As a whole, organised wool textile employers were opposed to notions of rationalisation, and turned to product differentiation as a means of protection against competition. In 1934 when manufacturers appealed against the raising of Canadian tariff barriers, the Canadian Tariff Board reported that,

A diligent search among the 150 woollen cloths in the British sample and the 100 woollen cloths in the Canadian sample revealed that not a single pair of cloths afforded a fair comparison, while an examination of the worsted cloths by a textile expert did not disclose more than six or seven pairs of cloths of approximately similar structure. (2)

Dudley Ackroyd's sentiments were not untypical. Rationalisation, as he understood it meant,

...either squeezing out or buying out the smaller firms and gradually building up a monopoly. Surely that is a step towards nationalisation, and a wrong step to take... I do not see why the method of individual initiative should not serve as well in the future as it has done in the past. (3)

1. Economist, 1 Feb 1930.

2. J. Henry Richardson, British Economic Foreign Policy, (George Allen & Unwin, 1936), 147.

3. Wool Record, 6 Mar 1930.

In woolcombing higher fixed costs and a smaller number of firms meant that the W.E.F. was more favourably disposed towards reorganisation of some kind. The attitudes of the W.E.F. and the W.S.F. towards rationalisation are discussed in the following chapter.

An additional disincentive for spinners and manufacturers to invest in new technology as a cost cutting measure was the plentiful supply and cheapness of labour. Between 1921 and 1938 the number of registered unemployed in the country as a whole ranged from a minimum of just over one million to a maximum (1932) of just under three million (1). From the State education sector to the heavy industries, employers found themselves in a position to save significant amounts of money at no extra cost (in the short term) by cutting wages - and wool textiles was no exception. Tables 20a and 20b in Appdx IV give some indication of the size of the 'reserve army of labour' in the industry during the 1920s and 30s.

Between 1920 and 1923 wages were reduced by up to one third or more under a sliding scale agreement (2). After two lock-outs and Government wages inquiries in 1925 and 1930, wages were reduced by 10 per cent in 1930 and a further 10 per cent in 1931. Wages were only raised again in 1936

1. . E. J. Hobsbawm, Industry and Empire, (Penguin Books, 1968; reprint ed. Weidenfeld and Nicolson, 1980).

2. Hugh Armstrong Clegg, A History of British Trade Unions Since 1889, Vol. 2: 1911-1933, (Oxford: Clarendon Press, 1985), 321.

after a further wages inquiry precipitated by trade union demands for a Trade Board to regulate and protect wage levels. Not all employers reduced wages by the full 10 per cent in 1930 and 1931, but such reductions had the sanction of organised employers. Given the conditions of that intensely competitive period (especially high levels of unemployment) it set a standard which greatly enhanced employers power to bargain - on wages, on overtime, short-time and working practices.

Tables 20a and 20b show the extent to which wool textile employers remained dependent upon women and young people, although the numbers of young people did reduce considerably after the First World War with the abolition of half time working and the raising of the school leaving age. The increase in the employment of young people in the 1930s denotes the industry's recovery, but when taken with low wages rates, also suggests a lack of employment opportunities. At the 1936 Wages Inquiry, it was revealed that girls between the ages of 15-17 were being brought into the mills (some of them from the North East under the Industrial Transference scheme*) at the rate of 17/6d for a 40 hour week. This effectively became 5/6d when the 12/- cost of their lodgings was taken into account (1).

* This was government policy from 1928, but had precedents. In the introduction to Sigsworth's Blackdyke Mills, Chairman R. A. C. Foster explained that in the immediate post-war period the company had converted one of its warehouses into a hostel for 200 girls from the North-East.
1. Ministry of Labour, 'Wool Textile Industry Board of Inquiry into Wages and Hours in Yorkshire 1936'. Evidence,

Throughout the period employers maintained that high wages were having an adverse effect on their ability to market their products profitably. Exactly what proportion wages formed in their costs of production is not known. At the 1925 Wages Inquiry H. S. Clough for the employers said that they constituted around 30 per cent of total costs, while Arthur Shaw for the Union estimated them to be around 25 per cent (1). In 1930 the Macmillan report put wages at 32 per cent of total costs when recommending a 10 per cent cut in wages. A year later worsted manufacturers pressed for a further 15 per cent reduction as wages, they claimed, were between 35/45 per cent of total selling price (2). Whatever the real relative percentages - and only the employers had the information for precise calculation - a spinner might be obtained for around 21/- per week, a yarn warehouseman for 43/11d and an adult female in worsted manufacturing for 25/10d (3). These wage levels compare with the general average of 40/- for a labourer and 70/- for a skilled worker (4).

Industrial recovery and the relief afforded employers by wages reductions was further enhanced in 1931 and 1932 by

(1936, Lab41/236,237,238),148.

1. See Evidence, Court of Investigation, Wool (& Allied) Textile Industry, 18 September 1925, 127; Amalgamated Union of Daymen, 'Notes on a meeting of the Wool (& Allied) Textile Industrial Council', 6 Jul 1925.

2. See Wool Record, 13 Mar 1930; W.S.F., Minutes, 18 May 1931.

3. Wool Textile Industry in Yorkshire, 40/41.

4. Alan Fowler, 'Lancashire Cotton Trade Unionism in the Inter-War Years', in Jowitt & McIvor, op.cit., 122.

the effects of State policy. The depreciation of sterling in 1931 cheapened exports, and tariff protection in 1931/2 accorded manufacturers a virtual monopoly of the home market. Tissue imports declined to negligible proportions, and while exports never recovered the position of the early 1920s, output improved to at least 1924 levels (1). Similarly, although worsted yarn exports declined during the 1930s, output recovered its 1924 level, the vast majority of which was absorbed by the home market.

The International Perspective

A review of wool textile exports produced in 1944 commented upon the extent to which the wool textile industry had become decentralised (from Britain) since 1909 (2). Of the annual average of tops exports 1909-13, 88.3 per cent went to Western Europe and Japan, but only 35.9 per cent in 1936-8. The amount exported during both these periods was roughly the same. During the course of those 30 years countries which had relatively well established plant produced increasing quantities for for their own account, sometimes protected by tariffs, or by depreciated currencies, as was the case with France and Germany. The decline in the German market for tops and yarns was especially marked, falling from 35 per cent to 10 per cent and 63 per cent to 20 per cent of total exports respectively. Over the same period the change in the direction of

1. See Appdx III, Table 19.

2. National Wool Textile Export Corporation, op.cit., 32.

exports of tops, yarns and tissues (although not necessarily the same quantities) was towards the Middle East, Latin America and the countries of the Empire.

The appearance of competitors and protective tariffs was already evident towards the end of the nineteenth century. The American tariffs of the 1890s, for example, were an early indication that the exclusion of cheap British imports was seen as a prerequisite to the successful establishment of domestic industries in industrialising countries. The disruption to trade created by the First World War provided further incentive to new producers, with heightened tariffs and intensified competition thereafter.

Attempts to introduce some stability to the market were made on various levels. The chemical industry had elaborate market sharing agreements with European and U.S. producers, the steel industry made agreements through the European Steel Cartel and West Midland Colliery Owners regulated production by quota and subsidised exports (1). Industries such as wool textiles, with hundreds of small producers made more modest arrangements. These ranged from lobbying to secure most-favoured-nation status under tariff legislation, to agreements with organised employers in other countries to observe certain terms and conditions of

1. See W. J. Reader, 'The Chemical Industry', in Buxton & Aldcroft, op. cit., 161, 169-74; G. A. North, Teeside's Economic Heritage, (County Council of Cleveland, 1975), 61/2; J. H. Jones et. al., 'The Coal Industry', in Britain in Depression, 159, 165.

sale or arbitration procedures in the event of commercial disputes. A series of exchanges between wool textile producers, instituted by Bradford and Roubaix-Tourcoing Chambers of Commerce in 1921, resulted in just such agreements between British and French worsted spinners.

In 1924 French worsted manufacturer Maurice Dubrulle, President of the Comité Central de la Laine, suggested the formation of an International Wool Federation to more systematically address some of these issues (1). This was not at all well received by the B.M.F. whose members, contemplating an application for tariff protection, were quite literally not talking to French manufacturers because of the difficulty of doing business in their country. Undaunted, and buoyed by Anglo-French agreements between spinners, Dubrulle again proposed an International Federation on a return visit to Bradford in 1926. Worsted spinner and Deputy Lord Mayor Wilf Turner reiterated that 'The interests of Bradford and the districts from which the delegates came were identical in so many respects that it was becoming increasingly desirable to provide opportunities for interchange of views and the discussion of common problems' (2).

At practically every W.T.D. meeting from 1925 onwards its Chairman Col. V. Willey stressed the need for an urgent

1. B.M.F., Minutes, 10 Sept 1924.
2. Wool Record, 4 Mar 1926.

review of the international developments in wool textiles and radical reorganisation of the industry. In 1926 and 1927 he pointed out that recent calls for statistics (from the Morris Inquiry and the Balfour Committee) had shown that wool textiles did not know its position as well as cotton or iron and steel, and that lessons ought to be drawn from the centralisation of organisation evident in shipbuilding, steel and chemicals. Prof. Shimmin confirmed the position of wool textiles:

In view of the fact that the industry is strongly localized and specialized, there is surprisingly little information to be obtained about it. There are very few reliable figures of the production of its raw material in the various primary markets; there is no means at present of securing adequate information about the productive capacity of the industry; no record of machinery activity is available; there is no statement to be obtained of the volume of trade in the home market, apart from what may be learned from an occasional Census of Production; and the industry never knows what stocks of raw material or manufactured goods are being carried at any given time. (1)

However, Willey's forthright assertions that there was something in the workers' charges that the 'ups and downs' of the industry was due to inefficient management, and that 'individualism has been more highly developed and appears to be more rigidly cherished in the Textile Industry than in others' (2) were hardly the kind to prompt instant agreement from fellow employers.

An active politician, with textile interests in Britain and the United States, and an interest in Lloyds, Willey's

1. Shimmin, 'Distribution of Employment', 97.
 2. W.T.D., Minutes, 15 Oct 1926, 15 Mar 1927.

progressive views were not representative of the majority of wool textile producers. It would seem to have been his stature as a great businessman and politician which maintained him in his position as Chairman of the W.T.D. rather than his views. Certainly the B.W.F., of which he was a member, and the B.M.F. regularly poured cold water on his suggestions by pointing out that they were either not feasible or discussion of them was ultra vires and could only be discussed if raised by a constituent organisation (1). Given the strategies being pursued by the B.M.F. - tariff protection and wages reductions - his views must, in fact, have led to deep antagonisms.

Dubrulle and Willey were not alone in urging greater international co-operation. The decline in world trade had caused a high degree of apprehension, and numerous international conferences were summoned to discuss what might be done (2). From the League of Nations to the International Chambers of Commerce to the British Board of Trade there were various calls for a tariff truce and greater international exchanges of information and co-operation. At certain stages during 1928 and 29 the movement to set up an International Wool Textile Organisation (I.W.T.O.) appeared set to leave the British

1. Suggestions included reviewing selling methods, collective advertising, collection of statistics, rationalisation and strong central organisation. See W.T.D., Minutes, 31 Oct 1923, 15 Oct 1926, 17 May 1926 and 1 Apr 1930.

2. W. Arthur Lewis, Economic Survey 1919-1939, (George Allen & Unwin, 1949), 65.

wool textile industry behind, much to the frustration of Col. Willey. In June 1928 he explained to the W.T.D. the developments through the League of Nations Economic Council which had led to it asking the International Chambers of Commerce to convene meetings of particular industries to consider economic questions. The first one on wool textiles was fixed for the following month, to discuss statistics, and Bradford Chamber of Commerce had been asked to take up one of the 3 seats available for British representatives. 'The trend', he stressed,

... was decidedly towards internationalism in commercial and industrial affairs and it seems beyond argument that we should participate; indeed as the dominating partner in an empire which controls the great proportion of the world's wool supplies and as the chief manufacturing country of wool textiles, we cannot afford to keep out.

(1)

In 1929 the I.W.T.O. was formed 'to simplify and establish as much uniformity as possible in general conditions of international trade' (2). The I.W.T.O. was international in as much as it included (initially) 9 European countries which between them had the overwhelming share of world textile production and intended their agreements to set international standards. The W.T.D.'s participation seems to have been carried by the enthusiasm of individual members rather than by any initiative inspired by consensus. Until reorganisation of the Delegation in 1931 the B.W.F. maintained some antipathy about its links with the

1. W.T.D., Minutes, 21 Jun 1928.
2. B.S.A., Annual Report, 1929.

F.B.I., the B.M.F. antagonistic to the access it afforded unfederated employers, and thoroughly preoccupied with what it saw as the prime need for tariff protection and lower wages at home.

Members of the I.W.T.O. proceeded to work during the 1930s on issues such as international contract rules for raw wool and yarn, the extension of the wool selling season in Australia, and the significance of artificial fibres to wool textiles (1). A further value, as perceived by British employers, was in establishing friendly relations with overseas producers and the possibility thereby of 'being able to directly influence the commercial policy of other countries to the benefit of all concerned' (2). It was thought that the threat of British action on tariffs would encourage French manufacturers, for example, to influence their Government's treatment of British manufacturers when setting tariff constraints.

As W. Arthur Lewis has observed, concern over tariff barriers had been the subject of international conferences since 1919 (3). The records of wool textile employers' organisations show tariffs - whether French, German, Canadian, Australian, Indian etc - to have been of almost constant concern throughout the inter-war period. Before the abandonment of its free trade policy in 1931/2,

1. W.W.T.F., Minutes, 9 Mar 1936.

2. W.T.D., Minutes, 21 Jun 1928.

3. Lewis, *op.cit.*, 65.

Britain's low incidence of tariffs (c.4 per cent) meant that, with some judicious lobbying, British producers were almost guaranteed the lesser restrictions of most-favoured-nation status. Nevertheless, the pattern which became established during the 30s was for international economic life to become more dependent on political decisions than before (1).

The import duties introduced in 1931 and 1932 had serious implications for British exporters since the marketing opportunities which most-favoured-nation status offered stood to be lost. Between 1932 and 1935 Britain negotiated 17 reciprocal/ bilateral agreements (2). The terms of some of these - for example, those involving coal, iron and steel and textiles - were arranged specifically to improve trade and employment. The effect of this was to intensify organised employers' desire to ensure that officials involved were keenly aware of what they considered to be the information necessary to form proper judgements on the balance of advantage. At the Ottawa conference on Empire trade in 1932 and the Canadian Tariff Board hearings in 1933 and 1934 three W.T.D. representatives were present to inform, lobby and negotiate. Following the Ottawa Agreements both Snowden and Samuel resigned in protest at the 'sordid struggles with vested interests' which they felt

1. William Ashworth, A Short History of the International Economy since 1850, 3rd Ed. (Harlow, Essex: Longman Group, 1952, 1981), 65.

2. Richardson, British Economic Foreign Policy, 101.

the Conference presented. Wool textile employers certainly had a great deal at stake. Between 1930 and 1933 the British share of the Canadian wool textile market declined from 75.7 per cent to 52.9 per cent as a result of tariffs (1).

Given the way in which market allocation was increasingly less dependent on 'free competition' between employers, then negotiations or discussions between governments involving trade matters were of vital importance to employers. When the Labour Government made it known that it would be sending a Trade Mission to China and Japan in 1930 then the W.W.T.F. pressed for, and secured, wool textile representation. The Annual Report of the W.S.F. for that year indicates that organised employers were well aware of both the potential of such diplomacy, and of governments' need for their involvement in such issues. The Report reads:

Before the Mission started much valuable information was obtained for its use. Germany had already sent a similar Mission, and a very large increase in their trade with China followed.... Representatives of the Department of Overseas Trade visited Bradford and impressed upon us the importance of the Far Eastern trade and said that according to their information from all signs they could read the main expansion of the trade in future was coming from that quarter. (2)

For more general assistance or insight into businessmen's attitudes it was the general practice of governments to solicit such information via the F.B.I. This was the case, for instance, in 1932 when the Government was approached by

1. Economist, 30 Jun 1934.
2. W.S.F., Annual Report, 1930.

several countries to come to some reciprocal arrangement on tariff rates (1).

In this way the export capacity of industries involved a certain dependence upon the goodwill and negotiating skills of politicians. According to an Employers' Council report, employers were keenly aware of this and could display great sophistication in resolving their difficulties so as to present clear demands to the Board of Trade. Their response to the threat of the Indian government to break existing agreements in 1936 is worth quoting at length:

The next matter that engaged our attention was the United Kingdom-India Trade Agreement. India gave notice to terminate the Ottawa Agreement in so far as it applied to her and that notice was to take effect in November 1936. This notice raised questions of very considerable difficulty owing to the differing positions of various groups of industry in this country.

Those industries may be summarised into three groups. Firstly, British manufacturers suffering competition here from jute, leather and carpets produced with cheap Indian labour; this group wished that the Ottawa Agreement should be terminated for they desired limits to be imposed on imports from India.

The next groups were manufacturers, such as cotton, who formerly had a very large share of the Indian market which is now filled by the home producer; and the third group, in which this industry falls, have a preference and still enjoy a very considerable share in the Indian market.

The last two groups were strongly opposed to the proposals of the first group because it is obvious that if there were limitation of imports from India,

1. W.T.D., *Ibid.*, 14 Jun 1932. For a detailed account of the development of F.B.I. policy on overseas tariffs, see R. F. Holland, 'The Federation of British Industries and the International Economy, 1929-39, Economic History Review, 2nd ser., 34 (May 1981), 287-300.

there would have been repercussions to the disadvantage of the other two groups. Under these circumstances the Federation of British Industries called a Committee together representative of the industries concerned and I am glad to be able to say that eventually a common policy was found and it became possible to make a joint presentation to the President of the Board of Trade. (1)

Following negotiations between the two governments the terms of the Ottawa agreement were continued.

It is precisely in this kind of interchange that Keith Middlemas perceives the operation of 'corporate bias' - an emergent extra-parliamentary State system in which governments take the views of their 'governing institutions', but remain on course in pursuit of common assumptions of the national interest (2). But, Middlemas's view fails to take account of the potential weakness of the State's neutrality. Denied access to information central to a clear understanding of the wool textile industry - its prosperity, its production costings etc - elected governments were dependent upon the 'expertise' (i.e. special knowledge) of the industry's collective body.

Writing in 1942 the general situation was lamented by Robert Lynd:

Liberal democracy has never dared face the fact that industrial capitalism is an intensely coercive form of organization of society that cumulatively constrains men and all of their

1. W.(&A.)T.E.C., Report of the Proceedings of a General Meeting of the Wool Textile Industry held in Commerce House, Bradford on May 18th, 1938, 15 (hereafter W.T.I. Meeting 1938).

2. Middlemas, op.cit., 18, 372/3.

institutions to work to the will of the minority who hold and wield economic power; and that this relentless warping of men's lives and forms of association becomes less and less the result of voluntary decisions by "bad" or "good" men and more and more an impersonal web of coercions dictated by the need to keep "the system" running.

(1)

While the Labour and National governments certainly varied in the extent of their commitment to the status quo, their mutual preoccupation in restoring employment by stimulating the business sector cannot be doubted. Lynd further comments that, having accepted the definition of its welfare as synonymous with that of the business system the State increasingly looked to aggressive efficiency from its businessmen (2). During the 1930s this was especially evident in its active support for rationalisation programmes - through facilitation of finance, and the offer of legal means to compel recalcitrant minorities in individual industries to conform; in its industrial contingency planning for war, and in war-time measures themselves.

The War Period

Although these issues are discussed elsewhere in this thesis, something of the effect of government policy on the economic experience of wool textile employers during the Second World War should be said here. Among most employers there was a clear recognition that there could be

1. In the Introduction to Brady, op.cit., xii.

2. Ibid., x.

no 'business as usual' as in the initial years of the First World War. Employers prepared to meet the situation by formulating their own system of 'self-control' - the details of which might be bargained upon, but the principle of which could hardly be refused. As Sir H. B. Shackleton himself wrote in his notes on the History of the Wool Control 1939-1946 - 'Its success was due to the fact that it was designed and operated on normal commercial lines by experienced members of the industry without which little could have been achieved ...'(1).

From September 1939 wool could only be sold to and wool and tops bought from the Wool Control (2). The issue of wool and tops was strictly rationed according to government priorities, at agreed fixed prices. The effect of this was to radically alter the distribution of production. In Table 15 production for the services accounted for the majority of war-time output, while exports of necessity declined. The production of tops alone dropped from 334.9m lbs in 1939/40 to just 130.8m lbs in 1944/45, while exports of tops were reduced to just 25 per cent of the 1939 figure by 1943 (3).

1. Board of Trade, History of the Wool Control 1939-1946, by Sir H. B. Shackleton, [1947], BT204/14.

2. The Wool Control was the title given to official State control of wool. It was not only headed by the head of the industry's collective organisation, but also operated from the B.M.F. offices in Bradford.

3. Economist, 18 May 1946; N.W.T.E.C., Exports of Wool Textiles 1942-1943, (Pamphlet, Bradford, 1944), 28

Table 15 Distribution of Total Production

Mar/Jun	Course of Production	Total Production in year	Services	Home Civil	Export
1940	100	100	44	36	20
1941	75	100	70	18	12
1942	65	100	60	28	12
1943	60	100	55	32	13
1944	50	100	51	38	11
1945	55	100	41	46	13
1946	62	100	15	68	17

(1)

The prosecution of war on such a vast scale made large demands upon the supply of labour. In 1941 the Government announced the need for industrial concentration in order to secure labour, machinery and factory space for priority production (2). In an industry such as wool textiles, with hundreds of small firms the proposal was generally not well received. Employers in Huddersfield in particular pleaded the individuality and speciality of their trade should not leave them open to treatment more appropriate to bulk commodities (3). Altogether 166 firms were closed in wool textiles - involving 15 per cent of machinery in worsted spinning and weaving, and 6 per cent of machinery in woollens. Between July 1939 and the beginning of 1945 the net loss of labour was 86,000 or nearly 40 per cent. The bulk of this - 76,700 - was lost between March 1941, when concentration was announced, and December 1943 (4).

1. History of the Wool Control.

2. G. C. Allen, 'The Concentration of Production Policy', in Lessons of the British War Economy, ed. D. N. Chester, (Cambridge: University Press, 1951), 168.

3. Wool Record, 3 Apr 1941.

4. Board of Trade Journal, 18 May 1946.

The large reductions in labour and output (40 per cent and 50 per cent respectively) over the course of the war, when compared to the very small reduction in machinery suggests a dramatic fall in productivity. While this may be explained to a limited extent by the employment of elderly and part-time workers, continued excess capacity within the industry seems to have been great. This is acknowledged in organised employers' records. In 1942 H.J. White, President of the W.S.F., urged members not to resort to price-cutting in an attempt to keep machinery running. At no more than 67 per cent activity, if problems arose in the industry because of low prices the Government's response, he felt, would either be to put contracts out to tender or further concentration. Discussing the problem later White assured employers, '... there is only one way out of it, and that is to work your prices up and dig your toes in and insist upon having them' (1).

The fact that employers did all they could to avoid their businesses being concentrated is perhaps not so remarkable. Although they were entitled to continue to receive their ration, and have orders worked up by the continuing 'nucleus' firms, the loss of control over the productive process, and thereby, degree of profit, was a great disincentive. But the facility in itself is quite remarkable. Here State policy of rationalising the flow of

1. W.S.F., 'President's Report' filed in Minutes, 28 Jan 1942, 24 Feb 1944.

labour and production is seen to have been a means of ensuring, not simply that employers did not go out of business, but that the same number of them continue to receive a return on their capital for orders which carried little or no risk, and constituted no more than half pre-war output.

Conclusion

Between 1914-45 changes in the world distribution of wool textile production engaged British wool textile employers in a highly differentiated market. While the export of worsted tissues resumed its pre-war decline after 1920, exports of woollen tissues boomed. Following the general collapse in trade after 1929, recovery for all sections was based upon the home market, although the export of tops in the mid-30s was higher than it had ever been before.

Underlying the production figures were some fairly substantial changes in the way that market share was allocated. For 20 years or more before the First World War the incidence of protective tariffs in the United States and in Europe intended to facilitate the establishment of domestic textile production had been growing. Britain's temporary preoccupation with the war effort was sufficiently long enough for these changes in supply patterns to seriously affect adaptation to peace-time conditions. As Garrod concluded, the result for worsted manufacturers was a heightened dependence on an increasingly depressed home

market, while the position for worsted spinners was alleviated somewhat by demand from newly established worsted manufacturers abroad, and the hosiery and hand-knitting sectors at home.

As the last stage of investment for newly establishing worsted industries abroad, woolcombing was not yet subject to the kind of competition affecting spinners and manufacturers. The effect of this last, in fact, was to keep woolcombers profitably employed for most of the period. Their position, however, was not one of total control. When trade worsened in the late 1920s then spinner-combers and topmakers turned to production at cut prices, precipitating a rate war (1).

The high prices operated by the W.E.F. were generally the subject of much complaint, as indeed was the price of wool. Although these might be sources of irritation for spinners and manufacturers whose profits were being squeezed between high cumulative costs and depressed final prices for their goods, organised employers acknowledged that some things were best kept within the wool textile family. Thus, the Balfour, and numerous other inquiries, were never able to confirm what everyone knew - monopoly pricing was having an adverse effect on the cumulative costs of wool textile production.

1. See p.238.

This prompts the question as to why affected employers did not expose the real situation if they considered it to be adversely affecting their profitability. Some employers did speak out through the Chambers of Commerce - but for the federations to do so would have been to run counter to their essential principle that business was no-one else's business but businessmen's. If the accepted representative voice of the industry, the W.T.D., had no complaint to make, a serious rupture was bound to follow any further inquiry. No governments were prepared for this. Conservative, Labour and National governments were intent on getting business back to strength.

The volatile price of wool and high preparatory costs did leave its mark on spinners and manufacturers. Firstly, it meant that the firm's speculative skills in purchasing might be more productive of profit than investment. Secondly, it had a tendency to limit employers' perspective to the near term. For the small firm product differentiation and wage cuts promised far greater security than rationalisation and standardization. The larger firms, such as Salt's and Illingworth Morris were initially ham-strung by over-capitalization and, when they were prepared to contemplate rationalisation or a cartel arrangement, were held back by the caution of small producers.

One of the consequences of the new levels of competition

internationally was an increasing recourse to agreements on arbitration, terms of sale and market share. Initially these involved voluntary agreements between producers, and political dispensations such as most-favoured-nation status for those industries trading with countries with tariff barriers. Just as the large number of small worsted spinning and manufacturing firms in wool textiles precluded radical action at home, then agreements on pricing or market share at an international level were also precluded. Accordingly, the ability and goodwill of politicians and diplomats in concluding agreements favourable to British producers became progressively more important. These issues are taken up in the chapter which follows.

In war and peace much government policy was informed by information concerning the course and imperatives of trade and production, but over which governments had little control. The significance of this became more rather than less important over the period, as expenditure on social services was claimed to be a tax upon industry, certain wage rates to be responsible for reduced trade, diplomatic efforts vital to industrial recovery or self-government to be the only feasible form of 'State' control in wartime. Yet at no time was precise information on profits and costings freely given. Organised employers knew it could not be legally demanded, and constantly put forward the idea that the complexity of wool textile production was such that the 'lay mind' might misinterpret or misuse it.

Thus employers' organisations established themselves as a source of 'expert' information and at the same time established a control over its form, availability, and in the case of war-time planning, applicability.

The point is extremely important, denying as it does Middlemas's contention that political control was firmly with governments, and Zeitlin's argument that employers' organisations were politically weak (1). Through their control of productive capacity and information relating to it, employers' quite clearly set parameters for government action and the terms of reference for contemplating it. In the context of the 1930s this emerged in calls for self-government - the notion that industry should regulate itself on a voluntary basis, as opposed to being regulated by legislation of which it disapproved. Tariff protection, funding assistance for rationalisation, and the nature of war-time controls in the 1940s referred precisely to the principle of self-government.

1. Middlemas, op. cit., 20; Zeitlin, op.cit., 177.

Introduction

Of the small amount of research which has been done on employers' organisations, it is probably their activities in the commercial sphere which have received least attention. As organisations built upon commercial interests, the irony of this should not be lost. Of those reports which have noted employer policy in this respect, relatively little has been recorded of the reasoning behind specific types of activity and the practical results.

The Balfour Committee on Industry and Trade in 1928 observed that whenever an association of employers was formed - whether to negotiate with Government or trade unions - the tendency was to adopt some kind of policy for the regulation of prices or output (1). The 1955 P.E.P. survey of industrial trade associations was rather of the view that such arrangements were an exception.

.....the majority of manufacturers' associations have nothing to do with the fixing of prices and their work can and does unquestionably strengthen the competitive ability of their member firms and their industry ... of 1,000 associations probably only 15-20% are concerned in any way with prices. (2)

Four out of the 5 P.E.P. reports published between 1944 and 1957 (3), in fact, were at pains to deny that restrictive pricing was widespread or anything more than a minority interest. Industrial trade associations, they concluded,

1. P.E.P., 'British Trade Associations', 221.
2. Idem., 'Industrial Trade Associations', 121.
3. See Ibid., also Idem., 'Trade Associations and Government', Planning, 12 (Oct 1945); Idem., Government and Industry, (P.E.P., 1952); Idem., Industrial Trade Associations.

were more concerned with the routine of gathering statistics, providing arbitration and information services to members, and representing their interests to governments on specific issues.

The 1944 P.E.P. survey, which was conducted on a narrow sample base of 100 employers' organisations registered as companies, was the most specific and searching in the issues it raised. From its limited inquiry (only one tenth of that of 1955), it noted that organisations' commercial activities might include i) the joint purchasing of materials, the maintenance of credit bureaux and mutual insurance against bad debts, workmen's accidents and strikes; ii) the modification of price competition, control of channels of distribution, the regulation of productive activity and the centralisation of selling procedures. It further drew connections between the relatively little formal control of prices and the legal concerns of organisational status, and between specific commercial functions and industrial stability (1).

The conclusion of the 1944 survey is that the effect of employers' policies together served to do away with irregularities in trade and to introduce more control to employers' transactions. The corollary of this is that employers' collective efforts were designed not to strengthen competition, which was actually causing the

1. 'British Trade Associations', 14/15.

'instability', but to control it. This too was the conclusion of Robert Brady's study of the economic policies of national 'peak' associations in 6 countries. According to Brady the large corporations or combines within each trade were the driving force towards control of competition and monopoly. The structurally clear divisions between combines, cartels and trade associations became increasingly blurred as control practices spread across the range of techniques - from conditions and terms of delivery to price, production and marketing areas (1). R. F. Holland's more recent article on the F.B.I. confirms the rejection of 'conventional economic beliefs' in the 1930s, and a commitment to 'organized trading based on precise understanding between industries and states' (2). However, while Holland sees this as a force for the F.B.I.'s growing 'vulnerability to government', Brady perceives it to have been part of the means of domination of industry and government by big business.

Both Brady and Holland were primarily concerned with 'peak' associations, but developments at this level encompassed only part of employers' commercial strategies. As the 1955 P.E.P. survey made clear, there was no orderly progression from the F.B.I. to industrial to product associations (3). The significance of the centralisation of policies is clearly in the context of policies which employers did not

1. Brady, op. cit., 246 and Ch.7.

2. Holland, op. cit., 246.

3. P.E.P., 'Industrial Trade Associations', 127.

so entrust, but chose to carry out by other means.

The purpose of this chapter is to establish the reasoning behind employers' commercial policies in wool textiles, to detail the methods employed and to consider their practical outcomes. This will be done by looking at issues of concern to employers thematically, and comparing the perspectives of the different employer groups. The first two policy areas - joint purchasing schemes and terms and conditions of sale agreements - have been selected because of the considerable amount of attention which employers gave to them and because, unlike tariffs, rationalisation or price maintenance, they have received a minimum of attention. Taken together the 5 policy areas cover a wide range of options for policy implementation - from the level of the firm to national legislation, to international agreements between producers.

Joint Purchasing Schemes

As in many other industries, wool textile employers had a long history of combining together for a particular objective where it was thought it would be to their mutual benefit. In the nineteenth century this had included lobbying government on proposed legislation, sponsoring James's history of Bradford and presenting a common front against demands from the developing trade unions (1).

1. See the Minutes of the Committee of Worsted Manufacturers, 1777-1951.

These points of collaboration worked well in the context of nineteenth century Britain. They were temporary and sufficiently effective without the commitment of the whole trade or section. Combination attempts however, much more demanding in terms of commitment, had failed at the turn of the century.

Perhaps not surprisingly, the kind of policies which helped to consolidate the subsequently formed employers' organisations were those which produced a common service on behalf of employers rather than ones which depended upon individual action. This can be seen by an examination of policies covering joint purchasing and insurance arrangements and contract terms for the sale of goods, which were fairly common amongst wool textile employers' organisations. Each of these policies is discussed fully, from inception to implementation before moving on to the next, so that what follows is first thematic and only second chronological.

In 1928 the Balfour Committee on Industry and Trade noted that the W.W.T.F. had taken co-operative action to counter the adverse effects of alleged price-rings in card clothing, repairs and renewals of reeds and healds, insurances, waste collection and flock collection (1). During the

1. Committee on Industry and Trade, Ibid., 179. Card-clothing was the, usually leather, covering into which staples or wires were inserted and then used for covering the carding set, employed in opening up the wool in the production of woollens. Reeds were the loom part which controlled the set of the warp, and healds the cords or wires that the warp threads passed through in the loom.

1920s other wool textile organisations considered similar action with reference to combing and dyeing plant, insurances, and the purchase of wool and coal. The opportunity which regular meetings provided to exchange information enabled employers not only to spot sellers' price-rings more quickly, but also to try and do something about it. In November 1917 West Bradford Manufacturers' Federation reported the success of the Waste Company set up by its Central Board for the collection and sale of bulk waste. After only 9 months the Company had a turnover of around £2,000 per month (1). The control, and shortage, of wool supplies had made manufacturers' wastes extremely profitable.

Following the end of the post-war boom, manufacturers became especially preoccupied with costs. When one member drew attention to a price difference of 50 per cent between a reeds and healds supplier who was thought to be part of a price-ring, and one outside it, it was agreed to conduct a thorough investigation (2). Bradford worsted manufacturers meanwhile negotiated cut-price supplies from a Lancashire firm in an attempt to weaken the ring. Despite their efforts, the report of the sub-committee set up by the W.W.T.F. to investigate, declared that the profit retained by heald and reed makers was in excess of pre-war profits and 'higher than all circumstances would appear to warrant'

1. West Bradford Manufacturers' Federation, Minutes, 1 Nov 1917.

2. B.M.F., Ibid., 14 Sept 1921.

(1). It was, therefore, agreed to set up a Healds and Reeds Company, on the lines of the B.M.F.'s Waste Company, with the power to manufacture, repair and deal in textile machinery. Members were invited to subscribe to the Company's shares, and profits were distributed according to those who used the service most.

In 1926 the W.S.F. was similarly asked by members to look at ways in which payment of excessive charges to coal suppliers might be avoided. A Government inquiry into the coal market had recommended the formation of coal marketing agencies, which when left to the voluntary efforts of coal owners, emerged not only as amalgamations, but in district coal selling schemes (2). In December 1926 and January 1927 several conferences were held with the B.D.A., which operated a bulk purchasing scheme for its firms, and the potential suppliers, Bradford Merchants' and Consumers' Association (3). Mr. Ewing of the B.D.A. extolled the advantages of their scheme which was 'exceedingly profitable'. He further stressed the importance of countering the 'pooling of knowledge and strengthening of bargaining power on the part of collieries amalgamating into large units', by the pooling of buyers' knowledge and strength. However, on taking legal advice, the Federation's solicitor was of the opinion that its

1. W.W.T.F., Ibid., 14 Jun 1922.

2. G. W. McDonald, 'The Role of British Industry in 1926', in The General Strike, ed. Margaret Morris, (Harmondsworth, Middx: PenguinBooks, 1976), 316.

3. See W.S.F., Minutes, Dec 1926-Jan1927.

regulations would not allow it to enter such an agreement; the Federation might organise it, but members themselves would have to control it (1).

Neither the B.M.F. nor the W.E.F., as unincorporated bodies, suffered such constraints. At different times, all three organisations decided that premiums paid to insurance companies to cover their liabilities under the Workmen's Compensation Acts were excessive and that they should make their own arrangements. In 1916 the B.M.F. reviewed the premiums which members had paid out against awards made over the previous 5 years, and immediately set up its own Bradford Textile Employers' Mutual Insurance Company Ltd. Executive Board members made loans of up to £50 each at 5 per cent interest for the first 3 years of operation (2). At the end of its first 6 years of business it was reckoned that there was an average saving of around 40 per cent on premiums previously paid to insurance companies, and a reserve fund of £5,000.

The whole question of workmen's compensation was discussed at the Employers' Council in 1919. The Council noted that a Home Office Commission had been set up to enquire into the possibility of bringing workmen's compensation insurance under State control and increasing benefits (3). It was unanimously agreed that Employers' representatives

1. W.S.F., Ibid., 24 Mar 1927.

2. B.M.F., Minutes, 11 May & 4 Jul 1916.

3. W.S.F., Minutes, 22 Sept 1919, and Annual Report 1919.

should oppose such recommendations in their entirety. The W.W.T.F. sent a lengthy protest to the Government proclaiming the State controlled scheme would be 'unsatisfactory in administration, prodigal in expenditure, and would show, therefore, too great a ratio of premium income to claims paid'. In the opinion of woollen and worsted manufacturers, industries should be encouraged to form their own schemes 'with reciprocal contributions' from employees. They felt existing amounts of compensation payable to be quite adequate, especially in wool textiles where there was such a high proportion of women and young people. No contributions were taken from employees, who were free to contribute to other schemes '...the additional benefit from which is often the reason for an extended absence from employment' (1).

In the early part of 1922 renewed Government proposals to amend the Workmen's Compensation legislation precipitated some determined action on the part of wool textile federations. The B.M.F. agreed to broaden its scheme to cover all federated woollen and worsted manufacturers, in the Wool Textile Employers' Mutual Insurance Company Ltd. Woolcombing Employers also considered the scheme in detail because of the considerable savings to be made, and because proposed legislation threatened to increase employers' contributions. Executive Committee members reviewed their experience over the last 3 years, and discovered the

1. W.W.T.F., Minutes, 20 Oct 1919.

following:

	£	
Avge Wages Bill p.a. 1919/22	845,000	
Amount paid in premiums	21,893.11.4d	
Amount paid in compensation	9,669.16.7d	
Balance in the hands of insurance companies for 3 year	12,223.14.9d	(1)

On the basis of such compelling information, the Woolcombing Employers' Mutual Insurance Co. Ltd. was registered in December 1922, attracting an immediate 75 per cent of members.

The W.S.F. had considered drafting a scheme of insurance, but finally made arrangements with the National Confederation of Employers' Organisations to join theirs. Opposition at an N.C.E.O. conference to the Government's proposals had been unanimous and a committee had been set up to oppose it in the House of Commons (2). Worsted Spinners kept up the opposition, as indeed did the N.C.E.O. (3), when a second Bill was tabled the following year, and were pleased when important points to which they objected were not incorporated in the new Act. In the context of difficult trading conditions employers were keen to effect and maintain savings on costs and, albeit for different reasons, insurance on offer from both Government and private companies would, they considered, have entailed avoidable expenditure.

1. W.E.F., Minutes, 13 Jul 1922.

2. W.S.F, Ibid., 29 May 1922.

3. Rodgers, 'Employers' Organizations', 333.

Of a slightly different nature to the joint purchasing schemes for insurance, coal, machinery and wastes, was the B.M.F.'s venture in purchasing labour. It was a relatively short-lived scheme, but is important because of its implications. In the context of full order books, difficulties in recruiting young people, rising wages and a reduction in working hours, worsted manufacturers contemplated the question of burling and mending in mid 1919 (1). G. H. Boardman of Boardman & Smith, complained about the effect a number of small commission places were having upon the market for labour. Their discipline, late starts and general conditions were so lax as to entice people to leave the mills. Over the previous 18 months his firm, he noted, had trained 18 burlers, of whom only 3 remained (2). After some investigation, members finally agreed that the best way to get their burling and mending done was to set up their own company where the work could be done more cheaply on commission. They accordingly pledged a nominal capital of £20,000 to set up the Doncaster Burling Co. There was little employment for women in Doncaster, so there existed a ready supply of female labour for whom there was little competition (3). The Co. employed 20 girls and manufacturers were well pleased with the cost of their work. However, a dramatic

1. Burling involved the removal of vegetable matter or knots from finished cloth. Mending involved the repairing of broken ends or other faults occurring in cloth during weaving.

2. B.M.F., Ibid., 17 Jun 1919.

3. B.M.F., Minutes, Jun 1919 - May 1920.

fall in orders meant that by early 1921 there was insufficient burling work and the workshop was wound up.

Worsted manufacturers may well have recognised that the trade boom would not last, and have decided against investing in the 'lax' conditions of their competitors in order to attract labour, which would have presented difficulties in the long term. The more likely reason for their actions - and their commitment of £20,000 would suggest that they were not taken lightly - was the implications for wool textile employment generally. The effects of war-time arbitration and the recently established Industrial Council were such that changes in wages and conditions likely to affect the whole of the industry had to be submitted to the Council. Any relaxation of hours and conditions could not therefore be confined to burling and mending. The alleged actions of the commission firms suggests that they were not members of a federation and not so constrained.

Terms and Conditions of Sale Agreements

The collaborative ventures so far discussed were conducted on the basis of a majority agreement amongst employers in the federations concerned. Their success, however, was not dependent upon the commitment of all, or even the majority, but upon sufficient involvement for the schemes to safely cover costs, and to affect a reduction in suppliers' charges generally. In the nature of competitive

trading, buyers of wool textile products, either collectively or individually, similarly employed a variety of techniques to buy on the best terms possible. In situations where competition was intense then long payment dates, discounts for cash etc were used as levers to help force prices down (1). In these circumstances employers sought to introduce some stability to terms and conditions of sale and, thereby, to eliminate marginal or 'less efficient' producers.

Such agreements had, in some cases, been made long before the permanent employers' organisations' measures to negotiate, update or draw up new conditions. In 1897 spinner and manufacturer members of Bradford Chamber of Commerce had agreed some Yarn Contract Rules to deal with contract problems in times of overproduction and slack trade (2); and in 1905 yarn merchants and spinners agreed their Mohair & Alpaca Spinners' Contract Rules (updated in 1919) governing exports of yarn to Germany and Austria. These committed organised worsted spinners to sell yarns intended for those markets only to members of the Association of Export Merchants of Raw Material and Yarn, and committed such exporters to buy their yarns only from signatories of the agreement (from 1919 the W.S.F.) (3).

1. Bulletin of the National Association of Wool Manufacturers, (U.S.A., Jan 1928).

2. Wool Yearbook, 1915, (Manchester: Textile Mercury), 508.

3. W.S.F. Ltd and The Association of Export Merchants of Raw Materials and Yarn (Bradford), Mohair & Alpaca Spinners' Contract Rules, 1919, filed in W.S.F., Minutes.

Once standardised and formalised, Terms and Conditions of Sale agreements were not easily maintained. Taking note that other sections were tightening up on payment dates and doing away with traditional discounts for prompt cash payments, members of the W.S.F. in 1919 thought the moment suitable for establishing similar terms throughout their trade. Agreements were drawn up for the home (manufacturing), hosiery, handknitting and mohair trades, and negotiations began for some kind of reciprocal agreement with spinners in France (1). S. B. Holling, founder of the Wool Record put the move in perspective in an address to the Institute of Bankers in Bradford:

If Government control during the war did any good it was in the creation of more uniform terms of payment than those which existed before the war ... Net terms were wanted for years by most spinners, but they never had a chance to impose these until trade was so good that buyers would accept any terms so long as the goods were supplied. (2)

The effect of extensive government purchasing during the war had, in effect, accelerated market processes of reducing competition.

Ensuring adherence to Federation terms absorbed a great deal of time and attention. To begin with, the B.M.F. refused to recognise the spinners' new Terms and Conditions. They resented the loss of discount for prompt payment, and the introduction of fixed monthly payment dates. The effect was to put an end to a flexible and

1. For the international perspective see Chapter 3.
2. Wool Record, 2 Dec 1920.

cheap source of credit, and to put a squeeze on stocks. As the final process in the production of worsteds, manufacturers were badly placed to resist the terms - especially in boom conditions. However, once that situation changed towards the end of 1920, worsted spinners began to complain about the difficulty of sticking to the agreements when manufacturers were using the threat of cancellations to negotiate fixed contract prices downwards (1). Some specialist spinners complained that adhering to Federation credit terms alone might be enough to lose orders. Huddersfield spinners Sir James Hinchcliffe's claimed that the credit terms were largely to blame for them being on short-time while other, non-federated firms were running full-time (2).

The complaint that members were not holding rigidly to agreed terms was common to both spinners' and manufacturers' federations. Mr. Rhodes of Morley expressed the dilemma of more than one manufacturer in the woollen trade when he told a meeting of the W.W.T.F.,

I agree the fixed price [of the contract] should be adhered to, but how can we make customers take the order? Some firms are sticking to the resolution here and then doing otherwise. We should try to make customers take the goods, and failing that, cut our losses. (3)

Taken to a vote, the maintenance of contract terms was approved by a majority in both spinners' and manufacturers'

1. B.S.A., Annual Report, 1921.
 2. W.S.F., Minutes, 10 Jan 1921.
 3. W.W.T.F., Minutes, 13 Oct 1920.

federations. Members were repeatedly circulated with the resolutions, and suspected defaulters visited by the Federation Secretary. The W.S.F. also compiled a black list of customers attempting to break the Terms and recommended that no trade be done with them.

While, on the one hand, manufacturers were desperately trying to maintain their own Terms and Conditions of Sale in the context of contract cancellations they, on the other, applied to the W.S.F. for some relaxation of theirs. Their reasons, they said, were that they had suffered far more than spinners as a result of the slump. They were obliged to show some flexibility with merchants and extend credit for 3/4 months, as goods were sticking, and yet spinners were being rigid on 1 month payment. Hosiery demand was keeping many spinners busy, but if that gave way, their dependence on worsted manufacturers would be far greater. The extension of credit terms now would ensure work for them all in the future (1). Unimpressed by the argument that longer credits would increase trade, the spinners' federation refused any concessions on their Terms and Conditions of Sale.

There may well have been some quiet, private arrangements between spinners and manufacturers with long established trading relationships, but by 1922 the W.S.F. was able to report that Terms and Conditions of Sale agreements for

1. W.S.F., Minutes, 23 Oct 1922.

manufacturing and handknitting were on the whole satisfactory. The real problem had been with the hosiery trade which, unlike the other trades for which Terms had been drawn up, was not centred upon Bradford. Although an increasing number of Yorkshire spinners were producing hosiery yarns, most hosiery spinners were located around Leicester, as were hosiery manufacturers who took up the bulk of their yarns. Thus, where spinners in and around Bradford might produce for hosiery manufacturers, worsted cloth manufacturers, or for export, Leicester hosiery spinners were far more dependent upon local manufacturers for the sale of their yarns.

Not surprisingly, the hosiery manufacturers' federation felt themselves under no obligation to adhere to the W.S.F.'s new terms. Distanced geographically from W.S.F. members and able to choose between them and local spinners, Leicester hosiery manufacturers felt quite confident in threatening to boycott Yorkshire yarns if Terms were not relaxed. Their position was, in fact, strengthened by the attitude of the Midland Spinners' Association, whose members could see no reason for deviating from the informal terms which were already being operated.

The situation created considerable antagonism between the W.S.F. and Midlands hosiery spinners. The latter's discount terms intensified competition and eventually

obliged the W.S.F. to concede that members working in that section of the trade could not realistically maintain Federation Terms. Concessions made to hosiery manufacturers were not only unwelcome in themselves, but because of the potential repercussions in the other yarn sections and because it undermined the W.S.F.'s legitimacy at home and abroad in purporting to be the representative voice of English worsted spinners. Attempts to draw Leicester spinners into the agreement on Terms were, therefore, almost continuous, and help to explain policy in industrial relations which might otherwise seem perverse. In the 1920s for example, the W.S.F. blocked the Midland spinners' application to join the Joint Industrial Council - the acceptance of which would have committed the Association to Yorkshire movements in wages and conditions. The application was refused on the grounds that the Leicester Association must first join its sectional organisation (i.e. the W.S.F.). This, of course, would have entailed acceptance and adherence to the Federation's Terms and Conditions of Sale Agreements.

Attempts to draw Leicester spinners into the agreement on Terms finally succeeded in the late 20s when intense competition led to serious price undercutting (1). Even then, the Yarn Contract Rules signed by the National Federation of Hosiery Manufacturers' Associations, the Midland Master Spinners' Association and the Worsted

1. W.S.F., Annual Report, 1929.

Spinners' Federation owed much to the mellowing of hosiery manufacturers, then trying to establish their own Terms and Conditions of Sale (1), and not a little to developments on the tariff issue.

Tariff Policies

In his thesis on the worsted industry in Bradford, P. J. Garrod has noted that concern as to how to meet foreign competition dominated the industry between 1924-31 (2). This concern, he says, manifested itself in demands for import controls and wage reductions. The records of the employers' organisations certainly show these two policies to be closely linked, if not at times entangled.

Employers' attitudes to these issues were almost entirely pragmatic and referred to a desire to display unity when their respective market experiences were quite different. It is the rationale behind these tariff policies which is of interest to us here. Wages policies will be examined in the following chapter and considered here only in so far as they affected tariff strategies.

Tariff protection was revived as a serious policy option by manufacturers in 1922/3. Worsteds manufacturer members of Bradford Chamber of Commerce had first declared themselves in favour of tariff reform in 1904 in the wake of the devastating effects of American tariffs in the

1. W.S.F., Annual Report, 1932.

2. Garrod, op. cit., 167 .

1890s, and growing competition from French imports in the home market (1). Renewed interest in tariff protection in the 1920s referred not only to the incidence of tariffs overseas, but to the fact that both home and export markets were depressed. According to figures produced in P.J. Garrod's study of the industry, the proportion of production for the home market remained roughly the same at around 66 per cent of total production in 1912 and 1924. But, total production in 1924 was only 60 per cent of that of 1912 (2).

By March 1923 the depression in the dress and costume goods trade was such that the B.M.F. determined to apply to the Board of Trade for intervention under the Safeguarding of Industries Act with special reference to depreciated currencies (3). This Act, introduced in 1921, extended war-time protective measures for 'key industries' with a 33.3 per cent ad valorem tariff. Part II of the Act permitted industries which could not claim protection on the grounds of military importance, to do so on the grounds of competitors' unfair price advantage resulting from depreciated currencies (4).

Support from worsted spinners was canvassed, but spinners

1. A.J. Marrison, 'Businessmen, Industries and Tariff Reform in Great Britain, 1903-1930', Business History 25 (Jul 1983), 160.

2. Garrod, *op.cit.*, 116.

3. B.M.F., Minutes, 19 Mar 1923.

4. Pollard, *op.cit.*, 193.

pointed out that the trade figures ruled out their co-operation (1). Exports of yarn were substantially reduced compared to pre-war figures, but overall figures for production, boosted by the hosiery trade were quite favourable (2). Manufacturers' soundings at the Board of Trade similarly floundered when it was suggested that statistics on the volume of trade being placed overseas would be needed, and the prospect of an incoming anti-protectionist Labour Government was confirmed.

The problem for manufacturers, according to Garrod, was not that worsted tissue imports were actually greater than they had been before the war, but that they were now unacceptable as manufacturers were faced with a severely restricted outlet in the home market due to lack of demand (3). Although the trade statistics indicated a reduction in imports of worsted tissues in the 1920s, manufacturers complained that many entered as woollens. Moreover, their impact was differential as they mainly hit women's dress goods. The result, manufacturers claimed, was that they were not able to keep more than 50 per cent of their machinery active (4). On this basis the B.M.F., Keighley Manufacturers' Federation and the Textile Commission Manufacturers' Association formally submitted a claim for tariff protection in 1925.

1. W.S.F., Minutes, 9 Apr 1923.

2. See Appendix II & III.

3. Garrod, *op.cit.*, 129.

4. *Ibid.*, 125.

Protective tariffs for lightweight worsted cloths were justified, manufacturers argued, on the grounds that foreign tissues were being sold in Britain at less than the prime cost of manufacture. This constituted an unfair advantage because of the depreciation of French currency and inferior labour conditions abroad (1). These same points had already been put to the Balfour Committee on Industry and Trade, and formed an important part of employers' case for wage reductions at the Government appointed wages inquiry in September and October 1925. The report of this last, which found against any changes in wage rates, was published in November 1925, just as manufacturers were about to present their evidence to the tariff inquiry. The findings, quite unexpected as far as manufacturers were concerned must have added some urgency to their tariff appeal. There were of course, a number of other factors affecting their position.

Perhaps one of the most important of these was that, despite the recent emergence of the Wool Textile Delegation (which had been intended to speak for wool textile employers on commercial matters of importance to the industry as a whole), the tariff application emanated from worsted manufacturers only. Voting on the issue at the W.W.T.F. had produced almost as many abstentions as votes in favour of protection; the worsted section was severely

1. See Board of Trade, Sageguarding of Industries. Report of the Woollen and Worsted Committee appointed 1925, 1926, BT55-92; Pollard, *op.cit.*, 194.

depressed, while trade in lower priced woollens was booming (1). Given the importance of the issue and the clear division of opinion, the W.W.T.F. was unable to submit the application on behalf of the section, and the initiative remained with the worsted manufacturers' organisations.

The question of whether to apply for Safeguarding among worsted spinners was undecided. Although a small number of spinners were firmly against a tariff, the problem in the main seemed to be simply that the a case could not be made out for it (2). Spinners did resolve to investigate their position thoroughly, but meanwhile manufacturers were left to go ahead with their own application. This was eventually submitted with reference to lightweight worsteds only.

The implications of the limited request for tariff protection were not missed by the opposition. The Board of Trade had emphasised that applications under the Safeguarding of Industries Act would carry more weight if made by representative associations. Yet of all the organisations in the industry, worsted manufacturers could only claim the support of Bradford Merchants' Association. The industry was clearly not at one on the issue. Counsel for the opposition cited the adverse effect of high combing and dyeing charges on prices, claimed that Bradford

1. See Garrod, op. cit., 112; W.W.T.F., Minutes, 18 Mar 1925.

2. W.S.F. Minutes, 30 Apr 1925.

techniques were not suitable for the production of lightweight worsteds. H. H. Spencer, former Liberal M.P. for Bradford, assured the inquiry that if every piece imported from France was woven in Bradford, it wouldn't employ more than 3 per cent of looms (1). Trade unions pointed out the weakness of employers' evidence on unit labour costs abroad, and noted that the weaving section was not the whole of the industry and should not be allowed to speak for it (2). The investigating committee ultimately concluded that worsteds were not being seriously affected by the volume of retained imports and that, as the depreciated franc was only a transitory advantage, no tariff was justified.

Following a resolution from the Halifax association of spinners, the Board of Directors of the W.S.F. had arranged meetings of other District associations where, by December 1925 a substantial majority were in favour of preparing a case for tariff protection (3). In addition to a 6 week stoppage in the industry earlier in the year over wage reductions, wool prices had fallen to almost half what they had been in December 1924, leaving dear stocks in the hands of combers and spinners. Despite the pressures upon spinners, it was recognised that worsted yarn imports

1. Wool Record, 11 Dec 1925.

2. The skill with which the trade union case had been compiled with the assistance of the Labour Research Dept. was not missed by H. B. Shackleton, but rather seemed to fuel his later determination in achieving reductions in wages.

3. B.S.A., Annual Report, 1925.

(only a third of 1924's) could hardly be construed as 'abnormal'. The fact that the Chairman of the manufacturers' inquiry had indicated 'Cabinet nervousness' at the number of applications being made was similarly a tempering factor (1). As Steve Tolliday noted in the case of steel, employers tended to be interested in the defensive aspect of protection, while government sought links with reconstruction (2). Nevertheless, spinners took a keen interest in the subsequent (and unsuccessful) appeal for tariff protection on the part of the National Federation of Hosiery Manufacturers in 1926.

The question of a collective approach to tariff protection for the industry was finally forced into open discussion at the Employers' Council in the context of renewed pressure from worsted manufacturers to reduce wages in September 1927. Strictly speaking this was not an issue which fell within the Employers' Council's constitutional brief. The fact that the Council did concern itself with tariff strategies is testimony to the fact that industrial relations matters are inextricably linked to commercial policies. In this case, the tactical separation of industrial relations from other business inputs and relationships was rendered invalid. Spinners, and to a lesser extent combers and woolbuyers, argued that the

1. W.S.F., Minutes, 28 Dec 1925.

2. Steve Tolliday, 'Tariffs and Steel, 1916-1934: The Politics of Industrial Decline', in John Turner, op. cit., 55.

problem of high costs could be solved by securing trade union collaboration in seeking tariff protection.

Alternatively, worsted manufacturers argued that the tariff issue was completely separate and should not be confused with the need to reduce wages costs. The failure to reduce wages in 1925, they said, had much to do with the present state of the industry.

Reluctant to pursue the issue of reductions in wages spinners were now keen to support a second Safeguarding application. Even woolbuyers, who had previously vetoed discussion of the latter (because of what their President described as 'narrow political feelings'), were prepared to consider it as an alternative to a wages policy which might involve a stoppage (1). At a special meeting of the B.M.F. worsted manufacturers showed a strong determination to pursue their own course of action. It was agreed:

1. That the last Safeguarding of Industry application against 2/11oz foreign cloths was made on the strongest possible grounds and there should be no departure from that basis. Inclusion of other manufacturers would necessarily include their machinery - without any compensating advantage, which would result in a general weakening of the case.
2. The Board are not willing to join with Spinners in their application for Safeguarding on yarn imports which (on the Spinners' information itself) it's not possible to make out a case.
3. The Board are not prepared to start 'de novo' or to extend the application to heavier weights.
4. The Board holds strongly that for industry to recover or even to be maintained, there is no alternative to a reduction in wage rates in this District.

(1)

1. B.W.F., Minutes, 4 Oct 1927; Wool Record, 20 Jan 1927.
 2. B.M.F., Minutes, 31 Oct 1927.

Such was the strength of feeling on the wages issue, manufacturers determined to pursue it through the Joint Industrial Council, without the support of the other sections. At the very last minute, before the meeting at which they intended to press wage reductions, manufacturers were persuaded to withdraw their proposal, pending confirmation from the trade unions that they would now support a renewed application for tariff protection (1).

A small group of 5 employers led by worsted manufacturer S.E. Illingworth (all members of the J.I.C.), and 5 trade unionists had met on several occasions 'informally' since the rejection of the manufacturers' tariff application in April 1926 (2). That tariff protection had clearly been discussed in the context of wages was indicated by their joint declaration in the Labour Gazette: 'We have either to keep goods out produced at a lower cost, or face the possibility of an attack on wages' (3). Privately manufacturers continued to view these as separate and not alternative issues. At meetings members were assured that there had been no entanglement or bargaining with the N.A.U.T.T. in getting their support (4).

The application on behalf of worsted manufacturers was renewed in January 1929. The support of the textile trade

1. W.W.T.F., Minutes, 23 Nov 1928.
 2. B.S.A., Annual Report, 1928. See p-276.
 3. Quoted in Garrod, *op. cit.*, 172.
 4. B.M.F., *Ibid.*, 12 Dec 1928, W.W.T.F., *Ibid.*, 2 Jan 1929.

unions and other textile employers' organisations, manufacturers knew to be vital. A parliamentary committee of textile district M.P.s persistently raising the question of Safeguarding in the House of Commons, had been abruptly advised in 1927 that the only thing holding up a new inquiry was the inability of the textile sections to agree among themselves what they wanted (1). In addition to the 3 manufacturers' organisations making the appeal, with N.A.U.T.T. approval, tacit support was also given by the B.W.F. (still very much divided on the issue), the W.S.F. (in the main solidly in favour, with a small, vocal group of spinners solidly against), and the B.D.A. (themselves well protected and with everything to gain from protection of worsted cloths), (2).

This second inquiry reported in April 1929, but its approval of protective tariffs for lightweight worsteds was no cause for jubilation for manufacturers. By July a second Labour Government, opposed to protectionism, had been confirmed in office. The application had cost employers £6,000 (3).

Nevertheless, the tariff issue was by no means dead. The crisis in world trade served to reinforce the somewhat convoluted argument that protection was necessary to show

1. Wool Record, 9 Jun 1927.

2. Board of Trade, Safeguarding of Industries, Report of the Woollen and Worsted Committee 1929', (H.M.S.O., 1929).

3. B.W.F., Minutes, 19 Mar 1929.

others the value of free trade. When the redistributive budget of 1930 did not renew Safeguarding duties on lace, cutlery, fabric gloves and gas mantles, and introduced higher taxes for those on higher incomes, the pressure for a change in fiscal policy mounted. The government was charged with effectively putting a stop to further investment and leading the country towards deeper depression. 'Here was a Budget', wrote C.L. Mowat, 'to rouse the Tory thunder' (1). In May tariff reform became the centre of a Tory 'educational' campaign, and the focus for meetings and lobbying on the part of Bankers, Chambers of Commerce, the F.B.I. and other industrialists by the end of the year.

In wool textiles, as in other industries, protection was a regular item for discussion as the real conditions of trade weakened the protestations of liberal free trade sympathisers. Col. E. H. Foster, a member of Bradford Chamber of Commerce Tariff Committee and Chairman of the W.S.F. summed up the position to spinners at their Annual General Meeting in July 1930:

... some form of Protection is necessary to give us some bargaining power with other Countries; we have nothing to bargain with and can do nothing now, only sit down and say 'please don't do it". To sit down and not take any hand in the game beats me. (2)

Protection was now not only to be justified in terms of

1. B.S.A., Annual Report, 1930 and Charles Loch Mowat, Britain Between the Wars 1918-1940, (Methuen & Co., University Paperback, 1955), 368-71.
 2. W.S.F., Minutes, July 1930.

import statistics, but was seen as a vital part of State policy if wool textile employers were to retain a hold in world markets.

As the fiscal crisis mounted in the Summer of 1931, and the pro-protection opposition rallied against the Government, the reorganised Wool Textile Delegation prepared for the likelihood of a general tariff. The Chairman of the Delegation until March 1931, the Hon. F. Vernon Willey (Lord Barnby from 1929), and his views on the need for rationalisation in the industry had, in the context of the crises of 1930, increasingly found themselves out of sympathy. His resignation gave way to the election of H. B. Shackleton, the severance of organisational links with the F.B.I., and a more dynamic role overall for the Delegation. Although individual employers, such as Col. E. H. Foster, continued to work on the tariff issue through the Bradford Chamber of Commerce, both the W.W.T.F. and the W.S.F. agreed that representations from the W.T.D. would have more weight at the Board of Trade and that the work of the Chamber was of secondary importance (1).

The agreement to present a co-ordinated, united policy on tariffs on behalf of the industry provided almost immediate benefits for spinners. In November 1931 the new National Government introduced a temporary Abnormal Importations Act, imposing a 50 per cent anti-dumping tariff on a range

1. W.S.F., Minutes, 11 Jan 1932.

of manufactured goods. The initial list, which included cloth, but not yarns, initiated an intense few days of lobbying on the part of the Delegation, before their inclusion on a second list. Reporting back to the W.S.F., F. Slater told members he was convinced that without the first round of lobbying yarns would not have been on the list, and without a second round the 50 per cent duty would not have been kept on (1).

The experience meant that a number of employers were increasingly sceptical as to the ability of the W.T.D. to represent sectional interests adequately. The Managing Director of Salt's, R. W. Guild expressed concern that some members of the W.W.T.F., through which worsted manufacturers were represented on the Delegation, were not wholly committed to tariff protection. Spinner W. H. Arnold-Forster argued that the Delegation was not the best group to deal with tariffs as 'wool merchants and topmakers cannot represent our interests' (2). Thoroughly committed to the reorganised Delegation, Chairman H. B. Shackleton condemned their 'unwarranted sweeping criticism' when there 'had been a general agreement to try and avoid sectional bickering'. He pointed out that collaboration was essential, since Percy Ashley at the Board of Trade had said he did not want 'representations in detail by industries'.

1. W.S.F., Minutes, 21 Jan 1932.
2. B.M.F., Minutes, 3 May 1932.

Given the fact that worsted yarns had nearly been left off the duties list, and their doubts about the Delegation's ability to represent them properly on this issue, spinners decided to carry out their own work on their special case for protection (1). Accordingly statistician A.P.L. Gordon was employed to work on spinning costs in preparation for the forthcoming review of commodities in need of the longer term protection provided under the new Import Duties Act.

The Import Duties Advisory Committee (I.D.A.C.), in fact, reduced the duty on tissues to 20 per cent and yarns to 10 per cent. Wool textiles was not alone in having its degree of protection substantially reduced, and a storm of protest ensued. 'One of the leaders in this swiftly rising storm' wrote Sir Herbert Hutchinson,

... was the wool and worsted industry of Yorkshire, which besieged its members of Parliament, the Government departments, and the Committee, with whom a number of M.P.s demanded an interview. The Committee declined to receive or correspond with the M.P.s. It promptly wrote a courteous but firm letter to the Wool Textile Delegation (the representative body of the industry) offering to give early and careful consideration ... to any representations ... the Delegation might care to make in favour of the increase of any of the duties, but declining to make any recommendation in advance of such consideration. This concluded the matter. It was henceforth recognised that the Committee was not open to pressure through Members of Parliament. It is interesting to note, incidentally, that no further claim for an increase in duties was received from the Wool Textile Delegation.

(2)

1. W.S.F., Minutes, Mar-May 1932.

2. Sir Herbert Hutchinson, Tariff-Making and Industrial Reconstruction. An Account of the Work of the Imperial Duties Advisory Committee, (Harrap, 1965), 35.

Members of the Spinners' Federation were thoroughly disappointed with the reduction and some insisted that spinners should now press their own case. They did, however, bow to Col. E.H. Foster's recommendation that any differences were best 'thrashed out' before the Delegation rather than the I.D.A.C. (1). This proved to be sound advice, as the investigating statistician's opinion a month later was that all should be left well alone. The figures indicated that spinners would have great difficulties in justifying the 10 per cent protection they already had (2). Thus, the failure of the W.T.D. to keep up the pressure on the I.D.A.C. seemed to have more to do with the lack of a sound case for protection, rather than the respectful recognition of impartiality indicated by Hutchinson.

In spite of the sectional differences and discussions as to the ability of a joint body to represent their interests effectively the external impression given by the Delegation after 1931 was that wool textile employers were at one on the issue of tariff protection. Since 1918 when, as Andy Marrison noted, to be protectionist was not moral (3) attitudes had changed enormously. In the 1930s wool textile employers jointly championed import tariffs as a basic commonsense of international trade. Yet there remained great differences between the sections, differences which, in reconstructing the pattern of their

1. W.S.F., Minutes, 28 Apr 1932.

2. Ibid., 26 May 1932.

3. Marrison, 'Business, Industry and Tariff Reform', 170.

policy decisions on tariffs, have proved as important as their points of agreement.

Price Maintenance

The issue upon which individual agreement was perhaps more vital than on any other was price maintenance. For price maintenance to work employers had to adhere to collective decisions at the point of business transactions. Failure to do so would bring other employers under pressure to reduce their prices, destabilising the price-ring. In the context of the depression of trade in the 20s and 30s such risks became especially serious. The records of woolbuyers', woolcombing employers', spinners' and manufacturers' organisations all indicate attempts to keep prices up, with varying degrees of success. Attempts in the buying, spinning and manufacturing sections to control prices had some success with particular product specialisms, but given the large number of firms engaged in those sections, the possibility for any general agreement on price maintenance was limited.

In the woolcombing section unanimity on prices, it seemed to the United States Tariff Commission in its report on the British wool textile industry, was what kept the trade together (1). Woolcombing employers were certainly better placed to maintain price agreements than the spinning and manufacturing sections, as testimonies at the various

1. United States Tariff Commission, Washington, Ibid.

inquiries in the 20s and 30s bear witness. It had not always been the case. In the 40 years before the First World War woolcombers and topmakers had gone out of business at a rapid rate. According to Sigsworth & Blackman none of the 19 topmaking firms existing in 1870 survived to 1912, and only 4 of the 33 worsted combers (1). Attempts to control prices date back to that period. The amalgamation of 22 firms in Woolcombers Ltd in 1904, with its control of 70 per cent of commission combing, brought an element of stability to prices, which was further consolidated with the formation of the W.E.F. in 1910. Predominantly made up of commission woolcombers, who agreed a schedule of prices, the Federation published a tariff (price) list below which members were committed not to work. Topmaking combers with combs (as opposed to those without who commissioned work from woolcombing firms) were also members of the Federation, which accounted for more than 80 per cent of the combing section (2). Unlike the buying, spinning and manufacturing Federations which each included several hundred firms, the W.E.F. numbered around 50.

During the years of the First World War the W.E.F.'s control over price levels was challenged by the presence of the government in the market as a major buyer. The War

1. Blackman & Sigsworth, op.cit., 130.

2. See Committee on Industry and Trade, op.cit., 178-80 and Board of Trade, 'Internal Cartels:Woolcombing', 1946, BT64/269

Office Costings Department frequently queried employers' arguments for price increases - pointing out that they were disproportionate to increases in costs, or that their own analysis of the figures showed increases to be unnecessary. Such interference in what was seen as a legitimate right to profit so infuriated the firms of F. Hartley and Co., H. and J. Gaunt and the City Combing Co., that their representatives to the W.E.F. advocated a stoppage of machinery in protest (1).

In disagreement again over prices several months later, W.E.F. Chairman Ernest Marsh warned accountants in the Army Contracts Dept that there would be 'serious trouble' if no progress was made. The accountants deprecated the threat from unknown employers and advised Marsh 'the Government itself has things up its sleeves as well as the Federation' (2). Col. Willey, Wool Controller and W. Hunter of the Wool Control Board (both topmakers, and here as representatives of State Control) complained that woolcombers output on government work had decreased. Marsh was quite blunt in informing them that 'So long as the outstanding Tariff questions are unsettled the members of the Federation are not disposed to make special efforts to facilitate Government output' (3). In response, Government officials proposed to 'adjust' their payments to woolcombers for not combing all their wool allocation (for Government work).

1. W.E.F., op. cit., 4 Jul 1918.
 2. Ibid., 10 Jul 1918.
 3. Ibid., 26 May 1919.

The implications of this in view of the booming post-war market were especially serious, and in July a compromise was agreed. Woolcombers accepted price increases of between 20-25 per cent for June 1917 to April 1919, and agreed to continue Government work at the June 1917 prices thereafter.

Once Control measures were withdrawn from the wool market in 1919, and old trading relationships between the sections re-established, it was perhaps inevitable that the B.W.F., representative of topmakers, should begin to challenge the price maintenance strategies of the W.E.F. The increase in combing rates in September 1920, topmakers complained, was particularly ill-timed as competitors were reducing theirs, commodity prices were beginning to fall and business was going abroad. Woolcombing employers' response was that the low prices of competitors were caused by low exchange rates, and lower combing charges would have no effect in increasing the amount of work available (1).

By March 1921 the slump in trade was such that the rigidity of the price of tops was being felt in the cost structure of other products. Accordingly, the W.S.F. joined forces with the B.W.F. in a forceful deputation to the W.E.F. with a compelling list of 14 reasons why price reductions were vital. These noted the desperate need to reduce conversion costs - to which all other sections except woolcombing had

1. See W.E.F., Minutes, 17 Sept, 9 Dec & 16 Dec 1920.

contributed; the almost negative differential between what it was costing to have tops made, and what they could sell them for - which threatened to halt business; the declining cost of raw materials, and the fact that reductions would be an important tactical point in securing further wage cuts (1). The combing tariff was subsequently reduced by 10 per cent.

In 1923 topmakers again complained about the high cost of combing. B.W.F. members said it actually paid them to send their combing work to the continent. For the W.E.F., Ernest Marsh was adamant that English combers could not meet the 2d difference in charges without producing at a loss. However, discussing the issue with W.E.F. members later he made the point to members that it was well-known combers had done well recently, and they in fact 'had a margin which was a little too high for the general good of the trade' (2). In May and June the large, integrated firm of Merrall & Sons began combing on commission, as did several spinner-combers, at less than the Federation tariff. This, combined with a fall in trade, secured reductions of 1/4d - 1/2d in August 1923.

Despite the periodic antagonisms between the Wool Federation and the combing section, organised employers strove to maintain a public unity as an industry. Thus, in

1. W.E.F., Minutes, 1 Mar 1921.

2. Ibid., 1 Jan 1923.

preparing their responses to the Balfour Committee's searching enquiries in 1924/5 the W.E.F and the B.W.F. agreed that the latter might provide comparative data on pre and post war tariff rates, and continental comparisons, and the former would submit a statement explaining the differences between them (1). Discordant evidence claiming excessive charges on the part of the commission sections, were contained in submissions from the Chamber of Commerce and statements in public and in the press on the part of exporters (2). The organised trade sections had a coherent and co-ordinated strategy for submitting their evidence to the Committee on Industry and Trade through the W.T.D., and the Chambers' contradictory information reinforced the antipathy of many towards it.

The published dividends of woolcombing companies since the formation of the W.E.F. indicated their success in maintaining good levels of profitability (3). The dividend paid out on ordinary shares by Isaac Holden & Son Ltd between 1920-25 averaged 12.5 per cent per annum, while that of Woolcombers Ltd was standardised at 11.25 per cent. In addition to annual 11.25 per cent dividends Woolcombers' shareholders were issued bonus shares in 1918, 1919, 1922 and 1923. The effect, observed the Wool Record in quoting dividends, was such that 'the distribution for the past

1. B.W.F., Minutes, 19 Nov 1924.

2. See Wool Record, 28 May 1925 and 'Summary of Evidence of the West Riding Chambers of Commerce' in Bradford Chamber of Commerce, Report and Statistics, 1925.

3. See esp. Ch. 3 p.145.

year is therefore equal to 33.75 per cent on the ordinary shares as they existed at the end of 1921' (1).

Of course, these figures refer to 2 large, public companies, and it is likely that the profitability of the smaller limited or private companies, with their high capital costs, varied considerably. However, since woolcombers were keen to maintain the privacy of their profits, sometimes against requests by Government investigating committees, we have to consider the figures which are available.

Following the recommendations of the Cunliffe Committee in 1919, governments had been pursuing deflationary policies intended to re-establish exchange rates and prices at pre-war levels. This was a prelude to the return to gold and, it was anticipated, stable exchange rates, revival of export markets and a reduction in unemployment (2).

Industrial opinion as to the likely effects of the return to gold were mixed and the F.B.I. was unable to make any concrete recommendations (3). When the Gold Standard was readopted in 1925 it was over-valued to the extent of around 10 per cent which, financiers argued, would be balanced by certain inflation abroad. This did not happen and in 1925 prices for both tops and yarns came under

1. Wool Record, 5 Mar 1925, 30 Jul 1925 and 24 Feb 1927.

2. R. S. Sayers, 'The Return to Gold 1925', in The Gold Standard and Employment Policies Between the Wars, ed. Sidney Pollard, (Methuen & Co., 1970), 90.

3. W.E.F., op.cit., 10 Jul 1925.

severe pressure as wool prices, aggravated by Britain's return to the Gold Standard fell by 40-50 per cent. The overvaluation of sterling made Britain's exports more expensive to foreign consumers (measured in foreign currencies) and effectively intensified competition (1).

Valley Woolcombers resigned in order to undercut and keep running - others undercut and remained in the Federation. When reprimanded for charging less than the tariff Mr. Ambler of Sowden & Ambler Ltd blamed the lack of business and the fact that there was '... so much undue competition inside and outside the Federation it was impossible to make a living. I lost my best customer to a topmaking comber for 1/2d less than tariff rates' (2).

In worsted spinning too firms began undercutting each other rather than lose business altogether. The question of price maintenance was discussed several times, having been raised by Sir H. W. Whitehead of Salt's. The W.S.F. recorded that, for constitutional and legal reasons, enforcement measures could not be taken by the Federation itself (3). Nevertheless, its Chairman, Fred Mitchell made arrangements for members to come together and fix prices according to the kinds of yarn they produced. In 1926 thirty two single yarn spinners formed a price maintenance

1. See Bradford Chamber of Commerce, Report and Statistics, 1925; N. Von Tunzelmann, 'Britain 1900-45: a survey' in Floud & McCloskey, *op.cit.*, 257.

2. Boyce, *op. cit.*, 36/37; Holland, *op. cit.*, 288.

3. W.S.F., Annual Report, 1926.

association with four non-members agreeing to adhere to its prices. In 1927 this was followed by the Hair Yarn Association and a 'gentleman's agreement' among mohair spinners on fixed prices. The method used was to work out the cost of converting yarn, add it to the cost of the top, and agree a 'reasonable' profit (1).

Similar agreements were also attempted among spinners of crossbred weaving yarns, crossbred hosiery yarn, botany yarn and commission spinners. Meetings of these specialist producers did not result in formal price maintenance associations. The pattern was that general meetings would unanimously agree minimum prices, but afterwards only 50 per cent would commit themselves to signing agreements, when 80 per cent was needed. The reality, of course, was that sufficient work was available for only around 70 per cent of the section's capacity (2). The W.S.F. claimed that the discussion of conversion costs alone had a favourable affect on prices. In an industry in which costings systems had still not been adopted by the smaller firms it may well have been a useful exercise in consciousness-raising. However, the reluctance of many spinners to commit themselves indicated that they would rather risk their viability in the market than sign it away in favour of the larger firms in a price maintenance agreement.

1. Hair Yarn Spinners' Association, Constitution and Rules, 1927.

2. W.S.F., Annual Report, 1927-9.

For those spinners who were experiencing difficulties in the yarn market, but possessed combing plant, taking in combing on a commission basis represented an alternative means of securing income. The effect was to provoke further price-cutting in the combing section in an attempt to eliminate competition. Meeting in April 1929 commission woolcombers agreed that more radical action was necessary to ease the pressure on combing charges; the effect of competition in recent years meant that too great a proportion of machinery was being kept idle (1). As Table 16 below indicates, even during very good years, such as

Table 16Machinery Activity

Year	Percentage of full capacity	
1913	87.95	
1924 (Jan - Nov inc)	67.26	
1925 (3 wks ended 27 Jun)	45.92	
1927 (Sep-Dec inc)	60.74	
1928 (Jan - Dec)	63.38	
1929 (Jan - Dec)	60.73	(2)

1913, machinery was rarely worked to full capacity, but during the 1920s, there was a notable increase in the proportion not in use (3).

The meeting agreed to set up a Commission Woolcombers' Association from 1 May to regulate prices through a system of rebates. Customers agreeing to send 100 per cent of their combing work to Association members would qualify for

1. W.E.F., Circular Letters, 30 Apr 1924.

2. Ibid.

3. From W.E.F., Evidence (to Macmillan Committee) File, 1930. Statistics on machinery activity were not kept systematically prior to 1928.

an annual rebate of 9 per cent from a Central Rebate Fund to be set up and contributed to in proportion to work done by Association members. When the customers, members of the B.W.F. reacted strongly against the scheme, combers stressed their idea was not to attack anyone, but was rather a defensive move to protect woolcombing generally. The scheme, they said, was intended to be voluntary; they were prepared to be flexible by admitting a system of grading. Rebates of 9 per cent would be given for for 100 per cent of firms' work, reducing for each 5 per cent sent elsewhere. Only after combers had agreed to make a straight cut in tariff rates, in addition to the rebate scheme did the B.W.F. agree to co-operate (1).

Rationalisation and reorganisation

For some time before the intense activity intended to keep prices up in the spinning and combing sections, the difficulties encountered by the staple industries had become the subject of public debate. The Balfour inquiry in 1924 questioned industrialists on the efficiency of their industry, and invited comment on the potential for economies in market organisation. In 1926 the Wool Record noted that the customary route of progression for many young wool merchants into the machinery end of the trade was blocked off by overcrowding and idle machines (2) According to Leslie Hannah, this increasing dissatisfaction

1. B.W.F., Minutes, May-Jun 1929; W.E.F., Minutes, May 1929.

2. Wool Record, 15 Jul 1926.

with the ability of the market to produce prosperity and employment was a worldwide phenomenon, which led to calls for experimentation in new forms of organisation (1).

In this context the notion of rationalisation seemed to offer a remedy for business difficulties, and a satisfactory alternative to socialism, which questioned not only the state of the market but the very roots of the ownership and control of industry. In Soviet Russia State ownership of industry was complete. While in Britain, proposals for public ownership of industry advocated parliamentary means of achieving it, the projected result was the same. In 1928 the Labour Party's Labour and the Nation promised to end 'capitalist dictatorship' (2). Employers had everything to lose. For its supporters, rationalisation presented both a critique of the existing situation and a 'scientific' remedy which left capital firmly in control (3).

Although the use of the term rationalisation came to be applied quite liberally to almost any form of radical business change (4), the employers brought together by Sir Alfred Mond to discuss the issue with trade unions in 1927,

1. Hannah, op.cit., 33.

2. Barry Jones & Michael Keating, Labour and the British State, (Oxford: Clarendon Press, 1985), 50.

3. Hannah, op. cit., 36.

4. To one economist it was no more than 'a device for eliminating competition' (Prof. Gregory quoted in *ibid.*, 32), whilst a well known wool merchant thought it 'a step towards nationalisation and a wrong step to take', Wool Record, 6 Jan 1930 .

used it quite specifically. They proposed industrial reconstruction through reorganisation within and between firms and sought trade union support through their willingness to contemplate greater worker participation, security of employment and compulsory conciliation (1). Those employers involved had, in the main, large and diversified interests. Col. F. V. Willey (who had textile interests in Yorkshire and Massachusetts in the U.S. and financial interests in Lloyd's) was invited to take part, as were other industrialists, for their progressive views and significant interests in a particular industry. Yet, although Chairman of the W.T.D. - ostensibly the industry's 'peak' organisation - it was precisely his progressive views and large holdings which made Willey unrepresentative of wool textiles. The W.T.D. did not sanction his participation and the individual organisations, in fact, had no sympathy with the talks.

Ben Turner of the textile trade unions played a yet more prominent part than Willey in the talks, on behalf of the T.U.C. The talks were dubbed Mond-Turner after him (and Sir Alfred Mond of the chemical industry), so that rationalisation became a fairly regular press feature in the textile areas. Reports of Col. Willey's confident pronouncements on the need to focus less on reducing wages and more on improving efficiency in wool textiles, were

1. Howard F. Gospel, 'Employers' Labour Policy: A Study of the Mond-Turner Talks 1927-33', Business History 21 (Jul 1979), 180-4.

followed by forthright (and conflicting) pronouncements by spinners and manufacturers. They claimed that rationalisation was inappropriate to wool textiles because of the dependency on variety and the 'caprice of fashion'. It was also said that in worsteds rationalisation had been carried as far as was possible at an early stage through horizontal organisation (1). Privately employers expressed some anxiety over the talks, but recognised that it would 'be unwise to repudiate them publicly' (2). Nevertheless, rationalisation or reorganisation was firmly on the agenda in the late 20s and 30s, and governments, trade unions and some fairly disastrous trading conditions meant that it was an item which could not easily be ignored.

In both the spinning and the combing sections the question of reorganisation was put forward in the context of the failure of price maintenance. By March 1929 members of the Single Lustre and Demi Yarn Spinners Association were obliged to admit that price fixing was insufficient to stem the pressure on prices. Some firms had gone out of business, but rather than their machinery being eliminated from the market, it was being sold at home and abroad at cheap rates.

Excess capacity was a problem common to all the staple

1. See for example, Wilf Turner to Bradford Textile Society reported in Wool Record, 11 Dec 1930 and the report on the Macmillan wages inquiry in *ibid.*, 13 Mar 1930.

2. W.S.F., Annual Report, 1928.

industries, and one which successive governments viewed with increasing concern (1). The economic and social pressures which stemmed from those industries' declining activity led to greater emphasis on the need for industry to be more efficient. From the Balfour Committee's enquiries in 1924 to the wool wages investigations of 1925, 1930, 1936 and the Import Duties Advisory Committee of the 1930s, how well-organised industry was was constantly queried.

In 1929 wool textile employers were invited to a meeting with Sir Horace Wilson of the Ministry of Labour to discuss what might be done to improve exports. Discussion had focussed on export credit schemes and the reorganisation of industry. Leslie Hannah has said that it appears to have been fear as to how far government would go in promoting 'efficient' industrial organisation which led to the formation of the Bankers' Industrial Development Committee (B.I.D.C.) that year. Rather than admit government intervention in the financing and reorganisation of industry, the Bank of England and other City institutions established the Corporation to catalyse banks into action which was thought to be in their best interests (2). The B.I.D.C.'s stated purpose was to advise industry on the planning of reorganisation and re-equipment, and to help them secure the necessary funding. Both the W.E.F. and the W.S.F. turned to the B.I.D.C. for advice, although their

1. Tolliday, *op. cit.*, 57.

2. Hannah, *op.cit.*, 73/74.

individual strategies developed in quite different ways.

On the question of reorganisation the W.S.F. first consulted cotton employers who had similarly attempted price maintenance among speciality producers, and then been obliged to confront the problem of excess capacity. With the help of the B.I.D.C. the Lancashire Cotton Corporation had been set up to buy up and eliminate spindles in the American section of the industry (1). Before the W.S.F. could also take up discussions with the B.I.D.C. the industry was engulfed by strike resistance to wage reductions recommended by the Macmillan Court of Inquiry in early 1930, and became further preoccupied with 61,000 spindles coming on to the market as a result of the closure of Mitchell Bros. The two machinery makers, Prince Smith and Stell's were asked to co-operate in buying the machinery, since they stood to gain significantly from any reduction in the second hand market.

Prince Smith and Stell's agreed to carry half the loss of the operation and expressed interest in extending the scheme. Discussions with the B.I.D.C. were held at length, but came to nothing. The W.S.F. had been hoping to secure cheap loans to finance a 15 per cent reduction in spindles. They were disappointed to be told that the B.I.D.C. could only help secure loans at ordinary rates if a greater

1. Pollard, *op.cit.*, 122.

percentage of machinery was eliminated (1). By 1931 the worsted spinners involved in drawing up the plan (employers in large and medium sized firms) acknowledged that with the industry running at 70 per cent of capacity, they did not believe the industry would be able to bear the cost of buying and scrapping excess equipment. The question of 'reorganisation' was only briefly returned to again by the Federation in 1938/39, when it was again concluded that the size of the minority not prepared to participate in any scheme was too large to move forward.

The experience of woolcombers in reducing excess capacity in their trade was much more successful than that of spinners. The relatively small number of producers made reorganisation more manageable as the high cost of capital equipment meant that falling prices quickly became serious. In February 1930 the Economist noted that a 'rate war' had developed in the combing section '...with the intention of squeezing the weak financial firms out of existence, both inside and outside the Federation' (2). Valley Woolcombers, now partly in the hands of the bank, was prepared to undercut any price to meet the demands of its preference shareholders. The Wool Record on the subject of price-cutting observed that at such low rates only 100 per cent running would secure profits, and questioned the validity of the trade carrying so much plant (3).

1. W.S.F., Minutes, 22 May 1930.

2. Economist, 1 Feb 1930.

3. Wool Record, 16 Jan 1930.

Several months later, following consultations with Lord Barnby (the title Col. Willey inherited from his father in 1929) of Francis Willey & Co. Ltd, who had been advocating rationalisation in the industry for some years, members of the W.E.F. agreed to proceed with reducing excess capacity. The targets for this were to be Valley Woolcombers and other non-federated firms whose undercutting had so drastically reduced prices (1).

After lengthy discussions topmaking combers and commission combers secured a loan of up to £300,000 with the help of the B.I.D.C. Combers' proposals were to scrap 150 out of 1,360 combs. The scheme which was drawn up and registered as the Woolcombers' Mutual Association Ltd, was very similar to that already being operated by shipbuilders to reduce their surplus plant - with the difference that there were to be no formal restrictions upon members later putting down new machinery. Conscious of their vulnerability, topmaking combers involved had refused to admit such constraints. They were committed however, not to set up new plant in companies outside the scheme.

The Woolcombers' Mutual Association was open to all those engaged in combing - topmakers with combs, commission combers and spinner combers. Strenuous attempts were made to include all such employers, and by January 1933 95 per cent of eligible topmakers and commission combers had

1. W.E.F., Minutes, 25 Jul 1930.

signed the scheme's undertaking (1). Several spinner combers, such as Salt's, Foster's and Illingworth Morris, as well as a number of smaller concerns could not be encouraged to join, although the larger firms promised not to comb below the agreed tariff.

Previously non-federated commission combers joining the Woolcombers' Mutual Association were prevailed upon to join the Commission Woolcombers' Association. The former included all types of combing employers, but as commission combers controlled the majority of the trades' combs, it was they who set tariffs through the Commission Woolcombers' Association. To secure the commitment of all non-combing topmakers' work to its members, the Commission Woolcombers' Association promised certain safeguards on prices by assuring them of generous rebates. However, given the degree of control which combers had over the trade, non-combing topmakers acknowledged that there was 'no practicable means of resisting' (2).

By 1938 three hundred and twenty combs had been scrapped, although high prices encouraged members to lay down a further 177 new combs. According to a 1946 Board of Trade Report on the woolcombers' cartel, the overall effect was as follows:

1. Ibid., 10 Jan 1933.
2. B.W.F., Minutes, 25 Apr 1933.

Net Reduction on Capacity 1933-38

Commission Combers	2.5%	
Topmaker Combers	16.5	
Hair & Spinner Combers	17.0	
The Whole Industry	8.0	(1)

It would, therefore, seem that commission woolcombers benefited most from the scrapping of plant and the resultant ability to maintain prices; this especially since the output of tops reached record levels in the mid-1930s (2). The non-combing topmaker members of the B.W.F. continued to protest as they had done in the 1920s. In 1937 Mr. Dawson told members of the Woolcombing Employers' Mutual Association that their conditions were 'against all British principles and savour of dictatorship. You stop freedom of action'. A. E. Raper in response similarly protested, 'If we were working in a free world we would like complete freedom. We are all subject to restrictions, and freedom has gone in trade as a whole' (3).

Conclusions

These examples of employers' commercial policies confirm the broad range of activities found among employers' organisations by the 1944 P.E.P. researchers. A. E. Raper's blunt, but accurate comment on the state of trade in 1937 indicates something of the extent to which organisation or

1. Board of Trade, 'Internal Cartels: Woolcombing'.

2. See Appdx II.

3. B. W.F., Minutes, 21 Jun 1937.

control of business had developed. Fifty years earlier the celebrated amalgamations in dyeing and combing had hardly begun, and thirty years earlier textile employers' 'rare associations', according to Clapham, 'served to show up the stiff individualism of the mass' (1). By the late 1930s the 'stiff individualists' had become a distinct minority. Yet neither was the aggressive behaviour of the larger firms as overwhelming as Brady suggested. In the buying, spinning and manufacturing sections the large firms might try to set the pace, but the sheer number of smaller firms generally precluded action which would have eliminated marginal producers.

The process by which employers selectively abrogated aspects of their laissez-faire individualism was reflected in part in the development of their commercial policies. These were stimulated by a mixture of motives which progressively became more ambitious. The reasoning behind many of the earlier policies was the need to assert control over a particular aspect of trade or production, which employers felt was beyond their individual capacity. Manufacturers' scheme to buy machinery parts, spinners' bulk coal purchasing scheme, and arrangements for insuring against Workmen's Compensation were intended to remove employers' from the grip of sellers' price-rings. The scheme in waste collection was undertaken not so much to counteract restrictive action as to take advantage of a

1. Clapham, Economic History of Modern Britain, 317.

change in profits accruing to it.

The various insurance schemes and the plans for purchasing labour were not only expressions of economic good sense, but also of political sensibilities. On no account did employers want government involvement. Drawing insurance arrangements under their own, direct control pre-empted state intervention, reduced costs and made claims and payments subject to closer scrutiny. Removing burling and mending work to an area where female labour was cheaper and, in organisational terms, weaker, similarly shifted the balance of control in favour of organised employers. In both cases the ability of working people to exert pressure through the political system or via market forces was substantially reduced.

These kind of policies, to which employers could opt in or out as they chose, had a very general appeal and an important consolidating effect on the organisation. However, although such policies served to soften the 'stiff individualist', the smaller employer with sizeable overheads remained alive to the coercive implications of agreements on terms and conditions of sale, organised short time (briefly considered by worsted spinners in the 1920s) and price maintenance. As Sir Arthur Goldfinch had discovered during the period of Control, the number of firms with their plant written down to almost nothing meant that fixed prices based on average costings would have been

ruinous for a substantial number of firms (1).

These differences meant that spinners and manufacturers addressed the problem of competition and the downward pressure on prices from a different angle. Terms and conditions of sale agreements and the campaign for protective tariffs pursued quite different methods, but were both intended to create conditions which would reduce competition and prevent price-cutting. Agreements on Terms were generally welcomed by Federation members. They provided the strength of Federation backing where customers did not wish to comply, and arbitration services in the event of any dispute. Although some employers worried about losing customers with whom they had other longstanding arrangements, agreements between Federations usually ensured that recalcitrant employers could be coaxed into line. Such agreements reduced the scope for differences in costings between employers and thereby, potential differences in prices.

For the W.S.F. securing uniform terms and conditions of sale was particularly important for the success of their international strategy. In 1921 an agreement had been made with French worsted spinners to adhere to each others terms and arbitration arrangements on import contracts. The attitude taken by Midlands hosiery spinners threatened to

1. Sir A.H. Goldfinch, 'Some Observations on the State Control of Industry in War and Peace' in Bradford Textile Society Journal, 1922-3, 50

weaken it. As negotiations proceeded in the late 20s on arbitration procedures and yarn qualities with Germany, Italy, Belgium, France and Czechoslovakia then the W.S.F.'s ability to take a dominant position made the inclusion of the hosiery spinners in its domestic agreements vital. Once determined, it was the acceptance of these early agreements between European producers which became the basis for entry to the I.W.T.O.

The individual commitment on which terms and conditions agreements were based was quite different to the kind of commitment demanded by the joint purchasing schemes and tariff policies. For these majority decisions were necessary to get them started, but their precise formulation was left pretty much to the energies, resourcefulness and influence of executive committee members. The added dimension for tariff protection was that this was a policy for which employers had to seek political confirmation, and which would then be implemented on their behalf by the State. It stands in stark contrast to employers' attitudes towards other forms of State intervention - such as on Workmen's Compensation and rationalisation.

In their tight control of production and costings information, their threat of sanctions unless government approved price increases in war-time, their pre-emptive strategy on Workmen's Compensation and tariff campaign -

the last two co-ordinated with the N.C.E.O. and the F.B.I. - organised employers showed a quite definite (although not entirely predictable) capacity to influence the course of State policy. The degree of influence was especially strong in 1931 when a change in State policy was effected by a change in government. The importance of business pressure - and business was central to what a change in fiscal policy was about - cannot be doubted.

The extent to which government policy was carried by the pressure of the business community was evident in the degree of unnecessary protection afforded worsted spinners. Their own statistician quietly informed the W.S.F., contemplating complaint against the reduction of the tariff by the 1932 Act, that not only did they not have cause for redress against the loss of 50 per cent protection, but neither did the statistics justify the then current 10 per cent. Fortunately for worsted spinners they were not called to account by the I.D.A.C. - which according to Sir Herbert Hutchinson's report was breathing a sigh of relief that the W.T.D. had ceased to lobby them. The relevant statistics were, for all practical purposes, inaccessible.

Price maintenance and rationalisation were equally live issues when approaches to tariff protection were being discussed. They were taken up seriously by the W.E.F. and the W.S.F. and condemned by worsted manufacturers as adding to the real problem of wool textiles, which was high

prices. It was these attitudes which were inextricably bound up with the tortuous question of wages reductions which divided employers with such disastrous consequences between 1925 and 1931 (1).

The W.E.F.'s control of the commission market and the relatively small number of firms involved had enabled them to operate restrictive pricing almost from its inception. Confronted with excess demand in war-time the other sections had similarly agreed prices for government contracts. However, in the context of depressed demand and intense competition after 1925, price maintenance was not primarily an issue of pursuit of monopoly profits so much as a policy to squeeze out small producers and restore profitability to those remaining.

W.S.F. members were running at around 70 per cent of capacity, and the W.E.F. at no more than 50 per cent by 1930 (2). In such circumstances it is not surprising that price maintenance strategies failed and that attention should then focus on eliminating the weak through purchasing and scrapping their machinery, and then raising prices. Herein lay the source of worsted manufacturers' objections to 'rationalisation'. The crux of their marketing problem was price inelasticity and rationalisation, as they perceived it, would only reinforce that. This

1. See Chapter 6 for further discussion on wages policies.
2. Wool Record, 9 Jan 1930.

analysis was confirmed by a Board of Trade Report in 1946, which observed that the W.E.F.'s scheme had become 'no more than a device to keep up prices by restricting production' (1).

The W.S.F., on the other hand, failed to control prices in the same way. With the majority of firms employing less than 100 operatives, and around two thirds of firms running less than 10,000 spindles, the section's low capital basis provided little scope for consensus on eliminating the 'weak' through price maintenance or purchasing redundant plant. It was, therefore, left to the somewhat slower and unreliable process of market forces.

The P.E.P. surveys of the 1940s and 50s on trade associations stand out among studies of employers' organisations for their attention to commercial policy. In the main, however, the very generalised reference to associations' provision of 'services' do little to enlighten the reader as to the rationale behind them. The evidence of wool textile employers' activities largely confirms the conclusion of the 1944 report, with the added dimension of the inescapable links between commercial and industrial relations policies - which all the reports effectively ruled out by their working definition of 'trade association'.

1. Board of Trade, 'Internal Cartels:Woolcombing'.

Written in a climate of public debate, white papers and government enactments intended to control price agreements and monopolies, the 1955 report was particularly sensitive to the association of price fixing with the organisation of employers (1). In the 1930s price fixing may not have been a majority practice, but as the Balfour Committee observed in 1927, the tendency towards it was common to all organisations. Wool textile organisations certainly aspired to such agreements at different times with varying results. Although price-fixing was a major activity of the W.E.F. this could not be said to be the case of the other organisations. Price-fixing, moreover, was just one of many policies which organised employers carried out for reasons of stability (of profit margins) and security (staying in business). Other policies, such as those on Workmen's Compensation, have attracted a smaller amount of attention, yet also have far-reaching implications, not only for profit margins, but for the quality of life too.

1. P.E.P., 'Industrial Trade Associations', 121.

Introduction

Their relationship with labour is the most public and probably the best researched aspect of the work of employers' organisations. Since 1867 there have been 5 Royal Commissions on industrial relations which have collected information on employers' organisations (1). None of these provide direct evidence for the period 1914-45, although they are important sources of information. The most recent one, that headed by Lord Donovan 1965-8, specified the role of employers' associations as part of its brief. Eric Wigham, one of the Commission members, soon after published his history of the Engineering Employers' Federation and in 1974 Howard Gospel's thesis on employers' organisations and the system of industrial relations 1918-39 was completed. In the 1980's work has been done on cotton and engineering employers and industrial relations, with McIvor's research also taking in building employers in Lancashire.

The work of Gospel and McIvor has attempted to reconstruct employers' industrial relations policy, based upon organised employers' records themselves. It considers 5 industries - engineering, flourmilling, electrical contracting, building and cotton. Earlier histories of employers' organisations such as Powell's on the Shipping Federation or Golden's on the Commission Dyeing and Finishing Trade Association, were written by organisation

1. See Donovan Report, 2.

officials, and even Wigham's history of the Engineering Employers' Federation, though by no means as partisan, was commissioned by the Federation itself (1).

Research on the rationale behind employers' policy is welcome because, as Steve Jones has noted, historians of industrial relations have tended to concentrate on the trade union movement (2). The impression which this one-sidedness leaves us with is that of the trade unions as the main protagonists in that relationship. This impression is no less the case with the Donovan Report (the Report of the 1965 Royal Commission), which has far more to say about trade unions than employers' associations, despite the apparent equal weighting given to each of them in its brief:

to consider relations between managements and employees and the role of trade unions and employers' associations in promoting the interests of their members and in accelerating the social and economic advance, with particular reference to the law affecting these bodies. (3)

Donovan's findings that employers' associations lost the initiative to trade unions and government after 1914 have not been supported by Gospel's work on the flourmilling, electrical contracting and engineering industries. In particular, he notes that in contracting and flourmilling '... the lead in creating and extending the procedural and

1. Powell, op. cit., Golden, op. cit., Wigham, op. cit.
 2. Steve Jones, 'Cotton Employers and Industrial Welfare Between the Wars' in Jowitt & McIvor, op. cit., 64.
 3. Donovan Report, iii.

substantive system during the war and in the inter-war period came primarily from the employers' organisation (1).

In writing their article on the wool textile dispute of 1925, Tony Jowitt and Keith Laybourn were concerned to raise it from the shadow of the 1925 coal dispute and 1926 General Strike, and to record its 'pivotal' importance in the history of industrial relations in the inter-war period (2). However, the focus of their study was the trade union strategy. In this Chapter special consideration is given to the development of organised employer policy, particularly on the issues of reductions in wages which resulted in lock-out in 1925 and 1930. Over the period of study the comparative positions of the wool textile sections changed substantially, as indeed did their policy positions. Zeitlin has commented upon employer divisions and their relative weakness in 'the wider labour market'. Their organisations, he said, did not have the coherence of their German and American counterparts (3). The preceding chapter established that organised employers operated at different levels - strength was not uniquely denoted by aggressive displays of unity. This was no less the case with labour policy as commercial policy.

The points to be made here, and which are explored in this

1. Gospel, op. cit., 362/3; Donovan Report, 20.

2. J. A. Jowitt & K. A. Laybourn, 'The Wool Textile Dispute of 1925', Journal of Local Studies 2 (Spring 1982).

3. Zeitlin, 175.

chapter are firstly, that despite industrial relations being the most public aspect of employers' organisations, in reality very little is known about their work in this sphere. Royal Commissions, official reports and commissioned histories of organisations entail a process of selection in addition to those inevitably practised by the authors, while the pioneering work such as that of Gospel and McIvor is as yet small. In this sense the examination of wool textile employers' labour policy, as perceived and elaborated by them, will be important in adding to it.

Secondly, the employers' perspective is a vital factor in making a rounded assessment of the implications of particular events or industrial relations strategies. The records of employers' organisations are not always available, and seldom complete. In the case of the 1925 wool textile dispute, one employers' organisation actually recorded a decision not to take detailed minutes of a meeting to discuss strategies (1). Nevertheless, given its central importance in the development of industrial relations, the employers' is a perspective which warrants investigation.

Thirdly, the consideration of employers' labour policy is of value in itself. Why did employers' collaborate on how to deal with employees? On which aspects of that relationship were they prepared to co-operate and which

1. W.S.F., Minutes, 14 May 1925.

not? What kind of strategies did they formulate and why? What this chapter will do is to begin to explore the purpose, form and effect of employers' policies based upon the particular experience of wool textile employers. This will focus upon the issues affecting labour which contributed to the impetus to develop the collaborative framework established by 1921, upon the wage reduction strategy which led to the crises of 1925 and 1930, and upon how their organisational framework was used to meet changing conditions.

These examples refer to labour policy in its more direct sense. Initiatives on education or regulations dealing with safety, which undoubtedly affected employees (1) are discussed in the following chapter, which considers employers' efforts in working to secure a favourable environment for the conduct of their business.

Strategies 1914-21

From their formation as individual organisations to their agreements to collaborate in industry-wide groupings by 1921, wool textile employers discussed and acted upon a large number of issues affecting their relationships with employees. These included the closing of mills at holiday times, union recognition and wage levels, workmen's compensation and the shape of the working week. Some of

1. For an excellent analysis of the relationship between 'Social Welfare and Industrial Relations 1914-1939' see Noel Whiteside, pp211-241 in Chris Wrigley, op. cit.

these, such as the establishment of burling and mending firms in outlying districts in order to control wages and conditions, were matters for mutual deliberation, while others involved discussions with employees themselves. In either case, the point of collaboration was to reach some kind of agreement - which might imply either a collective or individual strategy - on how best to deal with situations involving employees. That is, employers might agree to act together or in the same way on particular issues, or they might agree a strategy for minority or individual members with specific workplace problems.

The range and frequency of matters brought up at employers' meetings changed quite substantially during the period from 1914-21. Still relatively new in wool textiles the permanent employers' organisations which existed before the war were already tending towards inter-organisation collaboration but, the Wool Record had noted,

... so far as the staple trade of the West Riding is concerned some diffidence was shown by many firms in joining a trade body. There was still a certain amount of prejudice against the merging of the individual in an organisation, and many preferred to stand on their own and retain an entirely free hand.

(1)

John Emsley, a founding member of West Bowling Spinners' and Manufacturers' Federation, and Chairman of Bradford Manufacturers' Central Board 1914-15, lost his Chairmanship and finally resigned from the Board in October 1915 because of his independent action on wages.

1. Wool Record, 30 Oct 1919.

Lingering paternalism and general ideological objections to organisation were reduced for many employers during the war years, vis à vis other developments. Following its comment on the pre-war reluctance to join organisations, the Wool Record continued:

The coming of State Control, however, put the position in a different light, and it was soon recognised that one of the strongest weapons in the hands of the Government was the lack of organisation within the trade. Time and time again one section was used against another, and it was this undoubted weakness that influenced members of the trade to declare that a central authority was essential. (1)

The issue of wages, the limitation of which had so upset John Emsley's perception of his relationship with employees, is a good example of how employers came to regard any policy on them as a corporate affair. Before 1913 when Bradford manufacturers centralised their activities through a Central Board, members of the local Associations had a common aim not to disadvantage each other by changing conditions or rates of wages without agreement. The decision to meet as the B.M.F. was a confirmation of the fact that differentials between and within local areas were increasingly difficult to maintain.

Union pressure on wages in Bradford was only part of the difficulty. Unlike Huddersfield where woollen manufacturer William Crowther had made recognition of the General Union of Textile Workers (G.U.T.W.) and procedures to negotiate

1. Ibid.

with them an essential part of the formation of employers' organisations there, in Bradford the General Union was not recognised. The more skilled unions of overlookers and warp dressers were recognised in Bradford, but the General Union which would have represented the greater part of the workforce, was still badly supported (1). A further difficulty in maintaining localised wage rates was almost certainly the increasing mobility of workers. Transport developments meant that the potential workforce in Bradford was much more mobile than just 20 years earlier and able to pursue better wages further afield.

One of the founding objectives of the B.M.F. was the uniformity of wage rates. Maximum wage rates were fixed and new members only admitted to membership when their wage rates were in compliance. By early 1915, the shortage of labour because of the war, trade union pressure, and rumours of firms paying 'excessive' wages or unrecorded bonuses led to members being asked to submit all proposed changes in wages or conditions first of all, to their local association and then to the Central Board for approval. The effect of this was to bring a greater number of individual cases and disputes before the executive of the Federation and to increase employers' general awareness of common pressures upon them. Firms with specific problems

1. For development of reasons for poor support see Tony Jowitt, 'The Retardation of Trade Unionism in the Yorkshire Worsteds Textile Industry' in Jowitt & McIvor, op.cit., 84. The work of warp dressers involved preparing the many threads which run lengthwise in cloth ready for weaving.

such as threatened strikes, were given the financial and moral support of the Federation, as was the practice of employers' organisations in Lancashire in the engineering, building and cotton industries (1).

By 1916 the practice of keeping in touch with the other West Riding organisations had become, as far as the payment of overlookers was concerned, an important means of achieving employers' objective of levelling wage rates. Bradford manufacturers argued that they would rather go to arbitration with Sir George Asquith under government regulations than condone wage rates which were in excess of rates elsewhere in the West Riding. In this their strategy was not too dissimilar to that of Sir George himself, who the W.W.T.F. Minutes record, had advised its secretary, George Wood, that in future he wanted his awards to apply to the whole trade without having to hear several applications (2).

It was not only in this sense that State policy on industrial relations was seen to be compatible with textile employers' labour policy, but also in the nature of the increases awarded. Asquith's practice of according increases in war bonus or wages in relation to the Board of Trade Cost of Living Index, followed the employers earlier practice of refusing to increase basic rates.

1. B.M.F., Ibid., 15 Oct 1915; A.J. McIvor, Ibid., 636.
2. Minutes, 6 Dec 1916.

Instead they adopted the principle of 'war wages' which were added on to basic rates in consideration of the 'abnormal circumstances' (1). Railway employers had first succeeded in making such temporary increases in wages in 1915, a precedent which other employers followed.

As far as general weaving wages were concerned, the B.M.F. had consistently refused to recognise the G.U.T.W. up to February 1917 (2), and any disputes on wage rates involving Federation members were handled, with advice from the Federation, by the individual firms concerned. The effect of this was to slow down movements in weaving wages in Bradford as most employers neither recognised nor had a collective relationship with the Union. At a Special Board Meeting called to consider the question members reported varied changes in earnings from pre-war averages of 14/9d to 22/-, and another 16/4d to 25/- (3).

The turning point came with a weavers' strike in February 1917 in West Bowling, when the G.U.T.W. claimed the increase in war wages recently awarded in Huddersfield. The

1. G. D. H. Cole, Labour in War Time, (G. Bell & Sons, 1915), 144/5.

2. H. A. Clegg's history of British trade unions observes that by 1913 the G.U.T.W. 'had secured a series of agreements with 5 employers' associations, between them covering most of the industry'. This undoubtedly refers to the 5 employers' organisations centred upon Huddersfield which joined with 16 others to form the W.W.T.F. during the First World War, and only then could claim to cover most of the manufacturing section, as opposed to the wool textile industry. See Clegg, 86.

3. B.M.F., Ibid., 14 Feb 1917.

strike complicated matters as H. B. Shackleton explained to Federation members '... in view of Government orders in hand, we are not able to deal with the situation as in normal circumstances. It is evident that the War Office will probably report the matter and we'll have to go to arbitration' (1). The Federation's earlier response to Sir George Asquith's enquiries on its relationship with the Union, that the latter represented only a minority of workpeople and 'our women workers are perfectly contented', could no longer be held to be true (2).

Although the B.M.F. had helped form the sectional organisation, the W.W.T.F., a year earlier and had discussed wages movements with woollen manufacturers, their wages policies had remained separate. Now that union recognition by the B.M.F. seemed inescapable it was agreed that policies would be stronger and more coherent if co-ordinated and conducted through the W.W.T.F. In order to ensure a common policy on matters more likely to be influenced by local conditions, worsted manufacturers joined together with combers, spinners and dyers resulting in the formation of the Textile Employers' Consultative Board in January 1918. In practical terms this enabled employers to agree a local wages policy for joiners, mechanics, firemen and any other groups of employees not strictly textile workers, but whom they employed in common.

1. B.M.F., Minutes, 12 Feb 1917.

2. Ibid., 12 Dec 1916.

The value of the Consultative Board in providing a forum for consideration of the local context in which employers operated was such that it continued to be active after the formation of the Industrial Council in 1919.

This process of centralising policy making was by no means smooth and reflected basic conflicts which employers continued to experience. Firstly there was the deeply rooted conviction that as owners/managers (1) of mills they were in the unique position of being able to decide what was in their own interests. Secondly, that although those interests might coincide with the interests of other employers, it was not necessarily or always the case. In January 1918, for example, there was much irritation between combers, spinners and worsted manufacturers. Manufacturers, through the W.W.T.F. had agreed to pay employees for 3 days short time running at Christmas. At a subsequent meeting with the W.S.F. and the W.E.F. these two organisations expressed opposition to such a payment and in conjunction with the W.W.T.F. had issued a resolution not to pay anything. E. Halliday, a worsted manufacturer from West Bowling protested to the B.M.F. that there was 'a tendency to centralise in a manner not to our well-being as a Federation. Is the Federation to be fettered by the West Riding Federation? This Board recommended paying 3 days

1. Where constitutions existed the prime qualification for representation was that they be non-trade unionists and directors of firms. It was only in 1931 that the B.M.F. adjusted its constitution to allow managers to act as representatives of firms.

and some members have already paid something'. Worst of all manufacturers themselves were divided on the issue, while combers and spinners were particularly annoyed that manufacturers had 'prejudiced' their position (1).

In much the same way B.M.F. members in September 1918 claimed that by leaving wages negotiations in the hands of the W.W.T.F. overlookers had been granted an increase, against the wishes of the Bradford Federation. It was explained that the increase had been forced upon them by spinners' independent action in giving in to their overlookers (2). In general, where particular groups of employers felt their interests compromised, the secondary message seemed to be that collaboration was essential.

Although the next stage in centralising policy on wages was the formation of the Joint Industrial Council (J.I.C.) in 1919, this was not a means of collaboration which had been actively sought by textile employers. It was more a response to pressures being exerted by the State to ensure the dialogue between employers and employed continued after control measures were withdrawn (3). Positive attitudes towards controlled pay bargaining, in which the textile sections worked together, were mingled with negative

1. B.M.F., *Ibid.*, 2 Jan 1918; W.E.F., *op. cit.*, 7 Jan 1918., B.S.F., Minutes, 7 Jan 1918.

2. W.W.T.F., *op.cit.*, 6 May 1918; B.M.F., *op.cit.*, 17 Sep 1918.

3. H. A. Clegg, 'The Employers' in Flanders & Clegg, *op.cit.*, 211.

feelings amongst employers that if such voluntary action was not taken, then control would be enforced through the application of a Trade Board.

Wool textile employers' involvement in the National Wool (& Allied) Textile Industrial Council took collaboration among employers and employees a step further. The J.I.C. was to consider wages and conditions affecting the wool textile industry as a whole, or one of its sections (1). In practical terms this meant that detailed discussion on policy took place between the employer organisation representatives to the Industrial Council, who met as the Wool (& Allied) Textile Employers' Council. By 1919 the initial local associations of spinners and manufacturers had become redundant. Associations such as Great Horton had become incorporated in the Bradford & District Master Spinners' Association, and the local associations which made up the B.M.F. met only once a quarter.

The structure of organisation was now such that matters affecting relationships with employees could be dealt with at several different levels. At one level the Employers' Council provided a forum for agreeing a common approach to issues brought before the J.I.C., such as wages hours, apprenticeship and holidays. Where these had previously been discussed in great detail by individual organisations,

1. National Wool (& Allied) Textile Industrial Council, Rules, 1919.

with little co-ordination between them, conditions since 1915 at least had impelled the degree of collaboration evident in the Employers' Council. The sectional organisations of manufacturers, buyers etc represented there provided the link with the smaller organisations, making reports, collecting information and pressing the section's position.

While the Employers' Council might agree an industry-wide approach on those subjects falling within the remit of the J.I.C., it was evident to employers on its formation that it could not encompass the whole of their labour policy. The Bradford Textile Employers' Consultative Board which predated the Employers' Council by about 12 months, continued to operate for a number of very clear reasons. The Employers' Council was made up of employers' organisations represented on the industry's J.I.C. only. The Dyers' and Finishers', Millowners' and Merchants' organisations were not involved (1), but in terms of the structure of textile production in Bradford were very important. The Board's 'flexibility' meant that 'outside' organisations could be co-opted to consultations where it was thought appropriate. Lastly, its lack of formalised structures and rules meant employers could freely discuss and make agreements as broad or as narrow as thought appropriate. The Consultative Board worked on issues as

1. The dyers had a separate interest in the chemical industry, and millowners and merchants were not strictly textile producers.

varied as general resistance to the Union's proposed May Day holiday in 1919, co-operation with the Engineering Employers' Federation on reducing differentials for groups of workers employed in common, and agreements not to take on striking building workers in the employ of other federated employers.

Employers' decision to retain the Consultative Board after the formation of the Employers' Council was very much an expression of the uncertainties many experienced in the process of collaboration. On the one hand, employers wanted the freedom to be able to make the decisions they individually thought was in their best interests while on the other they might acknowledge that, in general, co-operation was absolutely vital. The tensions between employers' perceived particular interests and those of textile employers in general were at their most evident in the crises of 1925 and 1930.

Dealing With Conflict

Following decontrol of the wool textile industry in 1919 and the return to 'normal' trading, wool textile employers briefly experienced the 'largest export trade in woollens and worsteds ever recorded' before the onset of a severe slump in 1921 (1). The unfavourable trading tendencies evident before 1914 were again manifest, but now in more

1. C. Ogden, The History of Bradford, (Bradford & District Newspapers, [1935]).

mature form. Trade union activity among textile workers had strengthened as 42 textile unions (dominated by the G.U.T.W. and the Amalgamated Society of Dyers, Bleachers, Finishers and Kindred Trades) co-ordinated their activities in the National Association of Union in the Textile Trades (N.A.U.T.T) (1). Former markets had been absorbed by competitors, or were protected by tariff barriers as those countries sought to meet their own requirements.

In view of the increasing number of textile producing countries and the decreasing volume of world trade, employers resorted to a number of devices in an attempt to maintain profitability. These included a bonus-on-production scheme introduced by employers with woolcombing plant - successfully reducing their labour costs of production by 15 per cent - and the measures discussed in the last chapter concerned with regulating competition and prices (2).

Given the close inter-relationship between the worsted sections, however, the very success of such schemes in one section was often a source of irritation in another. Members of the B.W.F. complained that it was really they who paid the bonus in woolcombing through the high rates they were obliged to pay for the wool they had combed on commission. H. B. Shackleton of the B.M.F. sympathised:

1. Jowitt & Laybourn, op.cit., 12.

2. W.S.F., Spinner-Comber Committee, Minutes, 1920/21.

An aspect of the position which must not be lost sight of is that we were adding to the general costs of the Industry, and paying for labour, such as Woolcombing, an unfair price in comparison with what was being paid for weaving.

(1)

For worsted manufacturers the bonus-on-production scheme had a double sting. They felt they themselves paid for the bonus twice. Once, they contended, as part of the cumulative element of production costs, and twice because the wool was so poorly combed as to require great expense in burling and mending when woven.

Worsted manufacturers were convinced that no other section of the industry was being squeezed as they were. In the vertically organised woollen section manufacturers had greater scope for cost cutting. As the final process in the horizontally organised production of worsteds, Bradford manufacturers felt their potential for cost reductions severely restricted. It was they who ultimately paid the cost of the woolcombers' bonus scheme, suffered the effects of the spinners' rigidity on Terms of Sale (being obliged to pay for yarn within the month while extending longer credit to merchants), bore the brunt of the dyers' frequent and 'unwarranted' increases in dyeing charges, and the high price of reeds and healds as the result of a price ring operated by their suppliers (2).

The element of production costs which received most

1. W.S.F., Spinner-Combers' Committee, Minutes, 8 Jan 1925.
2. Committee on Industry and Trade, op.cit., 179.

attention was wages. Since 1919 agreements for the whole industry had been formulated annually at the Industrial Council (1). In the wake of the slump in 1921, a 5 per cent advance in wages agreed in 1920 had been withdrawn. In woolcombing, employers noted with great satisfaction that, with Cost of Living adjustments, the total reduction for the year amounted to 28.5 per cent. They felt it was 'ample testimony' to the usefulness of the J.I.C. as a means of regulating wages (2). In 1922 and 1923 the B.M.F. urged the necessity of a further reduction of the 10 per cent advanced in 1919, to return basic rates to their 1914 level, and the industry to its former competitive position (3). Thus, wool textile employers moved towards a situation which G. D. H. Cole had predicted in 1915 in his Labour in War Time: 'Employers will first terminate the war bonus and then, having reverted to the old standard rates, will be free to put in for reductions in them also' (4).

Other employers had no desire to support the issue to the extent (and expense) of a lock-out, as proposed by manufacturers. The W.S.F. was quite prepared to settle for a continuation of the old agreement in view of the fact that so many spinners were actually working overtime. Privately they were also concerned that reductions in wages

1. The development of this strategy is discussed in greater detail in Irene Magrath, 'Protecting the Interests of the Trade: Wool Textile Employers' Organisations in the 1920s', in Jowitt & McIvor, op. cit., pp. 44-63.

2. W.E.F., Annual Report, 1921.

3. See W.(&A.)T.E.C., Minutes 1922/23.

4. Cole, op. cit., 146.

would aggravate the shortage of young employees consequent upon the abolition of half-time working and the raising of the school leaving age (1). The B.W.F. similarly felt that reductions were 'not advisable' as did the W.E.F. The published profits of spinning and woolcombing employers showed large dividend payments and large amounts put to reserve. The B.W.F. and the W.E.F. resolved to resign from the Employers' Council rather than support the manufacturers and witness mass resignations from their own organisations (2). Having warned that 'the price they were being asked to pay for the Industrial Council was getting too high', worsted manufacturers acknowledged that unanimity was essential and that a separate agreement was 'very dangerous' for them all (3). The Employers' Council subsequently compromised on the 'stabilisation' of cost of living additions to wages, which had been fluctuating according to the corresponding Board of Trade figure. Similarly in 1924, the Employers' Council used the Cost of Living additions as a means of compromise when the N.A.U.T.T. proposed wage increases on the basis of an upturn in trade (4). This kind of compromise only temporarily subdued the policy differences between employers, and was a vital point at issue in the wool textile dispute of 1925.

1. W.S.F., Minutes, 23 Apr 1923.

2. B.W.F., Minutes, 26 Apr 1923 and W.(&A.)T.E.C., Minutes, 22 May 1922.

3. W.(&A.)T.E.C., Minutes, 24 May 1922.

4. *Ibid.*, Apr - Jul 1929.

The 3 week stoppage in 1925 was the apparent result of the Industrial Council's inability to resolve opposing claims for a 5 per cent advance on wages on the part of the N.A.U.T.T., and a 10 per cent reduction on the part of the Employers' Council. However, having put their claim to the J.I.C., the employers had suggested a unity of purpose which was by no means the case. The B.M.F. had wanted to begin negotiations at 20 per cent, and were adamant that their trade could bear nothing less than 10 per cent reductions, at which point they were prepared to lockout.

Not all employers saw the 10 per cent submission in the same light. During negotiations it became clear that woollen manufacturers in particular were not prepared to take any action which might jeopardise their market position. In the context of the contraction in the rate of growth of world trade, demand for cheaper priced woollen goods was holding up well and many manufacturers felt that business must be taken whilst it was there. Yeadon and Guiseley Manufacturers' Federation 'preferred to go on as at present' rather than face a stoppage. Nor were manufacturers in Morley prepared to face a stoppage. Even if an advance was given, they said, they felt compelled to continue working in order to complete brightly coloured contracts for the East, which could not later be sold elsewhere. Rochdale Spinners and Manufacturers, in strong competition with the cotton trade for labour, felt the time

'inopportune' for pressing reductions (1).

Divided on their own wages policy, the Employers' Council found it impossible to continue the course of action upon which it had embarked - that is, to press for reductions in wages. Alternatively, having repeatedly stressed the vital necessity of a minimum 10 per cent reduction for the industry's recovery, neither could it withdraw. For employers the point at issue now changed. They had either to support the Employers' Council in bringing the policy which it had initiated to a conclusion, thus maintaining the status of the Industrial Council; or, they could withdraw that support and take the consequence of its collapse - strengthened trade unions, prejudicial wage settlements and possible interference in the industry's affairs.

Caught in this difficult position, employers chose to post notices of reductions, precipitating a general textile strike. It was, however, primarily a tactical move aimed at maintaining the organisational unity of employers, and not one denoting unity or strength of resolve on the basic issue of wage reductions.

Attempts at mediation by Bradford's Lord Mayor, the Bishop of Bradford and the Ministry of Labour, before and during the 3 week lock-out, met with the reply that the machinery

of the Industrial Council was still in existence and third party intervention was unnecessary. Given the context of the even greater and prolonged crisis in the coal industry Jowitt and Laybourn noted that the lock-out was not treated by either the Government or the T.U.C. with the seriousness it deserved (1). Employers' they added were particularly reluctant to agree to the convening of the J.I.C.

Employers' records show that worsted manufacturers remained resolutely opposed to arbitration and any such meeting would have revealed wool textile employers' general disunity. When both sides of the Industrial Council finally did agree to a Court of Investigation the Employers' Council did so on the proviso that the Court would be confined to consideration of wages only, and that its recommendations should be made binding on both sides.

When the Court, chaired by Harold Morris, K.C., reported in November 1925 its recommendations stunned worsted manufacturers. While acknowledging 'that the industry is in a depressed state at the present time is not in dispute', it concluded that the evidence was 'insufficient to justify a general reduction in wages' or a general increase (2). The 1924 agreement was to continue to January 1927, terminable thereafter on one month's notice either side. It further recommended greater incentives for

1. Jowitt & Laybourn, op.cit., 15, 19.

2. Ministry of Labour, Report of the Court of Investigation Concerning the Wages Position in the Wool Textile Industry (Northern Counties), (H.M.S.O., 1925), 27.

piecework, a minimum scale of wages for juveniles, and an overall simplification of the complicated calculation of textile wages.

On reflection employers privately admitted tactical errors in their strategy. Bradford spinners, Lister & Co., pinpointed two of them:

1. A lack of publicity indicating the employers' point of view, which was a righteous one.
2. That the representatives should have urged the workers' representatives to take a ballot of the workers who it was felt were more than prepared to work at reduced rates. (1)

Bradford manufacturers drew several lessons from their experience. They felt that the failure of the lock-out owed much to the strength of the overlookers, and not the operatives themselves (2). Very importantly in view of their later activities, they also made it clear that they would not again be prepared to consider arbitration. Most other Employers' Council affiliates, and these included the largest group, the W.S.F., felt equally strongly that a more calculated approach to reductions, designed to take public opinion with them, would have to be pursued, and that a further stoppage must be avoided.

The issue of wage reductions had become progressively more important to most industries as British governments pursued

1. B.S.A., Minutes, 24 August 1925.

2. See Jowitt & Laybourn, *op. cit.*, for the trade unions' perception of employers' tactics, and for the support of the local press and clergy.

deflationary policies as a prelude to the restoration of the gold standard, abandoned during the First World War. Restoration, it was firmly believed by the Bank of England, would enable Britain to regain its former position of prosperity and prestige in international markets. The return to gold at pre-war parity in 1925 overvalued the pound and, by making British exports more expensive, aggravated the position of British industrialists. France, Belgium and Germany returned to the gold standard at lower parities, which substantially improved their international position vis à vis British textiles. For British textile producers exporting to Empire markets, relief was afforded by the pegging of some of their exchange rates to sterling (1).

Depending upon their particular market position employers took several different measures in an attempt to alleviate the pressure upon profits. In 1926 and 1927 the W.S.F. encouraged members to form trade associations to prevent price cutting (2). Spinners possessing combing plant attempted to compensate for the loss of spinning business by taking combing work on a commission basis. In response woolcombing employers formed the Commission Woolcombers' Association. This was intended to retain their monopoly of the commission woolcombing trade by introducing a rebate

1. See Pollard, op.cit., 216/9 and I. Drummond 'Britain and the World Economy 1900-45' in Floud & McCloskey, op.cit., 296/7.

2. See Ch.4 pp.229/30.

scheme for customers committing 90 per cent or more of their combing work to Association members. The scheme was bitterly contested by the B.W.F. (from whom woolcombers received their commission work), which described the scheme as one of 'compulsion, monopoly and conspiracy' (1). The formation of the Association had effectively closed off the glimmer of greater flexibility in combing costs which the spinners' competition had promised.

By 1927 worsted manufacturers considered their position 'desperate'. H.B. Shackleton on behalf of manufacturers told the Employers' Council it was '... attempting the impossible to try and pay the present rates of wages and to do business' (2). In admitting the depressed state of the industry and yet denying them wage reductions, the Morris Court, it was felt, had exacerbated an already bad situation. Manufacturers were obliged to carry the burden of their own excessive wage rates, plus those of the earlier processes which were incorporated in their production costs. The only way to regain lost exports was to reduce wages in all sections, bringing down the price of the finished article and thereby making exports more competitive.

With their recent experience in mind, and aware of the potential dangers of raising the question of wage

1. B.W.F., Minutes, 15 May 1929.

2. W.(&A.)T.E.C., Minutes, 1 Jun 1927.

reductions at the J.I.C., employers chose a different approach. A sub-committee made up of representatives of each section of the Employers' Council was delegated to set up an informal dialogue with members of the trade union side of the J.I.C. in June 1927. After 2 meetings, ostensibly to discuss 'the present state of the Wool Textile Industry, particularly in relation to the continuing decline in the export trade', the sub-committee were instructed to bring their discussions to a close. The Employers' Council had been told that it was 'quite clear that the employees' representatives would not be prepared to agree to reductions in wage rates' (1).

By this time, the members of the Employers' Council were still more divided on the issue of wage reductions than they had been in 1925. The B.W.F. spoke strongly in favour of reductions, but refused to commit themselves on whether they were prepared for a lock-out. The Federations of carbonisers, combers and spinners would not rule out other policy options and were totally against any course of action which might lead to a stoppage. The B.M.F. and heavy woollen producers were insistent that nothing less than 10 per cent reductions were needed immediately, while other woollen employers were insistent that any change should be negotiated. The opposing tactical considerations of these employers' organisations were particularly evident

1. See W.(&A.)T.E.C., Minutes, 1 Jun and 22 Jul 1927; B.M.F., Minutes, 11 Aug 1927 and W.S.F., Annual Report, 1927.

when, in August 1927, the trade unions proposed collaborative application for tariff protection through the Industrial Council. On the one hand, spinners welcomed the possibility of safeguarding as an alternative to wage reductions while, on the other, the B.M.F. perceived it as 'a time delaying dodge' on the part of trade unions, the possible benefits of which could only be 'a long way off in time' (1).

With machinery running at around 65 per cent of full capacity, manufacturers were no longer prepared to risk their individual profitability in the long drawn-out procedures of the Industrial Council, particularly in view of the lack of resolve of the other sections. The B.M.F. urged the termination of the existing wages agreement claiming that, '... there was a feeling in some districts that the day of general agreements had gone by. Firms had already left their Federations and had altered wage rates to their advantage' (2). Viewed from the less critical market position of combing and spinning, the manufacturers' position seemed just the kind of 'drastic action' Employers' Council representatives had been instructed to avoid. Reluctantly agreeing to the termination of the Morris agreement from November 1927, worsted spinners' representatives assured worried members that the only alternative had been disunity and the break-up of the

1. Ibid., 23 Nov 1927.

2. A reference to the Heavy Woollen District. See Ibid., 9 Sept 1927.

Employers' Council (1).

The continued organisational unity of employers only thinly veiled the antagonism between them on the vital issue of reductions in production costs. During the following year manufacturers were frequently at odds with the other sectional organisations, who charged them with implementing a policy which was unconstitutional and prejudicial to the interests of the trade (2). With the ending of the general wages agreement the Employers' Council had agreed that no section should take any action likely seriously to affect the interests of another. Freed of its obligations to specific levels of wages, the W.W.T.F. had immediately recommended individual firms to begin reducing the wages of juveniles, and then general operatives as a means of isolating the overlookers, making it difficult for them to stand out against wage reductions as they had in 1925 (3). The W.W.T.F. maintained that since no agreement was in force, none could be broken, and that only sectional, not individual action was answerable to the Employers' Council (4).

The most severe clash between the members of the Employers' Council came in October 1928 when the W.W.T.F. again appealed for united action on the wages issue. The process

1. W.S.F., Minutes, 15 Sept 1927.
 2. See W.(&A.)T.E.C., Minutes, 1928.
 3. W.W.T.F., Minutes, 23 Nov 1927.
 4. W.(&A.)T.E.C., Minutes, 1 Feb 1928.

of individual reductions had proved to be extremely slow, particularly since many manufacturers were not prepared to face the potential risks alone. The manufacturers' backed up their claim to the Employers' Council with figures on the number of bankruptcies since 1924, the extent of unemployment, the low level of machinery activity, the lower wage rates paid by competitors and 'the unenviable position of the British export trade in wool tissues' (1).

Woolcombing employers confessed themselves still unconvinced that reductions in costs could not be more easily affected through changes in staffing of machinery, extra hours and tariff protection (2). Worsted spinners held similar views on the possibility of Safeguarding, and would only consider a joint application to the Industrial Council if provisions were made for arbitration. The Chairman of their Wages Committee, Colonel Foster explained:

We thought that we must put ourselves right in the first instance with the public, that any failure again would absolutely wreck our Federation. We don't want a fiasco like the last time. Our people are not for a moment prepared for any stoppage, it is absolutely no use asking them.

(3)

Worsted manufacturers were equally determined in their view. They reasoned that it was not a question of a small section forcing its policy upon another - they were simply

1. W.(&A.)T.E.C., Minutes, 9 Oct 1928.
 2. Ibid., 15 Oct 1928.
 3. Ibid.

in an untenable position. Running at 65 per cent of capacity (1), and with so many small firms ready to undercut the next to stay afloat, this was clearly no over-statement. According to Shimmin the depression in wool textiles had already returned in mid-1928 with tumbling wool prices (2). The effect was to tighten the squeeze on worsted manufacturers. The W.S.F., they felt, did not appreciate their position. Unlike woollen manufacturers who would receive immediate relief from any wages reduction, worsted manufacturers were dependent upon reductions working their way through the sections to the manufacturing end. The W.S.F.'s support was therefore needed. Tariff protection, according to the B.M.F., offered no quick solutions. The effects would take a long time to be felt and might preclude the possibility of achieving wages reductions until the results were seen. Although the manufacturers freely admitted that the co-operation of the other sections was needed to achieve the reductions they deemed necessary, they could not admit spinners' conditions for a joint application to the Industrial Council. 'Some of us have strong views on Arbitration after 1925', the Employers' Council was informed, 'It is very difficult to get an impartial Court. If a similar Court to the last time is contemplated, I cannot imagine a more disastrous procedure'. Should anyone have doubted the strength of their resolve, H. B. Shackleton reiterated:

1. W.S.F., Minutes, 11 Oct 1928.

2. Shimmin, 'Britain in Depression', 359.

We won't have Arbitration at any price. There is no Tribunal worth having in the whole of this Country. We are quite united in regard to that matter - we won't have it at all under any circumstances whatever.

(1)

Since the W.S.F. refused to concede the manufacturers' case, the W.W.T.F. determined to approach the Industrial Council alone. According to its constitution, only the whole of the Industrial Council could negotiate the wages policy of the industry or any section of it, and the N.A.U.T.T. approached by the manufacturers only, refused to call the Council together.

For the W.W.T.F. the possibility of achieving a negotiated reduction, was now ruled out. The negotiation of either a general or sectional agreement through the Industrial Council was precluded by the lack of co-operation from the other sectional organisations. To attempt to negotiate a sectional settlement independently of the Industrial Council, would be to reveal that manufacturers did not have the support of other employers, and would weaken their case considerably. Frustrated in what they perceived as strenuous attempts at securing a negotiated settlement, the manufacturers' policy of individual wage reductions accelerated.

In the early part of 1929 reductions in manufacturing wages proceeded, for the most part, without difficulty. A strike

1. W.(&A.)T.E.C., op. cit., 24 Oct 1928.

in the Horbury district of Wakefield had collapsed fairly quickly. Spinners in the Spen Valley area, whose business was concentrated in the declining export market, were particularly impressed with the apparent ease with which manufacturers had affected wage cuts in Leeds, Yeadon, Guiseley and at some firms in their own district. In February 1929 they urged the W.S.F. to adopt a similar policy. Spinners in Bradford considered the time 'inopportune' for such action, in view of current discussions with trade unions on a joint application for tariff protection, as well as the forthcoming elections, and effectively quashed their proposals (1).

Nevertheless, the antipathy which spinners generally felt towards manufacturers' tactics regarding wages had begun to crumble. From mid-1928 yarn exports had steadily declined (2) and French yarns were entering the home market in ever larger quantities. Doubts as to the validity of continuing to refuse to join with the manufacturers in a general application to the Industrial Council were strengthened by the loss of the prospect of tariff protection consequent upon the election of a Labour government, and events in the Heavy Woollen District in April and May 1929. Heavy woollen manufacturers had been particularly badly hit by the loss of exports since 1925, and a group of 9 or 10 of them had made 10 per cent cuts in the basic rates of

1. B.S.A., Minutes, 18 Apr 1929.

2. See Appdx III.

their general operatives. A trade union ballot had shown only one third of members prepared to resist, and work had continued without interruption at reduced rates (1).

The W.S.F. subsequently proposed a general application for wage reductions, withdrawing their conditions regarding arbitration. A general application though was now precisely what the W.W.T.F. wished to avoid. Their president explained at length:

A calling of the Joint Industrial Council would be a disaster and would cut across the movement already started ... We do in fact really dread a meeting, general or sectional, of the Industrial Council, as we feel it would almost certainly result in an offer by the Unions of a Cost of Living adjustment. In our view we must get rid of the 10 per cent before we consider the Cost of Living ...

What we feel is that it is desirable that a certain number of resolute men should take the thing in hand and do it. The Wobblers are worse than useless in this case. We should start with 10 per cent, and don't start unless prepared to see the thing through to the end ... [but] It should be quite clear that we have made no agreement whatever and that the Unions should get no idea that a 10 per cent reduction was the end.

(2)

Although the representatives at the Employers' Council resolved to recommend the manufacturers' policy to their respective Federations, divergencies of opinion were now so great that the general situation had become one of confusion. Several members of the British Wool Federation thought the matter could be more easily resolved if the

1. Yorkshire Observer, 15 Apr 1929.
2. W.(&A.)T.E.C., Minutes, 14 May 1929.

worsted section separated itself from the woollen section. The W.E.F. contemplated resigning from the Employers' Council and negotiating its own wages policy. In the spinning section a number of employers had followed the example of the manufacturers and attempted individual reductions - some with success, others being forced back at the old rates by strike action. Meanwhile, the irregular pattern of reductions in the manufacturing section had had the effect of intensifying competition between manufacturers and speeding up their strategy of staged reductions.

In late 1929, following a prolonged lock-out at several firms in Calder Vale, scattered stoppages in most other districts and threatened strike action on the part of overlookers generally, the Ministry of Labour appointed a Court of Inquiry under the Industrial Courts Act of 1919. The 'Court' this time consisted of Lord Macmillan only who, sympathetic to the employers' case, recommended reductions amounting to 9 per cent. In the context of trade plummeting to unforeseen depths and a general push among industrialists for wage reductions any other recommendation would have been remarkable.

Looking back at the minuted evidence of the 'Court' Macmillan's own convictions were unmistakable. Asking employers to show that further wage cuts were justified, he pointed out it was...

... a process which can be carried only a certain distance, because if you carry it too far the very efficiency of the industry is impaired; and that has been recognised in one of the other great industries by fixing a subsistence level; which is economically rather a cruel thing, but there it is: unless you keep your man alive he cannot work. Political economy is quite a cruel thing. So you have to prove you have been driven to the last resort. (1)

Macmillan accepted the employers' claim that the controllable proportion of costs other than materials (50 per cent) and wages (32 per cent) was too small to offer solution - a claim severely criticised by the Economist. This pointed out that the industry was ripe for rationalisation which could achieve economies in other charges and labour costs; and further that it was hard to believe that a 9 per cent cut in wages would make all the difference between disaster and success for wool textiles (2). Macmillan acknowledged there was no guarantee that any reductions would be passed on to the consumer (vital to the employers' case), but did not 'presume to instruct the employers in their business'.

Perhaps not surprisingly the trade unions did not accept the recommendations and were duly locked-out by the members of the Employers' Council, until the N.A.U.T.T. indicated that those who could get agreements with firms for less than the recommended reductions should do so. For the majority of workers this signalled an end to the strike -

1. Minutes of the Court of Inquiry into the matters in dispute between the parties to the Northern Counties District Wool (& Allied) Textile Industrial Council relating to the wages of the operatives, 29 Jan 1930, (S/PLT/2/9), 27.

2. Economist, 15 Mar 1930.

some making a compromise but many more being forced back at reduced rates. The more solidly organised unions - the twisters, woolcombers and power loom tuners - resisted for 15 weeks before being forced to give in. The B.M.F. resolved that as far as possible jobs should not be held open for these strikers. As the striking workers returned many manufacturers, as the Wool Record, put it, 'have discovered to their surprise that their mills have been overstaffed in the past' (1). With so much of the industry already working on reduced rates, the employers strategy had isolated, as intended, those elements most likely to resist. Such was their sense of isolation, the National Society of Woolcombers and overlookers' unions withdrew from both the N.A.U.T.T. and the Industrial Council lest their interests be further compromised. Trade union disunity, in effect, had afforded employers continued organisational unity.

Changing Strategies

In July 1930 Col. Foster told the Annual General Meeting of the W.S.F.,

I think if anything happens like this again each section will have to fight and ask for what they want on their own, I do not see how the trade can all come together at the same time, as the conditions between the Woollen and Worsted Trade are quite different. If the trade goes on as it is doing we soon shall have ask for another reduction or go under as it is the only way we can get relief ... There is a great deal to be done yet with

1. See B.M.F., Minutes, 14 May 1930 and Wool Record, 17 Jul 1930.

regard to this wages question, there are a great many things which are standing over and which have not been discussed yet ... There are a lot of outstanding things such as apprentices etc ... We do not intend to be in the same position which we have been in before, we intend to lay down the conditions on which we are prepared to open and keep our places running, we are not going to be dictated to by a very small band of people who think they are going to control our places and our capital - what there is left of it.

(1)

In effect the speech was a declaration of a changed strategy to meet changed circumstances.

The context in which employers now operated was substantially different from that in which the J.I.C. had been established. In 1919 there had been a tremendous boom in wool textiles, labour was in great demand and trade unions were still experiencing a period of growth. Industrial Councils had been introduced to regulate labour relations against a background of national unrest and revolution abroad. In 1930 trade had slumped dramatically, unemployment in wool textiles was 24 per cent, trade union membership had fallen to 49,000 (around the same percentage as unemployment), and the effect of employers' policy in reducing wage rates had been to split the wool textile unions (2). In these circumstances employers no longer felt it necessary or appropriate to seek consensus on policy through the Industrial Council.

This change in approach was certainly evident where wages

1. W.S.F., Minutes, 17 Jul 1930.

2. Wool Record, 24 Jul 1930, 7 May 1931.

were concerned in the 1930s. Employers continued a policy of individual and apparently unco-ordinated reductions, by-passing the trade unions and steadfastly refusing to re-establish negotiating procedures. McIvor has indicated that similar shifts in policy among cotton employers were a reflection of waning solidarity as a result of the differential impact of the recession, intensified competition and weakened trade unionism (1). In wool textiles organised employers' inability to agree had reached crisis proportions, but even more remarkable was their continued organisational unity in the Employers' Council. There were still many issues on which employers were agreed.

In order to demonstrate the continued agreement among employers which the shift in strategy partly obscures, their approach to hours of work will be outlined from the formation of the J.I.C. to the late 1930s. Considerably less complex than the wages issue, changes in hours were sometimes seen as a less controversial alternative to wage cuts, and were subject to the same kind of policy adaptation after 1930.

The question of a reduction in the wool textile 55.5 hour week had been one of the first things on the Industrial Council's agenda in 1919. For almost 2 years employers had refused consideration of it on the grounds that it ought

1. McIvor, *op. cit.*, 21.

to be dealt with first as an international and national issue (1). This was, in fact, a diversionary tactic. At the National Industrial Conference in 1919 employers demonstrated a determined opposition to any statutory limitation of hours (2). However, the pressure for social reform as an antidote to social and political unrest was intense. The 'Forty Hours' strike in Glasgow had ended in riots, and it was being suggested that the emerging Whitley Councils should take on some responsibility for an improvement in working conditions, including a reduction in hours (3).

In this context, the J.I.C. agreed in February 1919 that the normal working week in wool textiles should, if the greatest possible production was maintained, be 48 hours with no reduction in the current weekly wage (4). On the employers' part the concession was entirely pragmatic. It was felt that even if the 48 hour week was not enacted, as was widely expected, there was a danger that Industrial Councils would be given statutory powers. The voluntary principle was much preferred.

For woolcombing employers the 48 hour week presented particular difficulties as the effect was to increase their dependence upon overtime to link shifts. It was not

1. B.S.F., Minutes, 17 Dec 1918.

2. Lowe, *op. cit.*, 257.

3. See for example, Tom Jones, 'Whitehall Diaries, 1916-25', in J. R. Hay, *op. cit.*, 67/8.

4. W.(A.)T.I.C., Minutes, 3 Feb 1919.

uncommon for nightworkers in particular to work up to 15 hours per night to ensure that machinery was kept running between day and night shifts (1). Some employers noted the lack of concern in other sections which did not run night shifts and 'couldn't see why the spinners and manufacturers should control us' (2). To complicate matters the trade in tops was booming. W. C. Gaunt of the Valley Woolcombing Co. complained that the new hours were impossible to work, and proposed to break with 5.5 day working to meet the situation by working 5 days and 4 nights. Countervailing arguments were the recommendations of the Committee on Industrial Fatigue, which had visited woolcombing firms, and was against the 12 hour day, and expected legislation which would prohibit systematic overtime. Other sections of the Employers' Council were totally against 5 day working, as it would complicate any return to 6 day working when required.

Under pressure from the Home Office to increase production, and with civilian demand booming, woolcombing employers were desperate to raise their output. Despite the J.I.C.'s agreement that overtime might be worked to meet extreme circumstances, the woolcombing operatives' union generally refused to work overtime unless certain conditions were met. These included compulsory unionism, absorption of

1. See, for example, discussion on the issue in W.(A.)T.I.C., Minutes, 3 Feb 1928, W.E.F., Circular Letters, 29 May 1933, and W.(A.)T.E.C., Minutes, 27 Feb 1926, 29 Jun 1935.

2. W.E.F., Minutes, 5 May 1919.

unemployed woolcombing workers and the sharing out of work during slack periods. Woolcombing employers observed to themselves, that had they been willing to agree to these, they could not have done so due to the 'combined opposition of the rest of the trade' (1).

Spinners and manufacturers wishing to work overtime encountered fewer problems. Their employees, largely women and children, were persuaded by arguments of needing to run 'unbalanced plant' longer hours in maintaining employment throughout the mill. Woolcombing employers then claimed their need for overtime was to keep other sections running. At a conference with the Lord Mayor it was explained that 'Woolcombing Employers wanted overtime not only in their own interests because it didn't pay because overtime rates were paid, but on account of the demands of other sections' (2).

A measure of the urgency which woolcombing employers felt to secure overtime working is indicated by the levels of profitability for 1919. The Profiteering Inquiry into the Topmaking Trade noted the average percentage profit on capital employed in 1919 to have been 59.44 per cent (compared to 15.72 per cent for 1912), with the highest percentage average being 131.05 per cent (compared to 67.62 per cent for 1912) (3). The Wool Record estimated that if

1. W.E.F., Minutes, 15 Mar 1922.
 2. Ibid.
 3. Report on the Topmaking Trade.

systematic overtime was worked output would be increased by up to 1m lbs per week. On the basis of production figures for 1912 this would have amounted to around one sixth of total output (1). Unable to return fully to previous patterns of working it was at this point that woolcombing employers introduced a bonus scheme which increased output by around 15 per cent.

The criticism which woolcombing operatives came under in the circumstances is worth noting. Reporting on government condemnation of profiteering and extortionate prices, a Wool Record article continued:

At the root of the evil, however, is the inadequate output. During the war the bulk of machinery in the woollen and worsted industry was engaged on the production of textiles for the troops, and there was neither the raw materials nor the labour necessary to maintain supplies for the civilian population. Now there are ample supplies of raw material for all purposes, but on account of the reduction in the working week, and the refusal of certain sections of the operatives to work overtime, it is not only impossible to make up for the reduced output during the war, but it is impossible to keep abreast of the current demand ... If only the workpeople would realise that by increasing output they would be helping to adjust the balance between supply and demand, and so bring down prices, they would administer the death blow to high prices and so-called profiteering. (2)

Here attributed some of the blame for profiteering, the Woolcombers' Society's refusal to work systematic overtime, according to the Wool Record had potentially worse

1. Wool Record, 8 Jan 1920; see Table 18, Appdx II.
2. Wool Record, 7 Aug 1919.

implications. In an article on 'Work, Wages and Control' it was noted that in Russia in 1922 trade had been ruined and people were starving, and remained...

... a curse to themselves and a drag on civilisation... We mention the case of Russia to emphasise the fact that while such awful conditions obtain abroad, it is useless to expect trade to run in its normal channels at home, especially when we remember that the UK is dependent on its overseas commerce ... It is nothing short of a tragedy that the woolcombing operatives resolutely refuse to agree to the overtime proposal.

(1)

Independent thinking on the part of woolcombing workers was perceived to threaten far more than the length of the working day.

The problem for employers of not being able to run their mills as and when required remained at issue throughout the 1920s. When trade slumped after 1920 the difficulties in securing agreement through the J.I.C. for running in excess of 48 hours became a source of general irritation. Worsted spinners J. W. Bulmer and J. H. Bates expressed their distaste for the compromising effect of involvement in the J.I.C. - constraints on over-time, they said, were merely the thin end of the wedge. They felt that to have to ask their operatives if they could run their mills over-time was 'entirely wrong' and 'undignified' (2).

In 1922 the trade union side of the Industrial Council protested that some firms were still applying for overtime

1. Wool Record, 23 Mar 1922.

2. W.S.F., Minutes, 20 Mar 1922.

because of 'special circumstances', even though they had been working overtime continuously for 9 months (1). They feared employers were attempting to break the 48 hour week. Noreen Branson and Margot Heinemann explain the circumstances which provoked this kind of position:

In times of depression when retailers and wholesalers in clothing and similar trades were nervous of holding large stocks, it was common for them to place small orders for delivery in a hurry. This meant periods of feverish overtime alternating with short time and unemployment. Certain seasonal industries regularly worked very long hours for part of the year. (2)

This certainly proved to be the experience of wool textile employers.

In February 1924, thirty members of the W.S.F. were working overtime, while just a few months later firms were desperately trying to organise short time running. One member thought there was a certain madness in the situation:

We shall be cutting one another's throats with the idea of getting our full share of what work may be had, forgetting all the time that it is impossible for the trade as a whole to run anything like full time. (3)

Nevertheless, majority support for organised short time running could not be found. For the small man, of which there were many in worsted spinning, it held no attraction at all. Mr. Lougee of Lougee and Co. observed that 'some

1. W.(A.)T.I.C., Minutes, 17 Jul 1922.

2. Noreen Branson and Margot Heinemann, Britain in the Nineteen Thirties, (St Albans, Panther Books 1973), 92.

3. W.S.F., Minutes, 18 Dec 1924.

gentlemen are doing a special kind of work and want to execute orders without being told by the Federation that they are only allowed to work 3 days per week ...every man has a right to manage his own business' (1).

Throughout the 1920s employers maintained the position at the J.I.C. that they had no desire to break the 48 hour week. Privately they feared the prospect of government ratification of the 1919 Washington Draft Convention, which had called for the establishment internationally of the 48 hour week. Whenever it seemed likely that legislation would be introduced, as in 1924 and 1927, wool textile employers worked hard to oppose it - through their own efforts and through the National Confederation of Employers' Organisations. The N.C.E.O. argued that legislative compulsion would disadvantage British producers as other countries simply would not adhere to it and would oppose any change in economic practice which would add to the cost of production and divert capital from investment (2). 'Hours negotiations', comments Rodney Lowe's study of the subject, 'illustrated employers at their most conservative and defensive, devoid of any positive, dynamic, macro-economic view point' (3).

With the collapse in trade and abandonment of the J.I.C. in 1930, some employers became more confident in saying

1. Ibid., 25 Mar 1925.
2. Lowe, op. cit., 261.
3. Ibid., 263.

publicly what they had long felt privately. Worsteds spinner Wilf Turner told Bradford Textile Society that the J.I.C. had adopted a short sighted policy and the reduction in hours had been a mistake (1). At the same time A. Shaw for the N.A.U.T.T. protested that instability and lack of organisation in wool textiles presented grim prospects for workers. In one week in October 1931 23 per cent of operatives in worsteds were on overtime to an average extent of 6 hours per week. The previous month it had been 5 per cent. Thirty three per cent of operatives in the industry were registered as unemployed (2). The Leeds Association of worsted spinners proposed that hours be increased from 48 to 54. Members felt that since the Industrial Council had broken down, there was no need to make an issue of it as agreements under the J.I.C. were no longer operative. One or two employers, such as D.R.H. Williams of Huddersfield and Mr Fisher of Apperley Bridge, did voice anxieties about the validity of continuing to reduce wages and extend hours when wages were already so low and there was an increasing dependence on adult labour. Fisher wondered whether the idea was to reduce prices to compete with foreign countries or simply to cut some spinners' losses (3).

Discussing a dispute at Salts' mill in Saltaire, where 55 hours were being worked at ordinary time rates while over-

1. Wool Record, 11 Dec 1930.

2. Ibid., 26 Nov 1931.

3. W.S.F., Minutes, 18 May 1931.

time rates were being paid at Henry Mason's nearby (1), employers insisted there should be no restrictions on individual firms, and that they must have 'absolute freedom'. H. B. Shackleton was emphatic that firms could not afford to pay 'fancy' rates, and it was generally agreed by the Employers' Council that anyone who could get overtime at ordinary rates should do so (2). This was precisely the strategy adopted on wages and apprenticeship agreements. The issues were discussed at the Employers' Council, and employers were recommended to take what action they saw fit - but only in so far as they did not enhance the status quo for employees. Similar policies intended to cut wages and extend working hours were pursued in the cotton and engineering industries (3).

It was against this background that employers received complaints from the N.A.U.T.T. and the Woolcombers' Society - which had split from the N.A.U.T.T. in 1930, and was now part of the National Union of General and Municipal Workers. Woolcombers protested that some members were being worked 60, 70 and even 80 hours per week. The Employers' Council responded by stating that excessive hours were not general in the industry and re-emphasising the continued existence of the 48 hour week. Employers resolutely refused to meet with either of the trade unions

1. Mason's resigned from the W.S.F. in 1930. See B.S.A., Annual Report, 1930.

2. Wool Record, 3 Dec 1931; W.(&A.)T.E.C., Minutes, 19-27 Dec 1931 .

3. See McIvor, op.cit., 18; Wigham, op. cit., 134.

stating that in their view

...meetings for the adjustment of minor anomalies may well be held under normal conditions of trade but at present there is so much dislocation and lack of balance, which has been produced by the long depression, that nothing should be done to hamper the efforts to regain trade and increase employment. In the opinion of the Employers these considerations over-ride all others.

(1)

In late 1933 the Employers' Council did finally agree to meet the N.A.U.T.T. following the latter's appeal to the Ministry of Labour for an Inquiry under the Trade Boards Act. On the Union's suggestion of a re-establishment of joint meetings H. B. Shackleton told other employers, with customary firmness, that he would 'oppose that to the last ditch', and his members 'would never again allow themselves to be put into the position of having to come on bended knees to the Unions for permission to work a bit of over time when it was necessary' (2).

Caught between the desire to help business do everything possible to restore employment, and at the same time not to add to unemployment, the Minister of Labour pressed employers to come to some kind of voluntary arrangement for the limitation of working hours. Reluctant to make any agreement at all other than that between employers' themselves, the Employers' Council stretched out its deliberations until January 1935. The agreement then made with the N.A.U.T.T. focused upon overtime for protected

1. W.(&A.)T.E.C., Minutes, 11 Aug 1933.
2. Ibid., 7 Feb 1934.

persons. If employers would not agree to a statement recommending payment of time and a quarter as a general rule for overtime, the N.A.U.T.T. had decided that they would take what was on offer for women and children but leave the men free to make what private arrangements they could for overtime pay. The accord said that employers might freely employ women and children overtime up to 96 hours per year, preferably for no more than 6 hours per week, at an additional rate of 1d per hour. Permission for working in excess of the recommendations was to be sought from the Employers' Council.

The lack of real meaning and commitment to the agreement, and the way in which overtime working was inextricably bound up with short time working is evident in the Table 17 below, which refers to a week in May 1935.

Table 17 Short-time and Over-time

	Short-time		Over-time	
	% of workers	No. of hrs lost (avg)	% of workers	No. of hrs over-time (avg)
Woolsorters & combers	15	12	18.5	9
Wors. spng	14	13.5	16	5
Wors. wvg	11	9	10	6
Wooll.spng	24	9.5	23	6.5
Wooll.wvg	32	9.5	11	6

(1)

With competition so intense employers' prime concern was to secure whatever orders they could, at the expense of regularity of employment for their workers. The economy afforded by recruiting female school leavers at 15/6d per

week (when average earnings in worsteds were 34/5d) and then working them overtime when quick delivery was needed, was clear. In its Annual Report for 1935 Bradford Juvenile Employment Bureau noted:

Spinning mills have for several years been able to find employment for a great many of the children who leave Bradford schools, even at periods when the number of adult unemployed is relatively high.

(1)

The Employers' Council consistently refused to acknowledge that the economic position of wool textiles warranted any improvement in conditions of work or wages. Repeated pleas from the government that wool textile employers attend the tri-partite International Labour Organisation convention on hours of work were met with rebuttals. The Employers' Council argued that response to the 1919 Forty Eight Hour Convention had been patchy, and any further widening of international differentials in working hours would only make the position of wool textiles worse (2). Yet the local and labour press showed that profits were substantially better than in 1931. The four firms of Illingworth Morris, Salt's, Hields and Patons & Baldwin showed net profits totalling £486,000 in 1935, compared with £220,000 in 1931 (3).

In May 1936 the trade unions resolved to adopt the

1. John Gollan, Youth in British Industry. A Survey of Labour Conditions Today, (Victor Gollancz in association with Laurence & Wishart, 1937), 42.

2. N.C.E.O., Minutes, MSS 200/B/3/2/838 pt 15, and W.(&A.)T.E.C., Minutes, 21 Apr 1936.

3. Labour Research, op.cit., 171.

employers' tactics, and encouraged members to secure the best improvements in pay they could, by taking action against individual firms if necessary. They further made an application for a Trade Board for worsted spinning and, in view of the failure of the voluntary agreement on overtime, called upon the government to legislate the 48 hour week for women and young persons. Fearful that threatened actions against individual firms in Leeds might lead to general and uncontrolled increases in wages, the Employers' Council immediately applied to the Ministry of Labour for an Inquiry into wages and hours of work. Of course, the Employers' Council could itself have initiated talks with the trade unions as a means of re-establishing a general wages agreement. The motive in appealing to the Ministry of Labour with such speed was quite clearly to nip the trade union strategy in its infancy, precluding any strengthening of its relative position, and further, to avoid the possibility of non-federated firms setting rates which organised employers would then be pressed to follow.

Held in October 1936, the Ross Board of Inquiry duly reported that there had been sufficient change in the industry's prosperity to support a 10 per cent increase on the 1931 rates of wages; that the worsted spinning section had sufficient potential for collective bargaining to resolve its own problems, and that any hours worked over 48 should be paid as overtime (1).

1. Wool Textile Industry in Yorkshire.

Short of a no-change position, the recommendations of the Board of Inquiry could hardly have been better for members of the Employers' Council. The threat of a Trade Board had been averted, and the 1931 'official' rates had been taken as a basis for the 10 per cent increase. In both 1930 and 1931 some employers had not reduced wages by the full amount sanctioned by the Employers' Council, so that increases at some firms would be negligible. Trade union pressure on individual firms before the inquiry had started with those firms most likely to be responsive. In this sense, the Ross recommendations placed a welcome ceiling on any increases. The observations on overtime working, happily for employers, opted for the status quo and voluntary limitation of working hours. The Board recommended up to 96 hours overtime per year would not be excessive for women and young persons, while

For men, a limitation on the hours of overtime has been asked for, but we do not suggest any. We think that their interests will best be secured not by limiting overtime but by securing adequate payment for it.

(1)

The graded payments recommended for overtime fell far short of the time and a quarter for which the unions had campaigned.

The recommendations, in fact, were more or less in line with the government's general position on hours of work which was enacted in the Factories Act in 1937. Branson and Heineman in their research found that the exceptions

1. Ibid, 27.

still allowed trades to work women up to 60 hours per week for half a year, as they had previously done (1).

Conclusion

The development of a collective labour policy in effect charted the removal of a substantial part of the individual employer's control over the relationship with employees to the realm of centralised control by the federation. Collaboration between employers accelerated the decline in paternalism which Jowitt has described at the turn of the century (2). By agreeing maximum wage rates be a condition of membership, the manufacturing and spinning organisations sought to establish a uniformity which could not easily be bargained upwards. Under these circumstances the payment of bonuses at holiday times, time off and other favours or gifts would have served to disadvantage one employer against another, destabilising wages or conditions of work. The financial and moral support of the organisation (to the extent of a lock-out if deemed necessary), strengthened members' resolve in not going above the maximum rates and initially, in not recognising the trade union.

Once the G.U.T.W. was recognised during the First World War, this relationship became yet more impersonal as the determination of wages and conditions was conducted on behalf of both employers and employees by their respective organisations. Wages, bonuses, hours, overtime and breaks

1. Branson & Heinemann, op. cit., 93.

2. Jowitt in Jowitt & McIvor, op. cit., 97.

were items on which the textile organisations commonly made decisions. However, it would be difficult to draw a hard and fast line between those matters which employers' organisations discussed and those which remained a matter for determination by the 'sovereign' business enterprise. Recruitment, the staffing of machinery, promotion and dismissal were aspects of labour relations central to the retention of the individual employer's control over his business, yet collective advice or support was often sought on these issues.

The response of individual employers' organisations varied quite substantially. The W.E.F. had found it expedient to recognise and negotiate with the woolcombing unions (largely adult and male) in 1910, while worsted manufacturers resisted recognition of the G.U.T.W. (covering largely female and young workers) until 1917. The differing perspectives which the distribution of employment according to age and gender brought to the federations made collaboration between them at once essential and difficult. If employers did not act in conjunction with each other, then competition was increased in the supply market. While this might mean a temporary advantage for one group of employers, it could only act to their mutual disadvantage because increased costs would be passed on to other sections, and because an upward pressure would be created on all wages.

The avoidance of statutory measures aimed at maintaining the war-time dialogue between capital and labour was the leading factor influencing employers to participate in the formation of a Whitley-style Joint Industrial Council in 1919. The State's interest in promoting and accepting the Councils as an alternative to statutory regulation was bound up in governments' desire to create the conditions for industry to govern itself and to draw back from what threatened to be a succession of struggles on a national scale (1). By this means the federation concluded a voluntary agreement on a 48 hour week and system of overtime working, achieving a degree of flexibility which they felt would have been impossible had reductions in hours been statutory. When booming conditions of trade gave way after 1920, the arrangement whereby the war-time additions to wages were allowed to fluctuate with the cost of living on a sliding scale affected substantial reductions. Between 1920 and 1923 the fall in wages about kept pace with the fall in retail prices (2). Employers, initially, had reason to be well pleased with the J.I.C.

The problem with the agreement on hours and overtime was that spinners and manufacturers found it appropriate to their particular circumstances but the W.E.F., in practice, did not. Woolcombers found it impossible to get their

1. Bill Schwarz, 'The Corporate Economy, 1890-1929', in Crises in the British State 1880-1930, ed. Bill Schwarz & Mary Langan, (Hutchinson, 1985), 94.

2. Clegg, British Trade Unions, 336.

employees to advance overtime permits, and yet were unable to reach a compromise solution with them, as to concede more favourable wages or conditions would have been to prejudice the position of the other sections. The W.E.F.'s response to the situation, by addressing productivity and instituting a bonus scheme, certainly made earnings more attractive in woolcombing, but could not be openly condemned as 'prejudicial' as it quite clearly related increased earnings to increased effort.

Nevertheless, because wages costs were accumulated through the worsted processes both topmakers and manufacturers complained that they, as customers, were having to pay for the bonus. As many spinners had combing plant they had been party to the agreement and offered no such criticisms.

On this occasion the conflict between employers was reasonably well contained, but it was symptomatic of the situation which reached such critical proportions in 1925 and 1930. This was that the organisational unity demanded by the J.I.C. effectively meant that the labour policy decisions of one group of employers could adversely affect the accumulation strategies of another.

The B.W.F., the W.E.F., the W.S.F. and woollen manufacturers did not view the question of wages reductions with the same urgency as worsted manufacturers. Worsted

manufacturers claimed that the combination of depressed prices and the high cumulative costs of labour were affecting a squeeze which was putting them out of business. The only way to compete was to reduce the labour costs of production.

The other groups of employers, including woollen manufacturers, viewed the situation from a different perspective and considered wage reductions as only part of their response to the pressure on profit margins (1). For worsted spinners, whose workforce contained such large numbers of women and children, unit labour costs were the lowest in the industry. The gains from percentage reductions in wages would have been correspondingly small and hardly worth a production stoppage. Covering the preparatory stages of production the B.W.F. and W.E.F. were better placed to pass on their costs of production and from experience appreciated the benefits to be gained from initiatives on productivity. As predominantly integrated concerns, woollen manufacturers had greater scope for cost reductions through the use of admixtures, staffing, machinery, etc. and similarly perceived a situation less dependent on large reductions in wages.

The significance of these differences of approach in terms of employers' relationship with their employees was heightened firstly, by the variation in market experience

1. See p.276/277.

between the sections, and secondly by the steadily expanding Union of Textile Workers. Membership had risen from around 30,000 during the war to 52,000 in 1925 and 70,000 in 1927. In the event, the gritted determination of one group of employers to impose their labour relations strategy upon another, erupted in the space of 5 years in two major stoppages.

The process of individual reductions initiated by manufacturers in 1928 and followed by other employers in 1929, was a two-pronged strategy. On the one hand it by-passed the procedures of the J.I.C. on an organisational level, and on the other it fragmented the opposition at the level of the workplace. Reductions had been imposed initially on juveniles and general workers in order to isolate the better organised overlookers. The fact that some employees had been working at reduced wages for a year or more by the time the Macmillan Court officially recommended such reductions in 1930 meant that the potential for solid resistance was weakened considerably. Thereafter, the Employers' Council considered consultation with the trade union side to be unnecessary, and refused to enter into discussions with them.

With the trade unions split, several of them having withdrawn from the N.A.U.T.T., funds depleted, and unemployment at around 23 per cent in the industry (1),

1. J. Henry Richardson, Industrial Employment and

organised employers took advantage of the situation to recommend members to reduce wages and stop overtime payments as and when they saw fit. The wool textile organisations were by no means alone in such a strategy. In 1931 shipbuilding employers cut wages without trade union agreement, and in engineering there were cuts in overtime and piecework rates (1). In cotton there had been wage cuts in 1921, 1922, 1929, a lock-out over costs reductions in 1931 and further wage cuts in 1932 (2). Between 1929 and 1934 20,576,000 working days were lost in textiles - 67 per cent of total days lost (3).

Some of the larger employers, as the Mond-Turner talks had illustrated, were prepared to seek alternative means of recovery, but the interest of the organised majority was in immediate-term solutions. The answer to industry's difficulties, an N.C.E.O. pamphlet argued at the time, was in reductions in unemployment benefit, in government expenditure and in wages (4). In September 1931 Sir Arthur Steel-Maitland made a statement emphasising these very points, but suggesting that engineering and cotton workers be spared because wages were already low. H. B. Shackleton wrote to the N.C.E.O. in passionate indignation. In addition to an N.C.E.O. decision to lobby the Prime

Unemployment in West Yorkshire (George Allen & Unwin 1936), 57.

1. Idem., 'Industrial Relations', 74; Wigham, op. cit., 135.

2. McIvor, op. cit., 654.

3. Richardson, 'Industrial Relations', 61.

4. Gospel, 'Employers and Managers', 174.

Minister privately, Shackleton urged that a letter be sent to Steel-Maitland personally, stressing the fact that ,

.... any attempt to maintain the general standard in this Country is bound to fail for the reason that the standard makes quite impossible the conducting of an export trade of the size which is necessary for us. (1)

When in 1931 the labour movement's political wing, the Labour Party, failed in government to reverse the economic crisis, organised employers had reason to feel pleased. They had, in effect, won the political and industrial argument about who's right it was to manage the economy.

Introduction

Protecting and promoting 'the interests of the trade' involved employers' organisations in policies which extended far beyond the workplace. The activities of governments, at home and abroad, of other employers and employees, and their methods of organising were often of great concern to men whose business stood to be influenced by them. Yet studies by Phelps Brown and Zeitlin have sought to deny the importance of organised employers in these spheres. Phelps Brown has said that employer association was a 'limited instrument' which had 'no wide purposes' and had no presence at national level to match that of the T.U.C. Zeitlin has similarly argued that the political influence of labour has normally outweighed that of employers and that it is the weakness of organised employers in the workplace and in the labour market which is worthy of note (1).

Zeitlin's study of industrial relations in engineering led him to further conclude that,

While British employers were able to forge a common front against the unions at periodic moments of crisis in industries such as engineering, shipbuilding and coal, they were rarely willing to subordinate their individual autonomy to the demands of collective action on a long-term basis. Few associations thus possessed much disciplinary power over member firms; the centralization of resources and decision-making remained limited ...

(2)

1. Henry Phelps Brown, op. cit., 125; Zeitlin, op. cit., 176-8.

2. Zeitlin, op. cit., 175.

Phelps Brown too perceived employers' organisation almost wholly in terms of industrial relations, '... providing the protection and economy of a common floor of negotiated terms and conditions, and in some cases a grievance procedure' (1). As the previous two chapters have indicated, association among employers was also an expression of common economic and political interests, and demonstrations of strength need not actively involve all employers all or even most of the time. Collaboration in the N.C.E.O. in promoting or opposing social legislation was just one example of this. Terence Rodgers's research on N.C.E.O. policy on unemployment between the wars was of the opinion that 'the N.C.E.O. and the staple employers which it represented deserve wider recognition as one of the formative agents of modern British social politics' (2).

The strength and forcefulness of organised wool textile employers pales in comparison to the impression given by an organisation such as the Engineering Employers' Federation, which seemed successively to hold the lead in aggressive labour tactics, the development of procedural agreements, the formation of the F.B.I., the N.C.E.O. and the Economic League - a pro-private enterprise, anti-socialist propaganda organisation run largely by employers (3). But, the wool textile organisations were undoubtedly effective,

1. Henry Phelps Brown, *op.cit.*, 125.

2. Rodgers, *op. cit.*, 341.

3. *Idem.*, 'Sir Allan Smith, the Industrial Group and the Politics of Unemployment 1919-1924', Business History 28 (Jan 1986), 100.

individually and in conjunction with others. Their plea to the Ross wages inquiry in 1936, that they covered only 70 per cent of the industry, was intended to support the conclusion that 'the better employers cannot put effective pressure on the less good' to restrict overtime working (1). Just by calling for a Board of Inquiry organised employers had succeeded in effecting a brake on wage movements. Privately employers did not hold back from acknowledging the gains of organisation. A few months earlier H. B. Shackleton had told a general meeting of the industry:

We are modest people and we are careful people and I think perhaps I can bring that home to you by saying that the total cost of the whole work done by the Federations themselves, by the Employers' Council, by the Delegation and by the National Confederation amounts to only one-fifth of a penny in each pound of wages which are paid. As some slight measure of the other side of the account, one may think of the penny per week which has been saved on the unemployment contribution which is enough to pay your contributions two and a half times over in every year. (2)

Employers certainly did not view their collective activities as limited, weak, or with 'no wide purposes'. Of course, it was important in terms of membership maintenance that the federations should be seen to be achieving something, but there was no shortage of issues upon which they were active. From local rates to the rate

1. Wool Textile Industry in Yorkshire, 27/8.

2. W.(&A.)T.E.C., 'Report of the Proceedings of a General Meeting of the Wool Textile Industry held in Commerce House, Bradford on May 27th, 1936', (hereafter W.T.I. Meeting, 1936) filed in Minutes.

of unemployment benefit, from the content of national legislation to the moisture content of yarn produced in Czechoslovakia wool textile employers had an interest and therefore a policy. The reasoning behind these policies, the means by which employers chose to carry them out and what the results were are explored in this chapter.

Politics

The organisation of employers did not follow any orderly progression from individual product organisations to an all-encompassing body at the peak. An organisation might be quite effective for certain purposes and combine with related interests for other services, or its members might belong to a broader association further along the line (1). With reference to retailers, the Economist noted the way in which the various organisations might work together:

Representations on any question relating to, say, retail tobacconists will possibly be made, not only by their own associations, but also by the associations, unions and federations, local and national, of confectioners, newsagents, hotels and restaurants and off-license holders - perhaps even with the backing of that active general body, the Retail Distributors Association. (2)

As far as worsted employers were concerned, their links and affiliations included national organisations such as the F.B.I, the N.C.E.O. and the Machinery Users' Association, and local and regional groups such as Bradford Property Owners' and Ratepayers' Association and West Riding

1. P.E.P., 'Industrial Trade Associations', 127.
2. Quoted in Brady, op.cit., 187.

Traders' Railway Association, and international bodies such as the I.W.T.O.

Given their importance as major employers in Bradford and district, it was sometimes the case that worsted employers were actively involved in the formation of local, cross-industry organisations, as with the Horse and Commercial Vehicle Owners' Association in 1918, and the West Riding Traders' Railway Association in 1923 (1). This last was set up to campaign against the effects of the 1921 Railways Act, and the former to protect employers' interests vis à vis government control in terms of priority usage and costings.

Employers' association in these two groups was intended to protect their commercial interests by seeking to ensure that no extra costs were placed upon the industry. This was similarly the case with combers', spinners' and manufacturers' membership of the Machinery Users' Association, and the spinners' federation membership of Bradford and District Property Owners' and Ratepayers' Association. These two organisations were drawn upon to strengthen employers' opposition to the revised rating assessments proposed by West Riding local authorities in the early 20s. At stake was employers' potential liability for rates on machinery in addition to rates already paid on

1. B.S.A., Minutes, Nov/Dec 1918; W.S.F., Annual Report 1923; Bradford & Dist. Commercial Vehicle Owners' Federation, Annual Report, 1935.

land, buildings and motive power. Together the organisations challenged the local Union's valuation of machinery, their methods of valuation, and finally their right to assess machinery for rates. This last was done by working with the F.B.I. to lobby M.P.s and Ministers, thereby securing the introduction of Parliamentary bills to make such rating illegal. A bill de-rating machinery was finally enacted in 1925, and was, as Brady has observed, a notable achievement for employers (1).

The sectional organisations of wool textile employers joined the F.B.I. in 1917 because it was seen to be

... advantageous in more effectively voicing our views, and those of the members generally, on matters of general trade and commercial interest. The F.B.I. also furnishes the most suitable method for approaching Government Departments and other public authorities ... We are thus kept in the closest possible touch with matters of vital importance to the business community ... (2)

Just as membership of the F.B.I. was valuable in helping employers effect their general commercial interests, then membership of the N.C.E.O. was valuable in acting on the general social or labour relations interests of employers. But, the relationship of the two organisations to the wool textile industry was quite different. It was the Wool (& Allied) Textile Employers' Council, representative of the industry's sectional federations, which affiliated to and worked closely with the N.C.E.O. on Workmen's Compensation,

1. See the Annual Reports of the W.E.F., 1921, W.W.T.F., 1922 & 1926, W.S.F., 1921 & 1923-6; Brady, 178.
2. W.S.F., Annual Report, 1921.

Hours of Work, Fencing of Machinery, and a whole range of other issues. This, however, was not the case with the W.T.D. which represented the commercial interests of the sectional federations, as was underlined at a meeting of wool textile employers in 1936:

Unlike the Employers' Council, the Delegation does not work through any other organisation and whilst we have a close touch [sic] with the Federation of British Industries, as a result of the membership of that body of a number of the Federations, our work is dealt with by the Delegation alone, separate and distinct, in many matters, from that of other industries because the interests are separate and distinct.

(1)

Following a lengthy statement on collaboration with the N.C.E.O., this claim to 'separate and distinct' interests as regards the F.B.I. appears somewhat contradictory. But, wool textile employers were echoing a wariness of entrusting anything but their general interests to the F.B.I., felt by other industries. Prominent F.B.I. members in the past had made progressive and social policy pronouncements which were not appreciated by all its members (2). Certainly wool textile employers were especially vigilant where their economic interests were concerned. Whilst recognising the benefits of working with the F.B.I. to present a united front on issues such as rating and taxation, they were not prepared to risk their power of decision-making on other issues, by exposing them

1. W.T.I. Meeting 1936.

2. For attitudes towards the F.B.I. see Wyn Grant and David Marsh, The Confederation of British Industry (Hodder & Stoughton, 1977), 20-22; John Turner, *op. cit.*, 9; Wrigley, *op. cit.*, 101.

to competing economic interests.

However, R. A. Brady has said that by grouping together employers were able to co-ordinate conflict and to act as if they were unified. The importance and strength of 'industry's view' could then be reinforced by representations to government departments, seats on governmental committees and lobbying by industrial groupings of M.P.s (1). The following extracts from a report to wool textile employers gives some indication of how the W.T.D. was able to effect pressure. The Delegation had acted upon:

The Preparation of a Memorandum in addition to the case which was sent to the Canadian Tariff Board and we have in hand a Memorandum which has to be prepared for the Royal Commission on Textiles which has recently been set up in this country.

German Import Embargoes and Currency Restrictions
- representations to Board of Trade and H.M. Treasury.

Cotton Spinning Industry Bill - submission of formula to ensure exclusion of wool machinery and processes from redundancy levy provisions.

Public Health (Drainage of Trade Premises) Bill - Delegation represented on Committee to advise Ministry of Health.

Standards of Retail practice - discussions with Retail Trading Standards Association.

Japanese competition in South Africa - discussions with Board of Trade. (2)

The list in the written report was not complete, it was noted, omitting a 'number of matters' and 'certain additional comments' which it was not considered desirable

1. Brady, op. cit., 176, 315.
2. W.T.I. Meeting, 1936

to circulate' (1).

The specific details of pressure politics seldom are recorded since all sides would like to claim the high moral ground of 'fairness'. Yet the effectiveness of 'representations' and 'soundings' depended to a large extent upon the personal contacts. In this context the long-standing contacts of H. B. Shackleton and G. H. Wood among civil servants, and of Col. Willey among political and financial circles were as vital as the mode of lobbying itself. As one Bradford businessman recently told Bradford Heritage Recording Unit,

And we've always been able to go to Government, it's very important and business has benefited from it endlessly for the last 50 years ... And our understanding, our personal understanding, between senior members of the Board of Trade, I mean we've known them personally, we've stayed - when they've come they've stayed in our houses, and they've become personal friends. (2)

Despite his conviction that such contact did benefit employers, when asked for a specific example of influence J. H. Shaw's response was 'It's never black and white is it?'. Indeed when in the 1960s Ralph Miliband attempted to establish in empirical terms what was clear to businessmen such as J. H. Shaw in the abstract, a lengthy academic debate ensued with Miliband being accused of giving the impression that,

1. Ibid.

2. Bradford Heritage Recording Unit, J.H. Shaw Transcripts, 1984, A0007/01/01, 1323-1606.

... the relation between social classes and the State is itself reducible to inter-personal relations of 'individuals' composing social groups and 'individuals' composing the State apparatus'. (1)

Commenting on the debate Ernesto Laclau later suggested that Miliband's emphasis on the common social class origins of businessmen and the State elite might be interpreted as an indication of class domination and not its cause (2). With this in mind any attempt to measure businessmen's influence on State policy by adding up their success or failure on specific issues (as has been done) cannot be expected to be reliable (3).

The course of policy, businessmen knew, depended not only upon personal and organisational links, but also upon intellectual ones. In the context of the social and political instability of the immediate post-war years both the Coalition Government and employers undertook propaganda campaigns to re-establish the validity of the status quo.

Keith Middlemas states:

The government clearly intended to create a public distinction between good and bad union behaviour, in advance of the bargaining over post-war reconstruction. Supposed abuses of unemployment insurance, the fears of small investors, and the great mass of residual middle-class hostility to working-class aspirations, were all utilised in 1918-19... Tory ministers, Chamberlain and Horne, could be found consulting with the F.B.I. on how to present

1. Nicos Poulantzas, 'The Problem of the Capitalist State', in New Left Review, No.58, (1969), 70.

2. Ernesto Laclau, 'The Specificity of the Political: the Poulantzas-Miliband Debate', Economy and Society, No. 1, vol.4, 1975, 96.

3. See for example G. McDonald, 'Insight into Industrial Politics: the Federation of British Industry Papers, 1925', Business Archives 38 (Jun 1973).

more tactfully the bitter question of profiteering, and asking editors to show their patriotism 'by refraining from attacks on the capitalist class'. (1)

The F.B.I. also,

... launched a propaganda campaign against nationalisation, sponsored a body intended to attack the Triple Alliance, called the National Alliance of Employers and Employed, and subsidised heavily public organisations opposing both nationalisation and the array of government controls. (2)

The shared methods, messages and interests of employers and State agencies in rehabilitating capitalist enterprise, while decrying the heightened radicalism amongst the working class was clear. The potential of such a campaign - which by no means ended in 1919 - in nurturing a public opinion which made automatic links between extremists, business difficulties and unemployment was enormous. This especially since similar views in similar language were articulated at all levels.

Wool textile employers were prompted to take their own action toward the end of 1919 when details regarding the Profiteering Inquiries in the industry were receiving a great deal of attention in the press (3). A publicity agent, a Major Fox, was contracted on behalf of the industry. All articles referring directly to the industry were to be sanctioned by the sections concerned, and

1. Middlemas, op. cit., 131-2.

2. Ibid., 112.

3. W.S.F., Law & Parliamentary Committee, Minutes, 4 Dec 1919.

contact with him was to be maintained through sectional representatives designated to be 'channels of communication'. Articles of a 'purely anti-socialistic character' did not need to be so sanctioned (1). The following extracts from the reports on the work of the Publicity Committee or Department, as it was variously referred to, indicate some of employers' changing and unchanging concerns. In 1921 it was claimed

... that practically every effective move against the Trade Union Extremists has originated or been strongly seconded from this Department. We have proceeded on the lines of carrying the War into the enemies' camp, making effective exposures of Trade Union selfishness, especially to ex-service men; of the effect of Trade Union Ca'canny on Trade and Industry, and the wanton waste of Trade Unions in the management of their own funds ...

A relentless attack has been carried on against Government extravagance. Almost every week a City Paper has published Articles from our Department satirizing the 'Rosy Dawn' of Lloyd George ...

A consistent effort has been made to keep before fashion writers the point that it is sound public economy for customers to use Wool Textiles ... the results have not been as good as expected, having regard to the special advertising campaign of the Scottish Wool Spinners, who are spending £50,000 per year on advertising, and naturally the Press is inclined to favour them in their news column.

(2)

In the main such information appeared in the national, local or specialist press not as government press releases or business opinion, but as 'neutral' editorials or representations of 'common sense' by the great and the good.

1. Ibid., 21 Feb 1920.

2. W.S.F., Annual Report, 1921.

The guiding thread through all of it was the simple logic (if repeated often enough) that the well-being of private enterprise was the basis for the national well-being and any detraction from that, such as trade union militancy or public expenditure on social services was disruptive of efficient trade and production.

Not all the Publicity Committee's efforts were directed towards the Press or the distribution of pamphlets. When the Committee was wound up in 1925, other methods of encouraging attitudes or circumstances favourable to wool textile employers were noted:

At one time it was necessary to bring pressure to bear on the coal control to ensure a fairer supply of coal to the Industry. At another time the Foreign Office had to be made aware of the dangers to the Industry in connection with the negotiations of a new Treaty with Germany. At another time the Home Office had to be informed of the possible dangers to the Industry arising from proposals to extend the scope of the Liverpool disinfecting station. At another time the Colonial Office had to be informed of possible dangers from the proposed export of Angora rams from South Africa.

(1)

From foreign policy to public health organised employers had a vested interest and strove to ensure that it was acknowledged and taken account of at all levels.

Interest in publicity or propaganda work did not cease with the Committee in 1925, but it was recognised that much of its work was being done by the F.B.I. and the Economic League, to which most sections were now also subscribing.

1. W.S.F., Ibid., 1925.

The Economic League had emerged out of the 'National Propaganda' organisation established in 1919/20, with a view to 'economic education and counter-subversion' (1). Reports on the Economic League's work were not generally circulated to all employers, as its work (and, in fact, that of the Publicity Committee) were intended to be kept quite secret. It ran study circles, open-air meetings, training in public speaking and provided speakers to contest trade unionists and socialists at demonstrations and meetings. According to McIvor, the League's Central Council in 1925 included the directors of a number of major newspapers and Lord Gainford, Chairman of the British Broadcasting Corporation (2). In 1934 Sir Arthur Balfour, better known for his 'impartial' report on trade and industry, was its vice-president and Lord Barnby (Col. Willey) a member of its Council (3).

As trading conditions worsened after 1928 and the 'trade union threat' subsided it was the case that organised employers were less inclined to spend hundreds of pounds on publicity. Having noted the 'bitter and violent opposition from Communist elements' to its work against a reduction in working hours, the League's representative in Yorkshire, W. Palmer, was moved to complain that it was spending more in Bradford than it was getting (4).

1. McIvor, op.cit., Appdx II.

2. McIvor, 'The Economic League', 636.

3. Economic League, Fourteenth Annual Report, 1933/4.

4. B.W.F., Minutes, 2 Jan 1935.

When the economic and political outlook again changed from the mid-30s, subscriptions to publicity work from wool textiles once again rose.

Technical Policies

As an organised body wool textile employers' support for research for the industry was always lukewarm. Even before the initiatives sponsored by the Government's Department of Scientific and Industrial Research (D.S.I.R.) during the latter part of the First World War, efforts to stimulate interest in a proposed West Riding Research scheme at Bradford Technical College had met with little response. When in the mid-20s, the D.S.I.R.-initiated British Research Association sought to replace the gradual reduction in State funding with industrial funding, it embarked upon what turned out to be a 23 year campaign.

In attempting to identify the principal reasons for wool textile employers' failing to support a Research Association for the industry adequately, the views of some of the more active employers become quite distinct from those of the main body of employers. Figures such as Dr. S.H.C. Briggs, a worsted spinner, and H. S. Clough, worsted manufacturer, were not only their section's representatives to the Research Association but were involved in many issues, such as tariff protection and wages reductions, and felt the relevance of industrial research to the future profitability of wool textile production quite keenly.

Their argument was that competitors in countries such as the United States and Germany were carrying out extensive scientific research and should not be allowed to get the better of British industry. Cotton and rubber employers had invested large sums in research, much to their benefit; and as a measure of efficiency, the question of research was frequently raised, by Government and with reference to wages at the Industrial Council (1).

Much of the debate about securing sufficient funding to make up for the steady withdrawal of Government finance in the mid-20s focused upon the British Wool Federation. This was the result of the British Research Association, and the spinning and manufacturing representatives to it, recommending a levy on the raw material, similar to the methods employed in the cotton and rubber industries. Between 1924 and 1929 when a co-ordinated, voluntary scheme was approved by W.T.D. members, the Research Association was dependent for an ever increasing part of its resources, on persistent pleas for private subscriptions and donations. Wool buyers maintained that a levy on imported wool would increase international competition, would penalise the buyer as the cost could not be passed on, and manufacturers and dyers would be the main beneficiaries without having to pay their fair share (2).

1. These included the Safeguarding applications, the Macmillan wages investigation and the I.D.A.C. See W.T.I. Meeting, 1936.

2. See B.W.F. and W.S.F. Minutes, 1924-29 and Board of Trade 'Memo on proposed statutory levy to finance the Wool

Their financial situation becoming annually more difficult, in 1927 the Research Association proposed a statutory levy, and tried to meet B.W.F. doubts by agreeing to some dispersal of research to centres other than at Torridon in Leeds, and pointing out that at present only 6.35 per cent of subscriptions came from wool merchants and topmakers, and 93.65 per cent from the other sections (1). The response from members was varied, but quite determined: one member questioned 'whether research discoveries weren't filtering through to the Continent' and 'favoured individual effort in the direction of research'; another pointed out the 'danger of a Labour Government increasing any levy'. A feeling of resentment was evident: 'We've been carrying on for 100 years in Bradford and we have a scheme for £40,000 sprung on us. It's no good saying that the spinner can pass it on when he doesn't get his own back now'. E. Hunter, President of the Federation suggested an alternative: 'There are 46,000 juveniles in the trade with wages higher than they ought to be. It would be no hardship if they were asked to contribute 1d a week' (2). A statutory levy on the raw material was not to be countenanced.

Critical of the nature, complexity, location, proposed form and proportionate contributions for research, the B.W.F.

Research Association' (1944), filed at BT 64/36511.
1. B.W.F., Minutes, 15 Mar 1928.
2. Ibid.

agreed publicly that research should continue. So too did the other employers' organisations, although they showed no great disposition to solve the problem of funding. The amount the Research Association requested in 1929 was £20,000, to be raised through a voluntary scheme and to which the Government would contribute one third (1). Pressed with the importance of maintaining research by the D.S.I.R., a voluntary scheme in which shipowners would collect a levy on imported wool, part of which could then be recovered from spinners when selling them tops, was finally agreed through the W.T.D.

The lack of collective concern on the part of the W.S.F. for maintaining the Research Association became evident in 1931 when an industry-wide sub-committee discovered that spinners had approved the scheme knowing that more than 25 per cent of their membership alone would not contribute (2). Had this been known, the B.W.F. proclaimed angrily, the scheme would not have gone ahead. The reasons for the W.S.F. allowing it to had been dominated by pragmatism rather than a clear cut commitment to research. At the time worsted spinners had agreed that at the W.T.D. meeting to approve the scheme,

No opinion as to its practicability could be expressed. It must be realised that this is bad time for seeking money from the Wool Textile Industry. The British Research Association, instead of trying to increase expendi-

1. Ibid., 19 Mar 1929.

2. W.S.F., Minutes, 26 Jan 1931.

ture should be satisfied with maintaining its existence, even if its activities are reduced for a while.

(1)

Despite the exhortations from some employers that an industry with a £37m turnover (1933) could scarcely afford not to have a well equipped research association, the Wool Industries Research Association (as it was renamed under the 1930 voluntary levy scheme), was obliged to continue its annual pleadings for funds until well into the 1940's. In 1936 worsted manufacturers were told that the D.S.I.R. had informed the Privy Council that the wool textile industry had been the only one not to take advantage of increased grants for research. In 1933 other industries had spent 12/1d per £1,000 output, compared to wool textiles 4/3d. With the increased grants in 1936 the gap had widened, making the comparison 16/8d to 4/3d (2). In 1937, W.I.R.A.'s income from industry was so low it failed to qualify for any government grant (3).

Organised wool textile employers finally agreed that 'statutory' powers for raising research funds should be sought in 1946. This was only approved by the W.T.D. after firstly, some of the research was decentralised to Nottingham and Galashiels; secondly, control of distribution of the funds was vested in the industry, and not the research association, and thirdly, given that 'research'

1. Ibid., 29 Jul 1929.

2. B.M.F., Minutes, 14 Oct 1936.

3. W.S.F., Minutes, 20 Sept 1937.

was understood to encompass methods of production and market research. However, although criticized for its tendency to be 'scientific minded', it has to be said that W.I.R.A.'s output was severely limited by the limited input of wool textile employers. Underlying all their debates and half-hearted attempts to establish a basis for research funding was an acknowledgement that in the depressed conditions of the 1920s and 30s there could be little public argument against 'efficiency' as the first responsibility of all industries. Yet behind the apparent difficulties in raising funds the mass of cost-conscious employers combined public recognition of the value of research with a deeply held scepticism as to its applicability to their own particular investment.

Of course, not all employers' technical policies were as involved or as long drawn out as those on research. In some cases individual employers would seek the solution to a particular problem by appealing for a collective view from the organisation as to what constituted the 'custom of the trade'. The danger in employers not having an agreed view as to what was customary practice was evident when disputes between employers went as far as the Courts. In 1927 W. Denby & Son Ltd attempted to sue Vulcan Manufacturing Co. when yarn which it had commissioned to Vulcan for weaving was lost in a fire and was not covered by insurance. The legal finding, that it was not a custom for commission manufacturers in the Bradford district to

insure goods entrusted to them by their customers, infuriated the W.S.F. Board of Directors, who felt the decision should have been otherwise (1). The lesson drawn was that the law courts should not again be able to make decisions upon trade practices, but that they should be resolved internally.

Security was just one aspect of this kind of technical policy. A second, and very important aspect, was the standardization of relationships. Nationally and internationally, the organisations of wool textile employers sought to establish uniformity and stability (i.e. reduce competition) both in terms of contractual agreements and the technical specifications of the products exchanged. The following extract from the W.S.F. Annual Report for 1927 outlines the standardization of both relations and products which became the basis for the formation of the International Wool Textile Organisation:

Arbitration Agreements Between European Nations

Last year we had much pleasure in reporting that an Arbitration Agreement had been concluded between England, France, Germany and Italy and that our representative (Mr. Howard Hodgson) had contributed in no small degree to the negotiations which led up to this result. We are happy now to report that Czecho-Slovakia has also joined with the other Nations

International Standards of Condition *

A Conference held in Paris in the first half of the year attended by representatives from various European Countries discussed the establishment of International Standards of Regain of Moisture. Sir Henry Whitehead was one of the

1. W.S.F., Annual Report, 1927

* Refers to the amount of moisture in wool.

English representatives. The Conference agreed to the establishment of certain figures as standards

International Standards for Variation in Counts **

Towards the end of the year a letter was received from the Bradford Chamber of Commerce asking us to appoint representatives to act along with representatives from the Yarn Export Merchants' and the Bradford Manufacturers' Federation to consider standard conditions regarding the allowance for variation in counts

As profit margins were coming under increasing pressure in the 1920s, the desire to avoid costly disputes, as in the case of W. Denby & Son Ltd v. Vulcan Manufacturing Co., extended to employers' relations with overseas traders. In fact, as the market became more competitive and multi-lateral in nature, the importance of agreeing the specific determinants of different quality yarns increased proportionately. This last especially in the context of the phenomenal increase in the use of admixtures in wool, particularly rayon - the output of which rose by more than 350 per cent between 1928/9 and 1937/8 (1).

Social Policies

As with the moves to establish international agreements outlined above, many of the issues upon which employers' organisations spent a considerable amount of time were those upon which it would have been difficult for the individual employer to monitor or keep up-to-date on, let

** Refers to the quality or thickness of wool.

1. National Wool Textile Export Corporation, Exports of Wool Textiles 1942-1943, 14.

alone act upon. At a general meeting of employers in the industry in 1936, more than 50 policy areas which the Employers' Council and the W.T.D. had worked upon in the preceding 15 months were mentioned. These included matters as diverse and important as representations to overseas Tariff Boards, a new scheme for Anthrax disinfection proposed by the Board of Trade, action on the International Labour Office's proposals for a 40 hour week, and consideration of new developments regarding factory inspection (1).

Through affiliation to the N.C.E.O., wool textile employers' organisations were relieved of much of the hard work of monitoring legislative proposals, drafting reports and amendments, petitioning, lobbying and securing the introduction of Bills to Parliament on specific items of social policy. The N.C.E.O. advised members of national (and international) policy developments and, where relevant, drew up questionnaires or comparative summaries of how changes might affect employers. Matters seen to be of particular importance to wool textile employers could thus be discussed in great detail within the sectional organisations, so that an 'industry' view might be debated and agreed through their representatives at the Employers' Council. In this way wool textile employers were able to press their 'trade interests' on a far greater range of matters than if they had been working alone.

1. W.T.I. Meeting, 1936.

Their relationship to the N.C.E.O., however, provided only part of the context in which employers elaborated their policies. This is especially evident in their discussions on unemployment provisions, factory regulations and the employment of young people - subjects which were of special importance to wool textile employers and absorbed a great deal of their attention.

a) unemployment

Clapham's account of The Woollen and Worsted Industries in 1907 had recorded the irregularity of employment in the industry:

Seasons, fashions, fluctuations in the price of raw materials and foreign tariffs are the special causes of irregularity, that operate in addition to those ordinary alternations of good and bad trade which affect all industries alike.

(1)

Periodic unemployment and under-employment was endemic, with weavers losing around around 10 per cent of their income annually through broken time, and workers in the combing industry employed only two thirds of the year (2). But, proposals to bring wool textiles within the scope of the Insurance Acts because of interruptions in wool supplies during and just after the First World War, were not well received. The trade unions perceived the contributions demanded to be disproportionately large to the relatively small benefits paid, and in common with

1. Clapham, op.cit., 180.

2. Idem., Economic History of Modern Britain, 191; Jowitt in Jowitt & McIvor, 98.

trade unions in other industries were in favour of 'home rule' (1). Worsteds employers were adamant they would have nothing to do with 'bolstering up the Union funds' and offered to share work out to prevent unemployment (2).

The role of trade unions in acting as 'approved societies' for the payment of benefits under the Insurance Acts was a major cause for concern as employers believed it would encourage workers to join trade unions. This basic anxiety proved difficult to reconcile with plans to devise a separate scheme of benefits for wool textiles which would exclude Government, keep administration costs down, and put control in employers' hands. Consequently, while publicly the various organisations proclaimed themselves in favour of opting out of the Government scheme, privately an alternative could not be agreed.

Manufacturers and woolcombing employers generally were keen to press ahead with contracting out, but failed to satisfy worsteds spinners' reservations that if the Government scheme did not pay for itself extra revenue would be raised through taxation. In February 1921, Fred Holroyd from the Lancashire Master Cotton Spinners' Association was invited to share his Association's experience and views with woolbuyers, combers and worsteds spinners. He confirmed the

1. For general trade union attitudes towards the Insurance Acts see Noel Whiteside, *op. cit.*, 215.

2. See B.M.F., Minutes, 29 Sept 1916, and W.E.F., Minutes, 30 Nov 1916.

latter's reservations and said that his feelings on contracting-out were that,

..... such a scheme couldn't be satisfactory and so it is not worthwhile considering the matter. The Master Cotton Spinners' Association has discussed it with the Operatives' leaders and the Employers' side has taken the unanimous decision not to Contract Out. If we paid bigger bonuses, other trades would want the same and government would have to pay and if the Trade Unions contributed to the fund, they'd want a say in its distribution. (1)

The Employers' Council subsequently decided it would be unwise to contract out - for which employers were especially glad when the Government scheme ran into difficulties shortly after (2).

Textile employers' organisations having remained in the Government scheme did not mean that they abandoned their criticism of it. Throughout the 1920s they continued to decry 'extravagant' expenditure on social services - on their own part, through their publicity channels, and through the N.C.E.O. On the one hand, the N.C.E.O. and its members argued that high 'social wages' were a justification for lower wages, and on the other that high unemployment benefits and government expenditure detracted from industrial recovery (3). In March 1924 the Chairman of the W.S.F., Fred Mitchell, as a member of the Bradford Unemployment Exchange Rota Committee, seized upon a Ministry of Labour circular withdrawing means testing for

1. W.S.F., Minutes, 28 Feb 1921.
 2. W.(&A.)T.E.C., Minutes, 19 Apr 1921.
 3. Whiteside, op. cit., 225, 232.

the payment of uncovenanted benefit. In its report for that year, the Publicity Committee commented:

The first matter of importance (on which I venture to think the Committee can congratulate itself) was the disclosure in March of the Policy of the Socialist Government to smuggle in Socialism by Administrative Orders. The famous unemployment Order was disclosed to the Public through this Committee and it was the first great blow struck at the Government, convincing the people of the dangerous position with a Socialist Government in power. The method adopted for this disclosure was thoroughly effective as it was made the chief Press sensation of the week. (1)

Through these policies organised employers were making several statements; firstly, that the proposed changes in benefits were morally wrong and destructive of industry. Between 1920 and 1922 alone the industrial contribution under the unemployment scheme had risen from 8d to 1/7d (2). The N.C.E.O. argued that rates should

... not tempt the individual to improvidence while he is at work, or tempt him to prefer relief to work when he is unemployed, or be such as to interfere with the mobility of labour, or create and maintain rigidity of wage rates and costs of production. (3)

Secondly, employers' actions implied that the elected government had no right to change policy in this way, and thirdly, that socialism was contrary to the true interests of the nation. Indeed, before the elections in 1924 Allan Smith of the Engineering Employers' Federation, and a leading member of the N.C.E.O. and the F.B.I. had gone

1. W.S.F., Annual Report, 1924.

2. Whiteside, op. cit., 223.

3. Rodgers, 'Employers' Organizations', 338.

around the country warning of the dangers ahead if Labour was returned to power (1). Terry Rodgers has said that such activities 'were designed to thwart the claims of organised labour and socialism, but equally, to convert a broad section of non-socialist opinion to a particular prognosis of economic recession and unemployment' (2). Clearly, employers were organised not only to promote their interests in the workplace, but also to ensure that their interests took precedence over labour at all levels of government.

In 1926 when the Blanesburgh Committee was appointed by the Tory government to help draft a new Unemployment Bill, employers' views were surveyed. Worsted spinners invited representatives to the local Employment Exchanges from the Engineering Employers' Federation, the Building Trades Employers, Bradford Horse and Vehicle Owners' Association, Bradford Chamber of Commerce, and the Yorkshire Dyers' Federation to draw up a list of recommendations. These included a strengthening of conditions for, and a reduction in, the payment of extended benefit, benefit not to be paid to those under 18, and at a reduced rate before the age of 21, and the exclusion of married women from benefit unless maintaining a household (3). The less enthusiastic members of the Rota Committee were warned that their indifferent

1. Wigham, *op.cit.*, 126.

2. Rodgers, *Ibid.*, 339.

3. W.S.F., Law & Parliamentary Committee, Minutes, 26 Jan 1926; W.S.F., Annual Report, 1926.

attendance '... contributes materially to the inefficiency of those Committees and a consequent lack of economy in the administration of the Insurance funds' (1). That employers had a certain amount of responsibility for the administration of benefits was certainly well-known. In December 1920 Bradford Spinners' Association had advised members to adjust short time running from 4 to 3 days, to enable workers to claim unemployment benefits and obviate any unrest. Noel Whiteside has noted that this practice was common in sectors where industrial relations had not gone 'sour' (2).

b) the employment of young people

A second area of special interest to wool textile employers, and one which became the focus for numerous legislative proposals during the first half of the century, was the employment of young people. In 1914, according to the President of the Yorkshire Federation of School Attendance Officers, who called for an end to the system, there were 5,000 half-timers alone working in Bradford mills (3). These were children under 14 (or 13 in some areas) who had not yet attained a 'proficiency' or school attendance certificate. Sixty per cent of all Bradford children leaving school at the age of 14 went to work in the mills full-time. Juveniles were generally set on

1. W.W.T.F., Minutes, 27 Jan 1926.

2. B.S.A., Minutes, 17 Dec 1920; Whiteside, op.cit., 231/2.

3. Yorkshire Observer, 2 Feb 1914.

in the spinning mills at around 12/- per week (1).

Government proposals towards the end of the war to end half-time working, fix the school-leaving age at 14, and introduce compulsory continuation classes for the under 18s, were thus strongly contested by textile employers.

The Wool Record reported that:

Practically all spinners to-day prefer young people between the ages of 13 and 16 for their mills to any others, and state that spinning machinery has been built for small hands, and they must have this class of worker or close the place.

(2)

The urgency behind such protests was identified in an earlier article, which pointed out the effect of half-time working in keeping men's wages down. Before the war 67 per cent of men in the wool textile industry earned less than 30/- per week and women's averaged 13/10d (3). The strength of opposition - particularly from farmers and coal owners, according to Marwick - caused the original Bill to be withdrawn. It was argued that the Bill involved the suppression of the individual, the erosion of the rights of the parents and would have adverse economic effects (4). A more muted Bill was introduced in 1918, although parts of it fell victim to the Geddes cuts in 1921 following the 'squandermania'/'extravagance' campaign.

1. Wool Record, 2 Apr 1914; Great Horton Spinners' & Manufacturers' Association, Minutes, 12 Oct 1916.
 2. Wool Record, 27 Sept 1917.
 3. Ibid., 13 Sept 1917.
 4. Marwick, op. cit., 244.

By lobbying the Home Office through local M.P.s Robert Clough and Col. Willey, worsted spinners established that some relief could be got from the Act with reference to half-time working and the minimum school leaving age. Former textile worker Agnes Smith recalled that half-time working continued for many more years in some areas (1), while Local Education Committees were extended the power to issue 'exemption' certificates to children under 14, providing they were fit and would be 'beneficially' employed. According to the W.S.F. 1,000 children in the West Riding had exemption certificates and were ready to start work in Jan 1921 (2).

The importance of young people and women to the spinning mills in particular was great, and employers were prepared to defend the 'right' to their labour. During the war the Home Office and the Board of Trade had been enlisted to help in reprimanding woolcombing firms for 'robbing' 172 spinners and 17 weavers (3). In April 1921 the W.S.F. agreed to take up the case of a local company against Bradford Education Committee with reference to half-timers. The Committee's Medical Officer had refused to certify two boys fit for work at Messrs. Hind & Co. at Shelf, although they were passed as fit by the factory doctor. The case

1. M. Agnes Smith, 'A Worker's View of the Wool Textile Industry', Hillcroft Studies No.2, (Surbiton, Surrey, 1947), 24.

2. W.S.F., Labour & Parliamentary Committee, Minutes, Jan 1921.

3. W.E.F., Minutes, 9 Oct 1916.

was eventually dismissed and costs awarded against the Education Committee when their doctor's report was not 'forthcoming' (1).

It seemed to employers that the issue of the maximum hours, minimum age and even the quality of work of young people was almost permanently on the agenda. In 1924 the Factories Bill, ratification of the Washington Draft Convention, and the Hours of Industrial Employment Bill threatened to limit the hours of women and children to 48 (from the current 55.5 including overtime). All three Bills were dropped with the dissolution of Parliament by the end of the year - the issues only to be revived again by various investigations and redrafts.

In 1927 the N.C.E.O. was approached for employers' views by the Malcolm Committee which had been set up by the Government to investigate juvenile education and employment (2). Worsted spinners' response was to stress that the effect of 'socialistic teaching and/or influence in the schools' was to make children 'less amenable to discipline' and to 'influence the scholars against work in factories'. Raising the school leaving age would make it 'impossible to carry on in some districts in normal times', and 'add to the difficulties of successful competition with foreign spinners' (3). When Bradford and Leeds Education

1. W.S.F., Minutes, 7 Mar & 13 Apr 1921, Annual Report, 1921.

2. W.S.F., Annual Report, 1927.

3. Ibid.

Committees protested that children were often dismissed before the age of 16 because they were 'too old' for the jobs, worsted spinners replied that the problem was one caused by other depressed industries failing to take them on at that age (1). Spinners' commitment to the continued employment of child labour can here be seen to fit in with their approach to wages, discussed in the previous chapter. Schooling which continued for too long and/or wages which made children 'independent' was not good for business.

In March 1929 a report on unemployment issued by employers involved in the Mond-Turner talks on industry and employment, recommended raising the school leaving age as a means of improving the employment situation by withdrawing half a million young people from industry (2). In 1930 ratification of the Washington Hours Convention was threatened with the Hours of Industrial Employment Bill and in 1934/5 the question of raising the school leaving age was again on the agenda. The W.S.F. Annual Report for 1935 observed almost wearily:

Proposals for raising the School Leaving Age are constantly being made by Politicians, Education-
alists and others, and no sooner does one proposal appear to have been disposed of than we are faced with another.

The formulation of a Bill in 1935, intended to raise the

1. W.S.F., Minutes, 7 Nov 1927.

2. Gospel, 'Employers and Managers', 174.

school leaving age, was serious for employers of juveniles. Annesley Sommerville M.P. (and ex-master at Eton) spoke for the farmers in his constituency when he proclaimed that a love of the land could only be learned, not from school, but by working it (1). The W.S.F. drafted lengthy observations as a basis for lobbying by the N.C.E.O. It stressed that young people could not be replaced by machinery or adults ...

From time immemorial the nature of the worsted spinning process has made it a female occupation and male adult labour would be useless for the purpose ... Apart from the human element, a further difficulty would arise owing to the fact that the actual spinning machinery, representing a capital of many millions sterling, has been designed for the convenience of young persons with small hands and supple fingers, such a design being essential to efficient working ... Older girls would raise the cost of production, making it more difficult to increase the export trade ... The workpeople do not desire The Proposed Change - earnings of young persons are a valuable addition to the family budget ... general healthful conditions have made the work popular with young persons and their parents. (2)

S. H. C. Briggs was delegated to advise the Minister concerned of the likely effects of the legislation. Letters were sent from the Employers' Council to textile M.P.s, to the Chairman of the Textile Committee in the House of Commons, to cotton employers' organisations, and supporters were primed with appropriate information. The Duchess of Atholl, M.P. for Kinross and Perth, and for 10 years Chair of the Juvenile Advisory Committee to the Board

1. Branson & Heinemann, op.cit., 196.
2. W.S.F., Minutes, 22 Jul 1935.

of Education reiterated the Employers' Council's message when she repeatedly advocated exemptions to the Bill. She proclaimed that Yorkshire textile employers needed 'small hands' to work their machines, and

I do say that in regard to certain processes which require small fingers, there ought to be kept open a loophole provided it is certain that the children will work under beneficial conditions. Otherwise, we shall be placing a very serious handicap on one of our most important export industries. (1)

The Act was passed in 1937 (to take effect from September 1939), but provided for the exemptions for which employers had lobbied. Children were to remain at school until they were 15 unless an exemption certificate was secured from the local Education Committee, when they could start work at 14. Employers similarly succeeded in securing exemptions under the 1937 Factory Acts which was intended to limit the working hours of under 16s to 44 hours per week from July 1939. The conditions under which longer hours could be worked were firstly, if the industry was likely to be 'prejudiced' by shorter hours, secondly, if it would not be 'injurious to health' and thirdly, if it would help to train young people for 'adult' jobs (2). At a 3-day public inquiry in Bradford the Employers' Council won the right to work juveniles 48 hours on the basis that the industry would be seriously affected if they did not.

1. Branson & Heinemann, op.cit., 196/7.

2. Report of the Public Inquiry Relating to the Wool Textile Industry, 1937, p. 3, filed in N.C.E.O. Archives MSS.200B/3/2/C 586 pt 1.

Exemptions were later granted to cotton and carpet employers, and a flood of applications followed from Biscuit, Boot and Shoe, Brass and Copper Tube, Confectioners, Engineering, Paper and many other employers' organisations. In theory under 16s were to be limited by statute to a 44 hour week, but in practice, the status quo ante was not to be changed so easily. In view of the national emergency in 1939 the Education Act was not, in fact, implemented until 1944, and the old conditions continued to apply (1).

c) factory legislation

The flexibility which wool textile employers' enjoyed in the implementation of unemployment provisions and legislation on the employment of young people at the local level, was also evident in the application of the Factory Acts over the period 1914-45 (2). As a result of an increasing number of accidents, Factory Inspectors had, for several years before the First World War, pressed employers to install guards on their machinery. The W.E.F., the better organised of the machinery using sections in 1912, had refused to discuss the matter with employees present, as requested by the Factory Inspector. As a result, an agreement was finally drawn up between the trade unions, the Home Office, and Bradford Chamber of Commerce. The

1. Chris Cook & John Stevenson, The Longman Handbook of Modern British History 1714-1980, (Harlow: Longman Group, 1983), 104; B.M.F., Minutes, 20 Oct 1937; Labour Gazette, Sept 1937.

2. Rodgers, 'Employers' Organizations', 331/2.

agreement effectively committed employers to the introduction of guards on specified types of machinery on a gradual basis, in return for which prosecutions would not be brought against employers for unguarded machinery considered dangerous under the Factory Acts (1).

The question of non-compliance was brought before Bradford Spinners' Association in November 1917, when employers stressed the difficulty of adhering to the agreement because of spiralling costs at a time of acute shortages of labour. The Inspector finally promised that '... where requests were made by his Department and evidence was produced that the Employer had taken reasonable steps to comply, and as a result of war conditions, was unable to carry out the work, he wouldn't proceed further' (2).

During the early 1920s, a number of worsted spinners complained that the Factory Inspectors were making 'unreasonable demands' for the guarding of spinning frames. The W.S.F. Law & Parliamentary Committee reported that the requests were enforceable in law and that members '... should start fixing guards, but as slowly as possible so as to spread the expense over as long a period as possible... the policy of this Committee had always been to delay general action as much as possible' (3). In fact, the

1. W.E.F., Minutes, 15 Nov 1912; B.S.A., Minutes, 25 Feb 1920.

2. B.S.A., Minutes, 29 Nov 1917.

3. W.S.F. Labour & Parliamentary Committee, Minutes, 13 Sept 1923.

W.S.F.'s general policy on factory inspection was not only concerned with the possible timing of any expenditure required, but with the validity of factory inspection itself. In response to an N.C.E.O. survey of opinion on the question, spinners had urged that any Government proposals should limit the functions of factory inspectors as any change or increase in them would be 'very dangerous' (1).

During the 1920s and 30s, employers in woolcombing, spinning and manufacturing were periodically requested to guard unsafe machinery, and in 1931 two new factory inspectors in the Bradford area reminded employers of the 1913 agreement and instituted prosecutions. The Factory Inspectors' own attempts to secure a new agreement met with little success. The Employers' Council maintained that the industry was '...not in a position to incur the cost of embarking on schemes which went far beyond existing arrangements' (2). An additional stumbling block was the Factory Inspectors' insistence that the trade union side should be party to any agreement and requests for joint meetings were consistently ignored or deferred.

When a new joint agreement was made in 1936, it was as a combined result of Home Office pressure because of the rising number of accidents involving machinery and young

1. W.S.F., Annual Report, 1923.

2. W.(&A.)T.E.C., Minutes, 30 Jan 1935.

people especially, and the likelihood of another wages inquiry into the industry. Industrial accidents in 1937 numbered 175,000 - 9 per cent more than the previous year - many involving young workers with little or no training (1). The N.C.E.O. was urged to impress upon employers that accidents must be reduced if the voluntary principle was to be maintained. Wool textile employers' reply to the N.C.E.O. was that

... the greatest measure of safety could be secured by leaving industry free to organise and develop their Safety Arrangements on lines best suited to their particular needs than by means of compulsory Orders. (2)

Thus, in order to avoid compulsion and maintain the voluntary principle a Joint Memorandum on fencing and guarding machinery was agreed (3). Bradford Spinners' Association reasoned to its members that some expenditure might be involved, but without it Factory Inspectors could have enforced 'the best known methods to secure safety'. And, although the Factory Inspectors couldn't say so officially, they would allow gradual compliance with the new Act (4).

The fact that organised employers had still not evolved a collective commitment to improving factory safety by 1944 was evident in a series of meetings with Factory Inspectors. Sir Wilfred Garrett, H.M. Chief Inspector of

1. Branson & Heinemann, op. cit., 89/90.

2. Jones, op. cit., 65; W.S.F., Annual Report, 1937.

3. B.S.A., Annual Report, 1936.

4. Ibid.

Factories, emphasised that the industry would have tremendous difficulties in recruitment unless safety standards were better observed. Workers would now expect the same up-to-date conditions as in the munitions factories. Inspectors noted that the agreement reached in 1936 had been used as an alternative and an excuse for the non-implementation of the factories legislation of the same year. That the allegations evidently referred to more than just one or two individuals was clear when the Employers' Council agreed to the setting up of a standing committee for compliance with the Factories Act (1). The Committee's final report in 1949 indicated that between 1939 and 45 around two thirds of machinery accidents in Yorkshire involved young people. It also recorded that it had 'frankly to be admitted that the high hopes attached to the Agreements of 1913 and of 1936 were not altogether realised in practice', despite the care taken to 'couch our recommendations in such reasonable terms as to be well within the capabilities of any progressive firm' (2). Chris Wrigley has said that, in the inter-war years, there was a spreading of 'welfarism' in many companies, with employers showing a greater interest in the health and welfare of their employees by the introduction of schemes and welfare personnel. At the same time, he notes, there was an almost casual attitude towards injuries and even

1. W.(&A.)T.E.C., Minutes, 21 Jul & 20 Sept 1944.

2. Ministry of Labour and National Service, Final Report of the Wool Textile Industry Joint Factory Advisory Committee, (H.M.S.O., 1949), 41.

death in British industry (1). Home Office figures for 1937 showed virtually no improvement in the accident rate compared with 1900 (2).

Certainly the policies of wool textile employers on factory legislation did not accord it any great importance. Factory inspectors might periodically press for compliance, but were constantly confronted with claims that it could only be at the expense of production and employment. Thus, although State policy in theoretical terms was aimed at reducing a high incidence of death and injury in British industry, it was in no way matched by the practical realities. The question which this poses is whether employers were frustrating State policy at the point of implementation or whether the situation was rather the practical outcome of an ideological concurrence on the links between industrial and national interests and the virtues of self-government for industry. In either case the strength of employer influence cannot be doubted.

Control policies

The final examples of employers' collective policies are those pursued during war-time. Employers' organisations during the two World Wars have more commonly been referred to in terms of their rapid growth vis à vis trade union expansion and the government's need for 'channels of

1. Wrigley, op. cit., 7.

2. Branson & Heinemann, op. cit., 90.

communication'. What these organisations actually did has received much less attention. Employers' policies are of interest to us here because, as Britain's productive capability was central to the prosecution of war, then so was the response of its owners and managers. Secondly, the scale of both war efforts demanded a shift in marketing procedures, which brought the much-protected issue of control or 'the right to manage' into question.

The initial impact of hostilities between the countries of Europe in 1914 was to cut off some of the well-established markets for wool textile products - Germany itself being the most important. New patterns of demand quickly established themselves. During the first 3 months of the war British army cloth requirements, which had absorbed no more than 1 per cent of total wool supplies, increased to the extent of 20 per cent of total wool consumption (1). By 1917 the combined demand of the British and Allied armies was equivalent to the total pre-war consumption of the U.K. In the Second World War production was halved, but the British Government was again in the position of being the largest buyer, accounting for 70 per cent of production in 1941 and 41 per cent in 1945 (2).

In 1939 organised employers were prepared to meet the transformation in their market in a way in which they were

1. Lloyd, op. cit., 113 .

2. See Table 15, p.102.

not in 1914. The Government's Army Contracts Department (A.C.D.) had quickly emerged as a major buyer in the market, offering its contracts out to tender. The effect was severely inflationary. On a single contract for khaki, the A.C.D. might receive 50 tenders, with each of the tendering firms having received options on yarn, the spinners options on tops, and so on, multiplying the original demand and pushing prices up. E.M.H. Lloyd, the official historian of State control during the First World War, records that it was authoritatively stated at the time that a complete stranger to the wool trade, with next to no capital, made £150,000 in 6 months by speculation in yarn. In the early part of 1916 worsted spinners were making 5d per lb net profit compared with the normal maximum in pre-war years of 1.5d per lb (1).

While undoubtedly fortunes were made by speculation in wool, tops and yarn (and to buy in the cheapest and sell in the dearest market was sound business sense), such inflationary conditions were bound to carry windfall profits. In a note appended to the 1921 report on profiteering in worsted yarns, E. F. Wise, noted that spinners could hardly have made their prices lower because of market pressures, and had they done so, the profits would have been taken elsewhere (2).

1. See Lloyd, op. cit., 32, 115.

2. Board of Trade, Profiteering Acts Dept, Findings by a Committee on Worsted Yarns, (H.M.S.O., 1921). E. F. Wise, a Fabian socialist, was no great supporter of textile employers, as his preparation of the successful trade union

Before 1916 the Government was prepared to meet the cost of soaring prices so long as there was no real difficulty in obtaining cloth and hosiery supplies. The only restrictions on wool textile products applied to exports of military cloth and certain qualities of raw wool and yarn. As Britain's commitment to the war intensified, tax and fiduciary issue increases could hardly meet the enormous rise in public expenditure. By July 1915 the war was costing £3m per day, and popular pressure for some control over prices was mounting (1). In April 1916 the Government requested hosiery firms not to pay high market prices for hosiery yarns, as it proposed to take over the output of several Bradford spinning concerns and would supply yarns at fixed prices (2).

As intermediaries in the production of wool textiles such control would have had far-reaching implications for the profitability of spinning firms. Not only would it affect the market price of yarns, but it would also affect profits since employers had no control over the costs of earlier processes carried out by other sections of the industry.

At a joint meeting of the West Riding organisations of spinners it was agreed not to accept less than a minimum level of prices, and to establish a uniform basis for

case at 1925 Wages Inquiry bears witness. See also Lloyd, op. cit., 31 on profits.

1. Arthur Marwick, op.cit., 163/4.

2. Great Horton Spinners' & Manufacturers' Association, Minutes, 12 Apr 1916; Wool Record, 13 Apr 1916.

costings. In an industry where it was quite common for employers to establish prices through rough mental reckoning this was some achievement.

It seemed obvious to those who had some involvement with the wool trade, that it was impossible to attempt control at the yarn stage (1). The attempt, in fact, followed the War Office's failure to regulate the price of the woven product through the Wholesale Clothiers' Association, because of the soaring cost of yarn. The move to control wool and tops was finally taken in June and November 1916 when the Government bought up the whole of the British, South African and Australian clip. According to E.M.H. Lloyd, the prime motive behind this was to stem Japanese and U.S competition. U.S. purchases of imported wool alone had increased 14 times since the beginning of the war (2). The Economist observed that intervention had reached a level that no-one would have believed possible (3).

The halt which was put to free dealings in wool led to a 'flood of offers' from wool buyers' members to act as Government agents for its distribution (4). The War Office agreed to employ the larger companies on the basis of cost plus 'reasonable' profit (which was negotiated with the British Association of Wool Buyers), with the smaller firms

1. Ibid.

2. Wool Record, 11 May 1916; E. M. H. Lloyd, op. cit., 118.

3. Economist, 9 Dec 1916.

4. Lloyd, op. cit., 135.

being obliged to affiliate as sub-agents if they wanted to remain in business.

If prices in the merchandising section were now subject to some control, then the War Office was obliged to consider how to effect price controls in the subsequent processes and how then to ensure adequate cloth supplies. A 7.5 per cent discount was requested on tops contracts, at which Woolcombing employers considered refusing to supply at all, and balked only at the prospect of having their companies commandeered. E. F. Wise at the War Office threatened to close firms not being worked economically, and to transfer their production elsewhere (1).

By early 1917 worsted spinners were equally unhappy about the way in which Government controls were moving. Sir Maurice Levy for the Government explained the reasoning which was being applied to the allocation of wool:

..... All neutral countries will be bound to come to this country for their wool. It is the Government's intention that such Neutrals shall pay a handsome profit for it Since only 30% of Yorkshire productivity is for the Army and Navy, the Home Trade will be discouraged Great difficulties will be met in securing raw material for the Home Trade, and all manufacturers are advised to develop Trade for export purposes. (2)

This was an early elaboration of procedures later to be encompassed in the Priority Scheme.

1. W.E.F., Minutes, 4 Jan 1917.
 2. W.S.F., Minutes, 4 Jan 1917.

Sir Maurice's comments had also expressed the conviction among officials of the Army Contracts Department that there was a certain preoccupation in producing for the lucrative civilian trade, to the detriment of much needed army supplies. In response to the questioning of their output, worsted spinners complained that the real difficulty was the extent to which the market was being upset by Government interference (1). In May Government priorities were given added weight by an Order in Council under the Defence of the Realm Act. Ben Turner of the G.U.T.W. welcomed its enforcement as manufacturers would now be compelled to take less profitable Government work instead of holding out for supplies for the Home Trade, and risking insufficient employment for workers and machinery (2).

As with most areas of the economy which were regulated in some way during the First World War, the mechanisms of control had not been particularly well thought out or planned (3). Each control measure which was introduced seemed to spawn new ones, which then fitted uneasily with the original regulating committee or panel, so that adjustments and changes were almost constantly being made. The Wool Central Advisory Committee which was appointed in April 1917 was the second mutation of the original central

1. Wool Record, 1 Feb 1917.
2. W.S.F, *Ibid.*, 25 May 1917.
3. Lloyd, *op. cit.*, 260.

body set up by the War Office to advise on wool purchases (1). By early 1917, when the effect of control of the wool clip was beginning to filter through prioritised allocations into constraints on prices and profits, organised employers began to voice their dissatisfaction with the system.

In February and March meetings were convened in Bradford to mobilise the combined federations against what employers said was the mismanagement of Government Control. They disliked the way in which wool was being allocated and expressed frustration that they, the men who owned the machinery of production were not being allowed to make decisions as to how it should be used. The British Association of Woolbuyers told the Wool Record after one meeting,

We do not know how far it is wise to enter into detail, but some very caustic things were said. It is patent that the whole matter of State control is not going to be allowed to rest where it stands We recognise that we are treading upon delicate ground, but it is patent to everyone that the trade will speak henceforth as one man, and the various sections do not intend to be twitted in future by the permanent Government officials with making the excuse that one section says one thing, and another something else, thus giving them a reason for acting on their own initiative.

(2)

Employers generally were most unhappy about the system of

1. See N. B. Dearle, Dictionary of Official War-Time Organizations, (Oxford: Humphrey Milford, O.U.P., 1928), 316-321.

2. Wool Record, 1 Mar 1917.

priorities, particularly following the stringent application of rationing in the wake of the shipping crisis. At a meeting in July with H. W. Forster, Financial Secretary to the War Office, their abolition was called for. Employers further demanded that a working committee be created '....composed of practical businessmen conversant with the entire trade, and not to be ruled and governed by mere Government officials' (1).

The complaints, however, were not all on the employers' side. H. W. Forster remonstrated that it was doubtful whether, in any given month 60 per cent of output had been on Government order, and it was necessary to increase production for Government purposes to 75 per cent. He agreed to the setting up of a Board of Control for the Industry on the express understanding that its main function would be,

..... to secure a large increase of output on Government account, with a corresponding reduction in the output of civilian goods, and in carrying out these measures of military necessity to distribute the sacrifices over the whole trade in a more equitable manner than had been done up to the present.

(2)

The essential problem, as the changes in the structure of control showed, was the question of control of priority allocations. Until the autumn of 1917 these had been administered by committees under the immediate control of

1. Wool Record, 19 Jul 1917; Lloyd, op. cit., 152.
2. Times, 12 Sept 1917.

the War Office. Wool rations had been directed in a manner designed to secure adequate production on Government accounts. Or, as J. W. Bulmer, for the W. Riding Spinners' Federation (later the W.S.F.) described it:

Private firms have had their life-long connections taken from them, and a lifetime's work and business built up by honest endeavour and honourable dealing have been destroyed. (1)

Under the Control Board arrangements from September 1917, (and the Spinners' Federation refused to co-operate with the Board until this was conceded) (2), the rationing committees for wool other than for army use were to be constituted from and responsible to the Board itself. Army contracts were to be the sole responsibility of the Army Council, the amount of wool needed for them to be determined in consultation with the Board of Control. Representation on the Board was on the basis of equal numbers (11) of employers (to be nominated by the manufacturing associations), trade unionists and War Office officials. It was further established that of the Government officials a majority would be 'trade experts already acting in a voluntary capacity in the Department' (3).

The conviction of employers that it was morally wrong for Government officials to interfere in their historical right

1. Wool Record, 16 Aug 1917.

2. W.S.F., Minutes, 21 & 29 Aug 1917.

3. See the Wool Record, 13 Sept 1917; 16 Aug 1917; Times, 20 Sept 1917; Dearle, op. cit., 316-321.

to make profit, was frequently expressed as a dislike of 'incompetent' officials interfering with the natural efficiency of customary methods of business. Accepting a presentation from the W.S.F. for his contribution on the Board of Control, J. W. Bulmer said that he

... was glad to hear it said that they had put the country first and the trade second. They had not always been 'agin the Government'. As a matter of fact they, as spinners, and the officials had the same object in view, but the officials did not always adopt the right methods. The spinners' representatives had done everything they could to help the authorities, but at times it had been necessary to bring up the shadow of the West Riding Spinners' Federation, which had usually 'brought the dog to heel'.

(1)

However, the 'Ill Wind of State Control' did bring its benefits, according to the Wool Record. Following its comments on the spinning firm, which had been rejected by Government accountants as part of a sample for assessing the cost of converting yarn, because the firm's books did not contain enough data to work out its costs of production, the article declared that: 'Every trader ought to thank Control for teaching him to obtain the maximum output, to 'cost' his production exactly, and run his business more efficiently' (2).

Employers' policy during the war years in many ways mirrored the evolution of State controls. Initial, piecemeal, largely unco-ordinated control measures on the part

1. Wool Record, 10 Apr 1919.

2. Ibid., 14 Nov 1918.

of war-time governments, had been met by piece-meal, poorly co-ordinated attempts to retain control on the part of employers. From the offer of the wool buyers to act as Government agents for distribution of the wool clip, to the spinners' refusal to co-operate with the Board of Control, employers' policies had expressed their commitment to the conduct of business remaining with its owners. And, although there were points of conflict about priorities between State officials and organised employers, the final formation and structure of the Board of Control was, in many ways, an acknowledgement that for the War Office to come up with the (army) goods employers' goodwill was vital.

The central message of organised employers in the First World War - that the only workable State control of industry was self-control of industry - was more fully articulated by the time of Britain's entry into the Second World War in 1939. When the re-armament programme was announced in 1935, the F.B.I. frequently urged the Government to make contingency plans for war. However, according to L. P. Carpenter 'the details of the discussion do not indicate a general pluralism. The F.B.I. sought to get Government to indicate its requirements and then leave the details to industry' (1). In this context, the W.T.D. wrote to the Government offering its services, in either

1. L. P. Carpenter 'Corporatism in Britain, 1930-45', Journal of Contemporary History 11 (Jan 1976), 3.

obtaining supplies or setting up any organisation that might be required under the programme with reference to wool. In 1936 the President of the Government Defence Programme duly made contact with H. B. Shackleton, Chairman of the W.T.D. and asked him to prepare a scheme of control for the industry (1).

The significance of the request was outlined to W.T.D. members by their Chairman. The Board of Trade, he said,

..... is willing and indeed desires that the control and regulation of the Industry under the circumstances in question shall be entrusted to the Industry itself, it is obviously imperative that the Industry shall not fail in the slightest degree to perform the duties and responsibilities which it, by implication, undertakes by putting forward the scheme. The responsibility of the Wool Textile Delegation will be greatly increased because the personnel of the Organisation will probably be very largely, if not entirely appointed upon the recommendation of the Chairman of the Delegation..... Apart from the necessity of securing, in the National interest, efficient working of the Industry during a time of emergency, any failure will give grounds for the outside interference which is so undesirable. (2)

'State' control was to be operated largely by representative members of the wool textile industry, who at the same time would have to be 'independent' and maintain 'complete secrecy' (3). While the 'independence' of W.T.D. appointees to the Wool Control was to be encouraged, because they would be Government officials, the possible 'independence' of any Government-appointed Government

1. W.W.T.F., Minutes, 9 Mar 1936, Annual Report, 1946; B.M.F., Minutes, 12 Feb 1946; W.T.D., Minutes, 27 Sept 1937.

2. W.T.D., addendum to Minutes, 15 Dec 1937.

3. W.T.D., Minutes, 2 May 1938.

officials was to be discouraged as 'outside interference'!

According to Sir H. B. Shackleton's (he was knighted in 1937) Board of Trade memo History of the Wool Control 1939-1946, the objects of the control scheme were:

- i) to ensure supplies, while denying the enemy and guaranteeing markets for the Dominions
- ii) to secure production for military and the civilian use of the British Commonwealth
- iii) to regulate consumption and control prices in accordance with any plans for the UK
- iv) to earn maximum foreign exchange (1)

Echoing the priorities established during the First World War, the scheme was also to take due account of employers' dislike of the associated rationing procedures. The new Wool Control was to be responsible for all imported wools and retain control up to and including the making of tops, for organising production for the services etc, and for arranging production for home and export markets. Control, in fact, was much more coherent than the array of committees and panels constantly emerging during the First World War.

Given the fact that the scheme of control was devised, approved and largely staffed by members of the W.T.D., the potential for conflict was substantially reduced. However, the Economist in 1939 identified the general practice of the selection of industry controllers from within the industry to be controlled as a cause for concern:

There is no need to assume any deliberate partiality; unquestionably all the controllers are deeply anxious to serve the public interest. But they have an unavoidable bias towards seeing things through the particular spectacles of the interest from which they come. There are a large number of instances where the controller's power has been used to enforce changes in prices or in trade practice (such as terms of contract, etc.) which, whether or not that was their purpose in the controller's mind, have undoubtedly had the effect of benefiting the section of the industry from which he comes at the expense of its customers.

(1)

This is a wisdom with which members of the B.W.F. would undoubtedly agreed. The scheme which was finally officially outlined by the Wool Control in September 1939 was similar to the arrangements which had operated during the First World War for the primary handling of wool. Large topmaking firms, with the smaller ones affiliating, were to work through their established links with woolcombing firms to secure adequate supplies of tops, and be paid on a commission basis. However, unlike the First World War, the Control was operated from the first day of war, no 'free' wools were available, and the Controller was a worsted manufacturer, not a topmaker. Fifty per cent of the B.W.F. membership, the brokers and merchants were left outside the Control provisions, effectively with no role to perform (2).

Following vociferous protests, the Control was eventually convinced that the merchants did have a useful distributive

1. Economist, 9 Dec 1939.
2. B.W.F., Minutes, Sept 1939.

role to perform and were not pure expense, but the B.W.F. was not wholly satisfied. As acting Chairman of the W.T.D., George Whitaker pointed out that the problem was the B.W.F.'s relationship with the Control itself, and was not something which he could resolve with the W.T.D. At a meeting of the Brokers' and Merchants' section of the B.W.F. in February 1940, W. Hunter told members that he had been convinced for months that the stumbling block was the W.T.D., but 'Sir Harry Shackleton had come out into the open and said that as brokers and agents did not put any value into the material he could not find any place for them in the Control scheme' (1).

The B.W.F. was not the only Federation to express unease at the relationship of the W.T.D. to the Wool Control. Regular consultations with the Delegation meant that it was somewhat awkward for Delegation members to voice their dissatisfactions with Control. In 1941 members had agreed that the W.T.D. should formulate its own scheme for concentration, in order to meet government requirements for the release of labour, the rationalisation of productive capacity and storage space. The Delegation's proposal for a central levy of members to help finance the closure and eventual re-opening of discontinuing firms, was greeted with dismay by the W.E.F. Since 1933 members had been paying for their own rationalisation through contributions to the Woolcombers' Mutual Association Ltd,

1. Ibid., 16 Feb, 12 Apr 1940.

and having 'put our own house in order' did not relish the prospect of financing the elimination of capital (no matter how temporary) in the spinning and manufacturing sections. The Federation Chairman pointed out the difficulty of attempting to refuse to join the scheme, given that the W.T.D. was working so closely with the Control Board to develop it. Separate representations on the Federation's part would be even more difficult, as the Delegation carried far more weight with Control. The best they could hope for was to minimise their potential contributions (1).

The position taken by the W.E.F. on the question of the concentration levy, and in fact, that taken by the majority of organised employers, as represented by the W.T.D., indicates a collective political maturity not evident during the First World War. The control measures introduced after 1916 had frequently been responded to with great resentment; essentially they constituted infringements of previously uncontested rights (to manage and to profit). The lessons of the experience of controls, and the damage inflicted on employers' image of themselves as honourable and patriotic businessmen, by the Profiteering inquiries, suggested a more tempered approach to such incursions.

When, in 1935, the W.T.D. offered its services to the Government in any elaboration of war contingency measures,

1. W.E.F., Minutes, May 1941.

organised employers demonstrated a keen understanding of corporate behaviour. It was anticipated that in conditions of war, unless action was taken at an early stage, the presence of Government as supplier and a major buyer in the market would impose an intolerable monopoly control on them as producers. However, employers' response as a single unit to the threat of a State monopoly which at best would have impinged upon profit margins (and at worst on their existence), did not mean that the competitive relationship between employers was discontinued, as was evident in the examples discussed. Indeed, throughout the period 1914-45, employers' activities revealed, on the one hand a highly competitive industry, and on the other, the evolution of a framework for reducing risk (or threats) to their collective trade interests.

Conclusion

The policies discussed in this chapter show how, from a basis of self-interest, organised employers developed a set of ideas and methods of working which articulated a distinct politics. But, this was not a politics to rival that practised by political parties but one which, by careful dissemination and repetition by the respectable and the not so respectable, steadily infused popular and intellectual thought. Through lobbying of Parliament and government committees, through propaganda agencies and public meetings, wage reductions and lock-outs to enforce them, press campaigns and public comment, employers helped

set the terms of the debate employed by civil servants, representatives of the City and Finance, Tory politicians, and absorbed by Labour politicians and trade unionists (1). The representation of trade unions and socialism as extreme or violent and public expenditure as extravagant was not new. What was new was the manner in which employers, politicians and State officials collaborated in its articulation. The immediate reasons for this were no less than what appeared to be the very real threat to the continued existence of capitalist enterprise and the State which was founded upon that. Conflict after 1917 was not only between employers and labour, but between labour and the community of interest which employers and the State apparatus had in maintaining capitalist enterprise.

This was the context in which wool textile employers made links and affiliations to more adequately press their interests. As Noel Whiteside has pointed out, the increasing importance of the 'social wage' made the activities of Whitehall and parliament of much greater relevance to trade unions and the pattern of wage bargaining (2). If this can be said of trade unions then how much more so for employers, whose traditional predominance over labour in the workplace, in local and national government seemed to be challenged on all fronts?

1. Rodgers, op. cit., 332, 340/1; Hay, op. cit., 105; Brady, op. cit., 171.

2. Whiteside, op. cit., 211/212.

The challenges were manifest in very real terms for wool textile employers. The 1918 Education Act, part of the 'reconstruction' deal, threatened to eliminate a substantial part of worsted spinners' workforce of juveniles, on whom they were dependent to the extent of 46 per cent (1). In lobbying against the Act and for exemptions employers were well aware of the fact that children's life chances were at stake - that extended schooling served to 'influence the scholars against work in factories' was part of their argument. For over 100 years wool textile production had depended upon children's dependence upon factory work. The Education Act - and all the other pieces of legislation which affected the working life of juveniles - not only threatened to upset the historical distribution of labour, but also the historical derivation of wage rates that went with it. Small hands meant small wages for juveniles and adults.

With the extension of the franchise from 28 per cent to 74 per cent of adults in 1918 it was perhaps inevitable that State legislation would take greater account of the condition of the working class. Changes in the school leaving age, unemployment provisions and factory legislation were all reflections of that, and impinged upon the regulation of the workplace. Campaigning against such measures or lobbying to secure amendments derived from vested interests in the costs and control of the workplace. Emp-

1. See Chapter 2, 87.

loyers' policies expressed the view that their considerations (i.e. the production of wealth) were a necessary starting point for all social advance. From this it was then logical to argue that since employers were in such close touch with what the country could best afford, then they were the ones best equipped to ensure 'beneficial employment' for young people, adequate maintenance for the unemployed which was not destructive of discipline, and ensure factory safety 'on lines best suited to their particular needs'.

The voluntary principle was something which organised employers fought hard to maintain - with some important exceptions. During the First World War reference to government arbitration became a matter of course for all disputes as the B.M.F. saw in it a means of slowing down wage increases. Similarly with the problem of research funding, recourse to legislative action was ultimately perceived as the only means of developing a scheme which encompassed all. Government intervention was not necessarily a bad thing, particularly when it was initiated by employers and worked to their advantage.

Intervention was problematical when other factors were given precedence over employers' specific interests. Of the First World War E.M.H. Lloyd commented:

To those in the position to know the facts the real objection to State control of wool and other raw materials was not its extravagance but its ruthless economy; for the immense savings in public

expenditure which it effected were often incompatible with what were regarded as the 'legitimate expectations' of private traders. (1)

In war as in peace 'legitimate expectations' were to be defended. Wool textile employers did so through their control of production and information, and through their efforts with other organisations in portraying government intervention as bureaucratic and disruptive, and government officials as incompetent. Bill Schwarz's assertion that 'The only means by which the state could impose regulation was through the agency of businessmen themselves' (2) clearly has some justification.

Throughout the twenties and thirties employers - the N.C.E.O., the F.B.I., wool textile organisations - repeated the idea that the men with the practical knowledge of business could be trusted to do what was in the best interests of trade and industry. Taken at their word, that efficiency lay in the voluntary principle, wool textile employers ran the risk of revealing their own shortcomings when it came to factory legislation and research provision. At a meeting of the industry prior to the 1936 wages inquiry, both issues were discussed and the importance of policy on them emphasised. H. B. Shackleton explained to employers that in meetings with the Home Office, the N.C.E.O. had offered its 'whole-hearted co-operation' in reducing the accident rate, and secured agreement that

1. Lloyd, op. cit., 124.
2. Schwarz, op. cit., 91.

amelioration was best secured by voluntary efforts. At the same time George Whitaker, Chairman of the Employers' Council, reported the signing of a new agreement on fencing machinery, the value of which was that it covered 'something less than the full requirement which the law can demand', and obviated disputes between employers and Factory Inspectors.

Of associations in 19 industries, employers were further informed, only wool textiles had failed to raise sufficient funds to qualify for government research grants and,

In these days of repeated questionings of the efficiency of the Industrial machine as we know it, of the efficiency of the economic system generally and of the emergence of new political creeds and theories no Industry can afford to be regarded as retrograde and that is the position that we shall run some risk of occupying if we do not adequately support research.

If not for the existence of the Research Association, the industry's representatives, it was said, would have been in 'very real difficulties' in the two tariff applications and the Macmillan inquiry in 1930 (1).

The ability of employers to anticipate the criteria for State policy was inextricably entangled with their capacity to influence them. 'Efficient working' and 'control by men who knew the industry' were the precepts for the second Wool Control - a sort of 'government' Wool Textile Delegation. Of course, organised employers could not

1. W.T.I. Meeting, 1936.

ensure everything to order, as merchant and broker members of the B.W.F. bitterly regretted. Yet, for the majority the war period offered a profitable security peace itself could not guarantee.

CHAPTER SEVENCONCLUSION

This thesis set out to consider what it is that employers' organisations do by examining in detail the experience of wool textile employers' organisations. It was pointed out that although relatively little is known about such organisations, some far-reaching conclusions have been made about them. These range from the almost dismissive - that they were weak and of limited import - to the most disturbing - that they are a central if not dominant element in a State system which for the most part operates outside Parliament. The information presented is intended to identify the rationale behind the organisation of employers and clarify the real importance of their collective activity.

When wool textile employers began to group together to further 'the interests of the trade' from the early part of the century, they were pursuing a logic which was being acted out not only in other industries, but in other countries too. In order to compete with British industry and build up their share of the international market in the late nineteenth century, industrializing countries in Europe and the U.S. employed protective tariffs, quota systems and political bargaining (1). Confronted by falling prices and profits employers resorted to a variety of techniques intended to secure their situation. Cartels,

1. Ashworth, *op. cit.*, 151, 163.

holding companies, combines and employer organisation were some of those techniques.

Clapham and Colman claimed employer organisation was an alternative to amalgamation - 'It appealed to the lesser firms', said Clapham (1). However, employer organisation was not uniquely a response to economic conditions. References to the growth of employer organisations from the later part of the nineteenth century onwards have tended towards the view that employers first began to organise on a systematic basis in response to the greater organisation of labour, and that increased government and labour activity was responsible for the large increase in the number of organisations during the First World War. In Chapter 2 it was suggested that this kind of periodization reinforces conceptions of strict divisions between 'trade associations' and 'employers' associations' which do not necessarily reflect the reality. Commentators as far apart as Balfour in 1928 and Donovan in 1968 recognised that the division was unreal (2). The evidence of the wool textile organisations showed that some detailed and strategic thinking was employed in deciding exactly what the public face of their organisations should be. Thus, while there was a conscious attempt by some employers to portray their activities as a response to trade unionism, continuity of production, price fixing and problems with labour supply

1. Clapham, Woollen and Worsted Industries, 302.

2. P.E.P., 'British Trade Associations', 22; Donovan Report, 200.

also provided the incentives to organise. Eric Wigham's account of the E.E.F. suggests that that federation was much stricter in its determination to confine itself to industrial relations issues. Nevertheless the work of McIvor on the local associations of engineering employers in Lancashire, his article on the Economic League, and Rodgers' research on the N.C.E.O. point to organised involvement on matters of economic and political concern too.

This leads to the question as to why employers should emphasise a particular aspect or aspects of their activities. In the context of their early development there were essentially three reasons. Firstly, the legal position regarding 'restraint of trade' and the position which the organisations might adopt was of some concern to employers. Secondly, in the context of mergers, cartels and the elimination of firms, some employers were attempting to promote a form of collaboration in which the smaller or more vulnerable employers did not feel their control of the firm to be under threat. By focussing upon external difficulties such as trade union activity it was hoped to draw employers together. A third reason for the emphasis was quite clearly to make a political point and to justify the break with the tenets of laissez-faire; employers did not want to organise, but had been compelled to do so for 'mutual protection'. This identified other groups of employers (monopolies, foreign competitors etc),

trade unions and governments as antagonists who were increasingly making individualistic free competition untenable. In this environment of 'industrial anarchy', employers reasoned, 'unfettered competition' became disruptive of 'stability', and 'friendly co-operation' a new and vital tenet of business morality. Not to collaborate was 'selfish'.

For many employers this was a rationale which was not easy to come to terms with. After all self-interest was the guiding force behind their involvement in production, and one which had long been considered laudable. It was not just a question of the ideological contradictions of co-operation versus individualism. What was at stake was their capital. In worsted spinning and manufacturing employers had considered and rejected combination at the turn of the century, not because it was intellectually unacceptable, but because it involved the elimination of firms and risk of loss. For the larger firms it offered greater security, but for the small employer the freedom to undercut in periods of difficult trading was vital to his survival. The typicality of these anxieties about collaboration were confirmed in Roger Babson's paper on American Co-operation to textile employers in 1914. 'Confidence', he said, 'is certain to be absent in the early days of any association, because each member believes that his fellows will take advantage of every technique'. As a result it was necessary to be clear that 'each member

has a perfect right to abrogate any of the rules so laid down in that he can lower his prices' (1).

The flexibility which the above implies was one of the main features of employer organisation. The primary concern of employers was their own self-interest, a principle which was centrifugal in effect - the tendency to keep them away from organisation. The pressure of circumstances, however, was a force of centripetal character which drew them together when dealing with issues of labour, legislation or price - interests common to them all. The survival of the organisation depended upon a flexibility which, even if not intended or planned, became apparent when the need arose.

For example, worsted manufacturers in Bradford joined their local organisations together in 1913 to better co-ordinate policy on wages - the West Bradford federation being particularly insistent that no-one should have to fight for a principle unless they wanted to. Between 1927 and 1930, though clearly complicated by the J.I.C. and determined trade union opposition to wage cuts, the ability of the Employers' Council to accommodate individual action ensured its continued existence (2). In forming the W.E.F. in 1910, and thereby a monopoly in the commission combing section, woolcombing employers implemented a price-fixing policy, ostensibly on a voluntary basis. When trading

1. British Association of Managers of Textile Works, op. cit., 27.

2. See Ch. 5.

conditions changed in the 1920s and topmakers and spinner-combers entered the market at cut rates, the Federation set up a cartel, the Woolcombers' Mutual Association Ltd, which was much more stringent in its conditions of membership.

What organisation did was to provide a forum for employers to discuss issues of mutual concern and to reach some consensus as to those which demanded action. As owners of wool textile capital a degree of common interest was clear, but perceptions of those things which might be acted upon jointly were neither implicit nor static. While woolcombing employers were in agreement on both wages policy and prices from the inception of the W.E.F., the pattern of co-operation in worsted spinning and manufacturing was more tentative. Both sections were characterised by ease of entry and a large number of small firms. But, in a period of increasing international competition price maintenance would not have been appropriate as the marketability of their goods would have been affected. Working on a commission basis the W.E.F. was well insulated from such concerns.

Before the First World War spinners and manufacturers were less well organised than woolcombing employers, and although their sections were 80-90 per cent organised by 1920, the large number of firms meant that an active commitment to commercial policies was not easily secured.

The organisations of worsted spinners were only able to introduce a Terms and Conditions of Sale agreement after the First World War when yarns could be sold at any price. Once trading conditions changed Terms were only maintained by repeated warnings, backed up by concrete examples, that manufacturers would seize the opportunity to bargain contract prices downwards (1). The self-interest of the small employer where commercial policies were concerned was in retaining control of decision-making at the point of the business transaction. As a result agreements on commercial issues most commonly involved action on behalf of employers or the facility for them to opt in as they chose.

Employers were far more likely to recognise and act upon common interests where an external challenge to their business was involved or where the balance of advantage was clear. Not to participate in joint action on wages was to stand alone against pressure from the trade unions, potential disruption of production and upward wage bargaining. Experience of government controls during the First World War similarly demonstrated that united action was vital both in protecting businessmen's control over production and in enabling them to secure the best possible prices for army contracts. Government regulation of raw materials and prices were intended to do no more than ensure supplies of khaki for the army at reasonable prices,

1. See Ch. 4, 200-207.

but in the context of Labour's demands for nationalisation, employers perceived it to be the thin end of the wedge. Sir A. Goldfinch, Director of Raw Materials acknowledged that at the end of the war there had been two choices - an immediate reversion to private trading or the introduction of a new system of complete control. Such revolutionary proposals as this last, he emphasised in a letter to the Times, could not have been accepted by the Government (1).

The circumstances of the post-war period - revolution abroad, the extension of the franchise, the disruption of trade through the militancy of the Triple Alliance, Profiteering Inquiries etc - served to unify employers. The formation of industry-wide groupings in wool textiles, and the F.B.I. and the N.C.E.O. nationally expressed a need for joint action at all levels - economic, social and political. Employers' interests were not confined to their day-to-day transactions, but extended to the conditions under which production took place. Through their organisations they campaigned vociferously against the Profiteering Inquiries which interfered with their historical right to profit, argued the case for voluntary as opposed to statutory reduction of working hours to 48, and instituted anti-socialist, anti-state intervention propaganda (2).

1. Times, 27 Jan 1920.

2. See Ch. 6 on 'Politics' especially.

In wool textiles the balance of advantage was seen to be in presenting a united front through the Employers' Council and the W.T.D. However, once the post-war boom collapsed and differential trading conditions ensued, perceptions of common interest were liable to change. On issues of social legislation and government expenditure their minimalist approach remained firm - nothing must be done which would add to the costs of industry. However, on matters more closely connected to the costs of production opinion shifted. In conditions of tight labour supply and increasing trade unionism an industry-wide wages policy had affected a degree of control on wages movements. In a situation of high unemployment and a squeeze on profits, worsted manufacturers argued the need for rapid wage reductions, which other sections did not perceive in the same light. The J.I.C., accepted as a means of avoiding State intervention in 1919, in 1929 was perceived as an unnecessary constraint on overtime and wages and was abandoned in consequence.

The international context of increasing competition, tariff protection and the manipulation of exchange rates changed the way in which market share was allocated and influenced employers' attitudes about how their interests might best be served. The individual competitiveness of worsted manufacturers and then spinners, during the course of the 1920s progressively declined. Free trade, once a virtue, was increasingly regarded as a liability in a situation

where tariffs afforded both protection of the domestic market and a means of bargaining entry to markets abroad. In the 1920s tariffs appeared on the W.T.D. agenda only to be deferred as inappropriate for joint discussion, but in the 1930s they were major policy items.

The progressive centralisation of policy-making was clearly evident in the late 1930s when the W.T.D. was entrusted with the responsibility for contingency planning for wool textile production in the event of war. In the early years of organisation before the First World War many employers had expressed anxiety at the prospect of discussing any of their 'trade secrets' with those engaged in the same line of production. Now less than 30 years later they were prepared to work out an industry-wide accord as a means of pre-empting the external imposition of a control system. The circumstances were, perhaps, extreme, yet centralised policy formulation in the 1930s proceeded on domestic and international tariff restrictions, wages and conditions of work and legislative measures. This did not mean that policy was imposed from the centre, rather that there was a consensus on the need for joint action. Wages and conditions of work in the thirties were agreed at the Employers' Council for action at the level of the individual firm or through Government recommendation (over-time 1935, wages 1936, hours and over-time 1937) and not, where it could be avoided, by agreement with the trade unions. Policy on tariffs was to be implemented by a

mixture of government diplomacy and W.T.D. and F.B.I. lobbying. Strategies on hours of work, school leaving age etc. were similarly affected by joining forces with other industries through the N.C.E.O., and local and national government dispensations and recommendations.

There were, however, a number of issues on which employers' self-interest outweighed any suggestions of mutual benefit. As a result of the Balfour inquiry in the 1920s, the Mond-Turner talks in 1928, and W.E.F. and W.S.F. deliberations in the early thirties, standardization and rationalisation were introduced to the W.T.D.'s agenda. The manufacturers' organisation, the W.W.T.F., was notable in its forthright opposition to such issues. Overwhelmingly dominated by small firms the tendency had been towards product differentiation as a means of easing competition which frequently reduced machinery activity to 50-60 per cent of capacity. There was little chance that these employers would either volunteer themselves for or finance the elimination of such a large degree of excess capacity. The somewhat greater number of large firms in worsted spinning did embark upon the purchasing and scrapping of machinery, but were shocked when the B.I.D.C. pointed out that the 15 per cent redundancy they proposed was insufficient to put the section on a more profitable basis. In the event, W.S.F. voting on the issue failed to secure the 80 per cent agreement which would have been necessary to proceed with scrapping just 15 per cent of capacity.

While on balance it can be concluded, as Robert Brady did, that the greater internal unity of capital was an inherent feature of employer organisation, it would seem that the nature of that unity effectively slowed down the restructuring which was necessary in such an ageing industry as Britain's. Agreement on wage rates, tariff protection, the formation of joint purchasing and insurance schemes and mutual support for extending working hours all helped to regulate competition and prolong the excess capacity which existed in all sections, and might otherwise have been eliminated by the intensity of competition.

While employers might disagree on the question of the efficiency and internal organisation of their trades, an increasing number of issues which affected their costs of production were determined not in the economic but in the political sphere. The abolition of half-time working, reductions in the hours of work, factory legislation, tariffs and wages inquiries all had quantifiable effects at the level of the firm. Thus, in addition to co-ordinating opposition/support for such measures through the N.C.E.O., the F.B.I., the Machinery Users Association etc., organised wool textile employers conducted their own deputations to lobby government ministers and civil servants, or deputed the parliamentary textile group to do so. They wrote letters, briefed the press on their point of view and employed first their own Publicity Committee and then the Economic League to foster sympathy not only for their

specific concerns, but with their understanding of the proper sphere of government, the responsibilities of labour, and their own central role in securing the national interest.

The B.W.F., the W.E.F. and the W.S.F. all expressed vehement opinions with reference to government measures during the First World War. On the subject of rationing the B.W.F. stressed that it 'did not intend to be twitted by mere government officials' (1). The W.E.F. threatened to halt production unless it was allowed to set the Terms of Sale of its work. And J. W. Bulmer of the W.S.F. voiced great satisfaction in having 'brought the dog to heel' (the 'dog' being the Government) in the dispute over the constitution of the Board of Control.

The points the federations were making were that governments should not presume to meddle in the affairs of industry, that the men who knew the industry (themselves) were the best qualified to run it, and that the business of government was to ensure that employers had the freedom necessary to meet the demand for cloth being made of them. Such views were more clearly articulated in the principle of 'self-government' for industry by the time of the Second World War when the Government of the day did little more than set priorities and sanction wool textile employers own scheme of control as 'State Control'.

1. See Ch. 6 on 'Control policies'.

During the twenties and thirties a laissez-faire approach to government was evident in organised employers' support for a permissive framework with regard to social measures rather than one which left no room for manoeuvre. This was especially evident in attitudes towards hours of work, which were not legislated upon despite the number of times they were debated. However, although a commitment to non-intervention is commonly associated with employers, tariff protection in 1931 and 1932 was worked hard for, and in 1936 it was employers who appealed for a Board of Inquiry when trade union action endangered their control over wage levels. Governments were clearly expected to help create the conditions for profitable trading, but not to encroach upon the 'right to manage'.

The 'right to manage' is a principle which Eric Wigham has said the E.E.F. engaged in bitter struggles with the engineering union to preserve. In wool textiles the issue was also of some concern to organised employers. In seeking to avoid the enactment of a 48 hour week in 1919 the Employers' Council had compromised its 'right' by the terms of its agreement to voluntary limitation. As an act of good faith it agreed that employers wishing to work over-time would apply to the J.I.C. for permission. With the abandonment of the J.I.C. many employers took the opportunity to work over at will and pay only normal rates until 55 hours had been worked. Throughout the period on the subject of factory legislation, the federations

demonstrated a reluctance to make an agreement for the guarding of machinery with factory inspectors, and refused even to consider one which involved the trade unions. For employers the responsibility for management of the mills was theirs alone. What was expected of labour was to work over-time when it was needed, at ordinary or reduced rates when the industry could not afford more, and to start work in the mills at an early age. Above all, as organised employers' Publicity Committee proclaimed, labour should not adhere to 'trade union selfishness' and the socialism which threatened the very basis of private enterprise.

Wool textile employers' involvement with both propaganda agencies and the N.C.E.O. were important links in their ability to influence the terms of political debate as to what was in the nation's interests. Rodgers noted that the N.C.E.O. never got the political support it desired but,

The Confederation's frequent resort to the language of crisis when presenting its views on the economy and unemployment almost certainly helped to engender a climate of opinion which was more alert and sympathetic to the problems regarding costs and competitiveness that faced employers in the staple and export-orientated industries. (1)

The wholesale acceptance of organised employers' views would have been much to expect. Their success in establishing what they perceived to be commonsense connections between costs, competitiveness and unemployment was, nevertheless, a great achievement. Further, it lends support to Miliband's claim to businessmen's ideological

1. Rodgers, op. cit., 339/40.

ascendency within the State system.

The effect of the employment of this shared rationale was evident across a number of issues affecting trade and production. Following the Labour Government's crisis in 1931, when it had refused to embrace businessmen's point of view wholeheartedly, the National Government introduced tariff protection which organised employers now insisted was central to the restoration of trade and industry. The involvement of governments in helping employers secure the market share vital to economic growth extended further to the Trade Missions and negotiation of tariff treaties. 'Foreign policy' confirms Ashworth 'had always been one of the unquestioned functions of government. In the twentieth century it acquired everywhere a proportionately larger economic content' (1).

State intervention in promoting trade accorded wool textile employers a monopoly of the home market in the 1930s and helped to restore profitability to an industry which was carrying a significant percentage of excess capacity. In Chapter 6 it was further argued that organised employers' ability to influence the State during the Second World War meant that worsted spinners were able to secure a profitable level of prices for government work despite the fact that they were carrying 33 per cent excess capacity.

1. Ashworth, *op. cit.*, 163.

The ways in which businessmen were able to influence government policy were not only through personal and intellectual links or control of information, but also in the sometimes central role they played in its implementation. Motivated by the need to recover Britain's dominant trading position, successive governments promoted industrial research and rationalisation. The 'industry' view of wool textile employers was that recovery lay in cost reductions and tariff protection, and as a result research and rationalisation made little headway. Similarly, where factory legislation was concerned the trade federations equivocated for 30 years or more in implementing what, according to the statute books was already law.

In sum, it can be concluded that organised wool textile employers enjoyed a degree of influence in British society which was out of proportion to their size. The evidence presented here provides no support for Zeitlin's view that employer organisation was weak either in the workplace or politically. Such organisations were not monolithic, but sought to ensure that the balance of economic, social and political forces was to their advantage. Accordingly, their framework for action functioned on a number of different levels - local, national, international, industrial, intellectual etc. Their reasons for working in this way were precisely because the structure of the industry did not lend itself to combination of the

'aggressive American type' publicly denounced by manufacturer W. A. Crowther (1).

In Bradford where wool textiles provided employment for the majority of the workforce the effect of employers' collective strategies were bound to be far-reaching. Low wages (and standard of living) which were the practical result of the employment of large numbers of women and children were reinforced by organised employers' desperate attempts to hold up profit margins by successive reductions in wages. While employment was to be found for young people when the depression rarely afforded it for others, it was young people who were most likely to suffer accidents as a result of the unguarded machinery which organised employers were in no rush to fence.

Yet it was not only social and industrial relations policies which had repercussions on working people. The nature of worsted production itself, the ease with which new competitors could enter at the margin, and the structural compulsion to produce 7 or 8 lots of profit for the 7 or 8 lots of employers involved (2) was increasingly problematical. The degree of competitiveness between and within sections virtually ruled out the thorough-going rationalisation which might have maintained market share in the long term, and instead focussed attention on wages and

1. See Ch. 2.

2. Labour Pioneer, 23 May 1930.

conditions as a source of relief.

The situation described above was acted out over 2 decades or more and bears no correspondence with the corporatist view of the neutral State balancing the competing interests of capital and labour in the national interest (1).

Organised employers clearly demonstrated an ongoing capacity to effect their interests through the powers of the State. The ideological sympathies between employers, politicians, ministers and civil servants have already been noted. On occasion influence was more modest and specific - for example, in securing dispensations for employing young people before the official school leaving age. On occasion it was relatively sophisticated - for example, in controlling access to information relevant to government policies. And on occasion it was blatantly intimidatory - in threatening and employing sanctions of production in time of war.

To conclude: from their initial uncertain formation in the years before the First World War, the development of wool textile employers' organisations followed a general pattern of centralisation which linked industries together nationally and internationally in a formidable framework for economic and political action. For the most part employer organisation has not received the attention and debate which its significance clearly warrants. Neverthe-

1. Middlemas, *op. cit.*, 18-23.

less, some far-reaching conclusions have been reached about them (1). Through its detailed analysis of a specific industry - wool textiles - this thesis bridges a gap in the history of business movements. Although there were clear differences in the pattern of development between wool textiles and other industries, there were a great many features in common, and a similarly broad approach to employer organisation within them would be of great value. The thesis offers observations on the nature and implications of such organisation, which it is hoped will stimulate further interest in a subject of central importance to our understanding of the way in which British society is governed.

APPENDIX IObjects of the Bradford and District Manufacturers' Federation (Revised 29 Apr 1931)

The objects for which the Federation is established are:-

- (a) To promote, protect, and further the interests of the members of the Federation by combined action of the members against combinations of workpeople seeking by strikes or other action to impose undesirable conditions of employment.
- (b) To secure mutual and collective support of employers or associations of employers in dealing with action taken by workpeople or combinations of workpeople thereof on all matters affecting the interests of members of the Federation including all attempts affecting wages and conditions of employment, interference with workpeople or plant or material employed in production, and to secure the equitable carrying out of any agreements made with combinations of workpeople or their authorised representatives.
- (c) To protect the members of the Federation against strikes or disputes with workpeople or against losses incurred whilst acting in conformity with the decisions or recommendations of the Federation or of the Board.
- (d) To afford the members of the Federation all such assistance whether pecuniary, advisory, legal or other desired assistance as shall appear fit and proper to the Federation or to the Board.
- (e) To regulate, adjust and provide for the settlement of all differences between the members themselves, or their workpeople, or, if so desired, between the members of the Federation and their customers or other third parties.
- (f) To watch over, propose, support or oppose any legislative measures which may affect or tend to affect the trade interests of members of the Federation as well as actions of the Government, of the Consular Service and Chambers of Commerce, upon any matters wherein the members have trade interests.
- (g) To promote, establish, strengthen, administer or contribute to any federation, company or friendly society, or to any charitable or benevolent fund or trade exhibition, and generally, to grant donations which may seem to the Federation or to the Board conducive to the interests of the Federation or its members.

- (h) To act jointly, by federated or by co-operative action, with any other association or federation in furtherance of the objects of this Federation or the interests of its members and
- (i) To do all such other things as may in the opinion of Federation or of the Board be incidental or conducive to the attainment of the above objects.

Objects of the Employers' Federation of Engineering Associations, 1896

- (1) To promote and further the interests of the Federation, of the Federated Associations, and of the Members of such Associations generally; and, in particular to protect and defend those interests against combinations of workmen seeking by strikes or other action to impose unduly restrictive conditions upon any branch of the Engineering Trades;
- (2) To secure mutual support and co-operation in dealing with demands made, and action taken by, workmen or combinations thereof, on all matters or questions affecting the general and common interests of the said trades, including therein such questions as interference with Foremen, unreasonable demands for wages, minimum rates of wages, employment of apprentices, hours of labour, overtime, limitation of work, piece-work, demarcation of work, machine work, and the employment of men and boys on machines;
- (3) To protect the Federated Associations and the Members thereof against strikes or disputes with workmen or against losses incurred by acting in conformity with the decisions or recommendations of the Federation or the Executive Board;
- (4) To give to Members of the Federated Associations all such assistance pecuniary, legal, or otherwise as to the Federation or the Executive Board shall appear proper or desirable;
- (5) To act jointly by Federation or otherwise, and to co-operate with any other Association or Federation in furtherance of the objects of this Federation;
- (6) To promote the formation of Conciliation Boards, or other provision for the equitable settlement of all differences between Members of the Federated Associations and their workmen.
- (7) To watch over all legislative measures which may affect, or tend to affect, the interests of the Engineering Trades; and
- (8) To do all such other things as are in the opinion of the Federation or of the Executive Board, incidental or conducive to the attainment of the above objects or any of them.

Objects of the Wool Textile Delegation

- (a) The establishment of a Delegation representative of all of the Wool Textile Industry, from the Manufacturer of the Raw Material to the Distributing Merchants of the Finished Article
- (b) The promotion and encouragement of free and unrestricted communication and discussion between the accredited representatives of all sections of the Wool Textile Industry
- (c) The encouragement, promotion and protection of the Industrial and Commercial interests of the Wool Textile Industry, and in particular with a view to obtaining the recognition of the Government as the authoratative body to speak for the Industry on all matters of commercial and industrial legislation, or Government action affecting either a Section or the whole of the Industry, except rates of pay and such questions as might be more suitably dealt with by the Industrial Council or other approved or consituted bodies.

Objects of the Woollen and Worsted Trades Federation

The objects of the Federation shall be to promote the interests of the woollen and worsted industry and the trades ancillary thereto.

Its Officers might

- i) Promote, make agreements with workpeople employed in the concerns in which its members are interested, regulating wages, hours of labour, or any other conditions of employment
- ii) be party to conciliation, arbitration
- iii) call on Inquiries into industrial or commercial conditions, prepare evidence for Royal Commissions, Committees, Government Departments.
- iv) Take action either alone or in conjunction with any other body or individual person, for the protection or promotion of trade interests
- v) use funds to defend members in promoting the interests of the Federation
- vi) Take such other action as may from time to time be deemed advisable for the protection and advancement of the interests of the members of the Federation, or of the trade generally

APPENDIX II

Table 18 Production of Tops, Yarns and Tissues 1907-1946

	<u>Tops</u> m.lb	<u>Wors.</u> <u>Yarn b</u> m.lb	<u>Wool.</u> <u>Yarn b</u> m.lb	<u>Wors.</u> <u>Tiss.</u> m.sq.yds	<u>Wool.</u> <u>Tiss.</u> m.sq.yds
1907	244	186	260	550 a	
1912	305	249	316	583 a	
1924	286	235.4	314	183	285
1925	235		295		
1926	234		280		
1927	262		304		
1928	247		289		
1929	236		290		
1930	224	185.6	200	137	207
1931	249		200		
1932	289		254		
1933	310	238.6	283	168	252
1934	275	229.7	290	156	263
1935	301	244.5	299	181	258
1936	321		323		
1937	279	241	325	184	292
1938	253		260		
1946	192	148	260	120	226

a Not recorded separately for 1907 and 1912. Conversion factor of 1 linear yard = 1.21 sq. yds used.

b Includes carpet yarns.

Source: Rainnie, Woollen & Worsted Industry, 155-170.

APPENDIX III

Table 19 Imports and Exports of Tops, Yarns and Tissues 1907-1946

	n. lbs TOPS		n. lbs WORS. YARN		n. lbs WOOL. YARN		n. sq. yds WORS. TISS.		n. sq. yds WOOL. TISS.	
	M	X	M	X	M	X	M	X	M	X
1907		36	0.8	80	26.0d	2.6				
1912		45	0.9	57	29.0d	6.2				
1924	4.8	41	0.9	45.6	16.9	8.3	a	57	29.5a	171.8
1925	2.2	32.1	0.3	38.8	14.8	6.0	11.6	48	24.7	138
1926	2.2	33.6	1.4	31.8	16.0	5.4	8.0	44	30.1	123
1927	2.7	42	1.8	45.3	16.0	6.5	9.2	41.5	30.3	136
1928	3.3	34.4	2.2	41.5	15.5	7.5	8.4	41.6	32.8	132.4
1929	1.8	32.7	2.2	38.8	18.0	7.9	7	47.3	30.4	112.3
1930	2.2	28.8	2.3	31.9	16.4	5.4	6.3	35.8	34.8	69
1931	1.6	28		29.8	18.6d	5.1	6.3	30.7	46.0	60
1932	1.1	41.8		32	0.8d	6.0	-	28.9	5.5	57
1933	1.2	45.8	0.2	35.8	0.5	7.6	-	32	5.5	66
1934	0.8	41.8	0.5	34.1	0.3	8.8	-	33.6	3.7	74
1935	1.0	55.9	1.0	33.1	0.3	7.8	-	37.4	3.3	77
1936	0.8	52.1		29	2.9d	8.1	-	39.5	4.1	84
1937	0.4	40.2		25.5	2.3d	6.8	-	42.2	5.8	86
1938	0.6	32.5		22.9	3.3d	5.6	-	33.1	8.6	63
1939	2.5	33.7		20.7		5.6	-	37.1	7.3	62.5
1946	-	29	1.2	11.6	0.3	2.0	-	22.2	6.3	54.6

a Woollen and worsted tissue imports were not recorded separately in 1924. The figure represents their combined imports.

b Originally recorded in linear yards. Conversion factor of 1m.lbs=1.98sq.yds used for certain years.

c Originally recorded in linear yards. Conversion factor of 1m.lb= 1.82sq.yds used for certain years.

d Imports of both woollen and worsted yarn.

Source: Rainnie, op, cit. (Statistical Appdx)

APPENDIX IVTable 20a Employment in the U.K. Wool Textile Industry
(in thousands)

	1907	1912	1924	1930	1933	1934	1935	1937
Men	112.3	121.7	119.0	97.6	100.3	102.4	104.7	108.1
Women	147.6	157.9	157.5	132.7	135.3	136.5	137.5	141.8
TOTAL	259.9	279.6	276.5	230.3	235.6	238.9	242.2	249.9
Index of employment. Ave of 1907 & 1912 =100	100		102	85	87	88	90	92
Proportion under 18 yrs	20.7%	22.2%	17%	15.1%	12.8%	13.7%	14.8%	17.6%

Table 20b Ministry of Labour Statistics
(in thousands)

	1907	1912	1924a	1930	1933	1934	1935	1937
No.s insured - over 16yrs	n/a		261.6	240.5	230.9	229.6	221.7	223.3
% unemployed	-	-	7.1	24.1	14.2	15.9	12.8	10.4
Estimated vol. employed	-	-	244	183	198	194	196	200

a The 1924 figure relates to insured workers 16 years and over. Thereafter the figures refer to insured workers 16 to 64 years.

Note: The figures in 20a are not an accurate reflection of the real fall in the volume of employment as they may include workers who remained on employers' books although they were actually temporarily out of work. The tables are, therefore, not strictly comparable and Table 20b is given as supplementary information.

Source: National Wool Textile Export Corporation, Exports of Wool Textiles 1942-1943, (Pamphlet, N.W.T.E.C., Bradford, 1944), 27.

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