



LUCAS

**LUCAS AEROSPACE COMBINE
SHOP STEWARDS COMMITTEE**

**DIARY
OF
BETRAYAL**

AN ACCOUNT OF EVENTS & CORRESPONDENCE SINCE 1974
- TO DATE.

THE LUCAS AEROSPACE WORKERS' 'CORPORATE PLAN' STRATEGY
TO TURN FACTORY CLOSURES & REDUNDANCIES INTO SOCIALLY
USEFUL WORK HAS BEEN GOING ON FOR NEARLY FIVE YEARS.
DESPITE SUPPORT FROM A WIDE RANGE OF ORGANISATIONS
LUCAS WORKERS FACE ENORMOUS DIFFICULTIES.

THIS ACCOUNT SPEAKS FOR ITSELF - WE LEAVE YOU TO DRAW
YOUR OWN CONCLUSIONS ABOUT THE ROLE OF THE GOVERNMENT,
THE COMPANY, AND THE TRADE UNIONS IN THIS WORKERS'
INITIATIVE.....



LUCAS AEROSPACE COMBINE SHOP
STEWARDS COMMITTEE MEETING WITH
TONY BENN - NOV. 1974.

INTRODUCTION

What is the Establishment?

Who does it consist of?

Can the Rank and File Movement work with it/can they overcome it?

Questions such as these are graphically illustrated in the following pages; the case of the Lucas Aerospace workers' campaign to create viable and useful employment in the face of mass redundancies has many lessons for the Labour movement.

In 1974 the Lucas Aerospace workers started to develop a constructive response to the mass layoffs perpetrated by Lucas over the previous five years. The Lucas Aerospace Combine Shop Stewards Committee, representing the then 14,000 members, in 13 unions, at 17 sites, canvassed the workforce for alternative production plans for products which could be made with existing plant and skills, and which would contain a large element of what has come to be known as 'social usefulness'. The products, 150 in six product areas, are contained in the Combine's Corporate Plan, the Plan is a detailed set of technically-backed production proposals which could be brought forward in redundancy situations.

The idea of socially useful production, and the enormous creative energy unleashed in this rank and file initiative has attracted attention all round the world. Similar initiatives are now underway in many industries, such as machine tools, car, power engineering and aerospace. Shop stewards are gathering together to prepare *their* corporate plans for *their* companies and industries.

The Lucas Aerospace Combine Committee have been nominated for the 1979 Nobel Peace Prize, for showing the way to convert military production into peaceful uses — but they have received no prizes from the official trade union movement (with a few notable exceptions) or from this Labour Government.

We make no apologies for this detailed account of the Combine's struggle to obtain support in this country, we feel it is important for the Labour Movement to fully recognise the nature of political leadership in Britain.

If you thought that a Labour-controlled Department of Industry, or Employment is in 'business' to assist employment-creating proposals put forward by the Labour Movement, think again. If you think that trade union leaderships are all in favour of powerful union organisations, think again. There are no punches pulled in the following pages, but nor are there any misrepresentations or distortions, here in a condensed form are the processes by which sections of the leadership of the Labour Movement have systematically tried to stifle a progressive rank and file initiative.

As one of the Burnley shop stewards of Lucas Aerospace put it:

"With the Czars in the Trade Union Movement, the Government, and the Company combining to vicously attack us, we simply must be on the right lines!"

*An account of the Lucas Aerospace Combine Shop Steward Committee's Corporate Plan proposals is contained in an IWC publication: 'Lucas, an alternative plan', available from the IWC, price 30p plus . . .

Also available is a Fabian pamphlet: 'The Lucas Aerospace Workers' Campaign', 50p from the Fabian Society.

The Centre for Alternative Industrial and Technological Systems (CAITS), set up by the Lucas Aerospace Combine has a bibliography, plus a number of article reprints and handouts, contact: CAITS, NELP, Longbridge Road, Dagenham, Essex.

HOW IT BEGAN

November 1974

Combine Committee meets with Tony Benn (the Industry Minister), idea of Corporate Plan launched.

BEFORE THE PLAN

October 1975

Threat to Marston Green electronics factory, stewards developed Mini-Corporate Plan, successfully overcame redundancy threat.

June 1975

480 redundancies threatened at Lucas plant in Hemel Hempstead. Stewards produced Mini-Corporate Plan for industrial ball screw production, the decision was reversed and redundancies avoided. Lord Beswick (Minister of State, Department of Industry) described the stewards' report: "... the most impressive piece of work from trade unionists I have seen".

JANUARY 1976 – CORPORATE PLAN LAUNCHED

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"The Plan is one of the most advanced yet prepared in the UK by a group of shop stewards... One of the most radical alternative plans ever drawn up by workers for their company"

– *Financial Times*

"A twentieth century version of the industrial revolution."

– *The Engineer*

"The Lucas thinking and experience should stimulate similar experiences elsewhere."

– *The Guardian*

"What has happened at Lucas is likely to be a forerunner of a development which will ultimately affect the whole of British industry."

– *Industrial Management*

"A scheme which could ultimately change the face of British Industry."

– *Manpower*

THE REPLY AND THE EARLY DAYS...

24th April 1976

Company replied to Corporate Plan with blank refusal to consider any of its proposals. But proposed discussion of alternative products (not necessarily those in the Plan) within 'local consultative machinery'.

* Co. also said that best guarantee for jobs was Co's own product range.

SO THE SAGA BEGINS...

After the rejection of the Plan by the company (apart from the so-called 'consultative machinery') the Combine approached the Department of Industry and the TUC for assistance, they also attempted to get official trade union backing.

TASS

They got the latter – in June 1976 TASS national officers, negotiating on behalf of the 4,000 TASS members in Lucas, introduced elements of the Plan into the 1976 round of wage bargaining – unsuccessfully.

... and on 2nd September 1976 the Combine received the following message of support from TASS:

"I can also advise you that the ultimate decision of the Executive Committee was to accept the general concept of the Plan. This is valuable to me, in the sense that I can now feel free to utilise the initiative shown by the Shop Stewards when I am representing TASS."

– From Deputy General Secretary, TASS

LABOUR PARTY

The Labour Party too expressed support, in Labour's Programme 1976,

the Combine received a clear mention in the section on 'Creating Alternative Employment' (p.116).

BACK AT LUCAS AEROSPACE

... The company refused continually to consider the Plan, and on *14th October* the Combine wrote again to the TUC and the DOI stating that the company refused to discuss the Plan – except occasionally on a 'site by site' basis – a normal 'divide and rule' tactic. The Combine asked the TUC and DOI for advice about the next steps "to force the company to honour the tripartite agreement between the TUC, the CBI and the Government." (Remember the Social Contract?)

– No reply was received from either, so the Combine wrote yet again on *29th October*.

This time they got replies:

TUC

"The TUC fully share your concern and consequently the matter was raised by the TUC representatives at a recent meeting of the Industrial Strategy Staff Group. *Government* and employer representatives took the view that Lucas Aerospace did not fall within any of the 39 sectors identified in the industrial strategy, and that therefore the issue could not appropriately be pursued in that forum ... We suggest that you again approach the company on this matter ... and should you encounter further difficulties, please do not hesitate to contact us again."

DEPT. OF INDUSTRY

From Gerald Kaufman, DOI:

"You will recall that in our previous discussions I have been firmly of the view that the proper place for the examination of your ideas must be, at least initially, within Lucas Aerospace. I understand that appropriate discussions are taking place within the normal machinery."

The DOI Reply was clearly unsatisfactory and the Combine wrote back on *6th December* to Gerald Kaufman:

"Thank you for your letter of November 17th. I note in your letter you say, 'I understand that appropriate discussions are taking place within the normal machinery'. I regret to have to inform you that this is absolutely untrue ... I am somewhat surprised you are not aware of this as we did send copies of the correspondence to Eric Varley."

An uncharacteristically prompt reply came from Kaufman on *24th December*:

"Let me repeat our understanding; this is that for some time the company and its employees have been examining a number of the suggestions in your plan within the normal consultative machinery."

Who was feeding Kaufman this information?

Does he know the difference between consultation and negotiation?

Did he know that the company was trying to undermine the combine, in this way?

* READERS MIGHT LIKE TO NOTE THAT IN 1976 THE TOP CIVIL SERVANT AT THE DOI, SIR ANTHONY PART, RETIRED (EARLY), AND JOINED THE LUCAS BOARD OF DIRECTORS.....

1977

1977 heralded redundancies — in February Lucas Aerospace announced that it had a 'labour surplus' of 1,100. An overtime ban and selected blacking of movement of parts was enforced. The Combine threatened further industrial action if the redundancies were implemented.

— Considerable disquiet was expressed by MPs whose constituencies included redundancies and a special meeting was called in the House of Commons on *1st March*. Over 70 Lucas Aerospace shop stewards met with MPs and junior ministers. Jeff Rooker MP, one of those attending, invited senior executives from Lucas to visit the House of Commons to discuss the company's future; the meeting, on *17th March* was attended by 11 MPs and 3 senior managers; Audrey Wise, MP, one of those attending told the *Guardian*:

"the company representatives assured us that they were anxious to diversify and that they didn't need the Combine Committee to tell them, but when we tried to pin them down to what new products they were thinking of, they became extremely vague."

— *Guardian*, 21.3.77

DOI AGAIN . . .

The DOI continued to assert that discussions were taking place in L.A. over the Plan, in a letter dated *4th April*, Les Huckfield told Chris Price MP:

"My understanding is that the more promising ideas put forward in the 'Corporate Plan' are in fact already being discussed within the Works Council structure that has been set up in the various Lucas Aerospace Divisions."

In a letter to Les Huckfield (*27th April*) the Combine pointed out that 'Works Councils' are contrary to TUC policy on Industrial Democracy and that of the AUEW — the major union in L.A.; they of course pointed out that these so-called 'discussions' *were still not happening*.

On *23rd May* Jeff Rooker MP endorsed this when he wrote to Eric Varley:

"I do not intend to repeat what you have already been told but I only write to inform you, so that it is on the record for the future, that the company has refused continually to discuss the Corporate Plan with the authors."

TGWU

Further Union Support was forthcoming this time from the TGWU; a document entitled 'Military Spending, Defence Cuts and Alternative Employment', produced by the General Executive Council, was put to the TGWU's 1977 Delegate Conference. The document argues that:

"the choice usually presented to workers in the arms industry — between the dole or continued military production is a false one . . . In the private sector of the defence industry (for example, Lucas Aerospace) planning agreements are a matter of urgency. The Government should use its bargaining position as buyer of defence equipment to insist on planning agreements. These agreements would lay down alternative products for development by these companies."

— *Tribune* 23.9.77

THE MAN FROM MARS . . .

But back at Lucas Aerospace things got worse. The company appointed a new General Manager, James Blyth, whose 'track record' was based on his ability to carry out the '3 Rs' — reorganisation, rationalisation and redundancy — Blyth quickly became known as 'The Man from Mars' (his previous company).

During the Autumn of 1977 Blyth visited most L.A. sites:

"and at each location his general message has been that we have too many people and too many factories."

— *Open Letter*, 6.12.77 to all L.A. sites, from Combine

*This Open Letter included a questionnaire for each site's stewards to send to the management — it asked for information about future site manpower requirements, under the Employment Protection Act provisions.

December 1977 — Fabian Pamphlet published: 'The Lucas Aerospace Workers' Campaign

THE NEW TUNE . . . ENTER C.S.E.U.

Meanwhile, at the DOI, Huckfield had 'changed his tune' under pressure from the Combine and MPs – no longer did he maintain that the Plan was being discussed in the company – now he asserted that the Combine should proceed via the Confederation of Shipbuilding and Engineering Unions.

The Combine Committee ever anxious to please Les Huckfield, duly wrote to the CSEU – on *17th June 1977, 6th October and 30th December* – no reply, or even acknowledgement was received – in the last letter to the CSEU the Combine pointed out the gravity of the situation:

"At the Hemel Hempstead factory he (Blyth) actually said that there are one third too many aerospace employees throughout the United Kingdom . . . It is our assessment that the company will engage on a further round of sackings within the next three or four months."

**See below for the accuracy of that forecast made in December.*

In a letter also dated 30th December the Combine wrote to Huckfield in similar vein, pointing out that:

"It is our considered view that the inactivity of your department, the Government in general, and the CSEU, is now being interpreted by the company as a tacit understanding that they can go ahead with further sackings."

1978

TWO NEW DEVELOPMENTS STARTED 1978

"Sir Leslie Murphy, chairman of the National Enterprise Board, has persuaded Lucas to release temporarily one of its senior executives, John Williams, to lead the NEB's British Leyland support staff. Williams, who is 53, is being seconded for two years from his present post of deputy chairman of Lucas Aerospace Holdings to be Sir Leslie's right-hand man in monitoring the troublesome car empire . . . Leyland employees might care to ask Williams what view he takes of a 1976 Lucas decision to reject proposals from employees for the company to make new products."

- Times 3.2.78

***Leyland workers must by now know how interested Williams is in employment creation and maintenance . . .**

THE SECOND DEVELOPMENT

"Shop stewards from Lucas Aerospace who have set up a centre for alternative technology with the help of a London polytechnic in an attempt to save jobs, said yesterday that the company wants to cut its workforce by 4,000."

- Guardian 8.2.78

The new centre, the Centre for Alternative Industrial and Technological Systems (CAITS) provides a support function, technically, economically and politically.

DOI AGAIN (AND AGAIN)

– Whilst this new initiative was being launched by the Combine, Huckfield was moved to reply to a critical article in *New Statesman*, with a re-run of his well-worn statement:

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REDUNDANCY ...

Then, as forecasted by the Combine, Lucas Aerospace announced 2,000 redundancies on 16th March 1978; with factory closures in Liverpool, Bradford and Coventry.

BLYTH

— At a Press Conference on 22nd March Blyth made it clear that the Government and the CSEU had been consulted before the announcement of the redundancies. In reply to a number of questions Blyth said:

"The plans we're discussing here are plans that have been discussed with the Department of Industry, that have been discussed with the CSEU."

"We made them (the CSEU) exactly the same presentation we have just made to you."

"If I try to do what you're suggesting (meet with the Combine) let me tell you I might be popular with the authors of that Combine Plan but the national officials of the trade unions would rap me very firmly over the knuckles."

"I will have a problem if I recognise the Combine as being something separate and discrete within our organisation. If there's a problem it's a problem for the trade union movement not a problem for Lucas."

"Look, they understand (the DOI) the logic of what we're talking about because that's the business they're in."

The Government and the CSEU knew about the redundancies. — the workforce had to read about it in the papers.

Blyth sets up the Combine against the CSEU and the Official Trade Union Movement.

The DOI understands businessmen but not workers.

The only trade union communication the Combine got at this difficult time was from Ken Gill, General Secretary of TASS:

"Contrary to statements widely circulated the 'Corporate Plan' is not the official policy of TASS." III

"I can also advise you that the ultimate decision of the Executive Committee was to accept the general concept of the Plan. This is valuable to me, in the sense that I can now feel free to utilise the initiative shown by the Shop Stewards when I am representing Tass."

— TASS, Deputy Secretary, 2.9.76

PUBLIC MONEY — PRIVATE GREED

Soon after the closure announced, MPs with constituencies in which the closures were to be, met with 3 senior L.A. executives, on 6th April. The Combine analysed the transcript of that meeting and made the following points (only a few are detailed):

- A. Blyth asserted that the Combine was unrepresentative — the Combine cite a meeting they had with Albert Booth on 4th April — 72 Shop Stewards attended, from every L.A. site and every L.A. union ...
- B. Despite TGWU and AUEW (Engineering Section) support for the Plan, the CSEU did not think fit to contact any L.A. employees; and despite DOI statements about 'welcoming the initiative', no help was forthcoming.
- C. The company was certainly in contact with the DOI over these redundancies, for on 12th June an £8 million package of aid was announced for L.A. — to 'maintain' 500 jobs — not one new job created.

* SUBSEQUENT INFORMATION, OBTAINED FROM A MEMBER OF THE INDUSTRIAL DEVELOPMENT ADVISORY BOARD, CONFIRMS THIS — THE DoI WERE (& ARE) DISCUSSING A PLANNING AGREEMENT WITH LUCAS.....

MPs MEET

— The 12th June announcement comprised £6 million to build a specialised factory in Huyton, plus 5 years rent, and £2 million to build a new factory in Bradford, with a 2 year rent-free period . . .

On 6th April, at the meeting with MPs Blyth made it quite clear that the company wanted a small factory in the Liverpool area:

"Of the direct operatives at Victor Works (Liverpool), we need about 250, perhaps 300 people out of 1400 people. If we could supervise them effectively from 100 miles away and run the factory as a machine shop, it would be smashing." (If you add indirect staff, see Blyth's statement, you end up with 500 people?)

The Government paid for a factory of the type and size that L.A. wanted.

The Government paid £2million for a new Bradford factory that L.A. originally said *they* would build.

Lucas received £56million in deferred tax last year, now they pick up another £8million of public money — to destroy 1500 jobs — and no mention of the plan . . .

— The Combine received a bit of official union support in April though — the TGWU put in a claim for its Government workers. Included in that claim ('A Better Deal for Government Workers') was a demand for alternative production in ordnance factories and naval dockyards . . .

THE CSEU

WHERE WAS THE CSEU?

It organised a conference for L.A. workers on 25th April — the result? — brave words, no action.

— Yet the CSEU had been trying to meet the L.A. management since August 1976 without success — the CSEU was whistled up by the company at a few days' notice to receive both the redundancy notice and the £8million scheme . . .

Despite this inaction a resolution was unanimously passed at the 25th April Conference:

1. This delegate conference declares its total opposition to any further rundown of Lucas Aerospace in the United Kingdom.
2. It declares its full support for those sites now being attacked and this immediate support will be:
 - a. No movement of equipment or know-how from one plant to another and no acceptance of transferred labour, either staff or manual workers from one plant to another.
 - b. No sub-contract work to be allowed outside which could reasonably be done in Aerospace.
3. We demand a Parliamentary enquiry into the role of the Department of Industry in this matter and the Company's use of the £56million deferred tax — coupled with an enquiry into the whole nature of Lucas's European activities.
4. We expect the CSEU to support these measures. We also call on the CSEU to intercede with the French Trade Unions to prevent any further work leaving the UK and to return the work that has already gone.

It was also unanimously agreed to take part in a tri-partite meeting between the Trade Unions, the Company and the Government.

CSEU AGAIN

A further CSEU/LA conference was held on 29th June, this was followed by a meeting with Blyth — the following points were agreed:

1. That at some future date a tri-partite meeting would take place between the Trade Unions, the Company and the Government, to discuss (these) problems.
2. The company would provide all the facilities necessary for the Trade Unions to compile their own alternative proposals for the future of the sites in question (those threatened with closure). To this and Mr Blyth also offered additional company facilities such as Marketing, if these were requested.
3. In the meantime the company undertakes to maintain a 'status quo' and will take no steps whatsoever to implement their proposed rationalisation programme while the debate on the future structuring of the company takes place.
4. It was agreed by both parties that two planning groups would be established to examine the problems of the Liverpool and Bradford/Shipley sites within the context of Lucas Aerospace as a whole. To facilitate the work of these two groups they may co-opt additional expertise where necessary. Set out below (not included) are the composition of the two groups, and the initial additional experts attached to each group will be Phil Asquith to the Bradford Group and Mike Cooley to the Liverpool Group.

GREAT BUT ...

A SMALL VICTORY?

On 5th July the company put renewed pressure on a leading Combine member, this pressure had a long history. Mike Cooley was reprimanded for spending unpaid time on the Plan; the Combine fought off this pressure. But in July the company wrote to TASS complaining about Cooley's activities:

"I am writing to inform you of a situation which has been developing at our Willesden plant concerning Mr M.J. Cooley ... I should be pleased if this matter could be referred to the National Executive as a formal protest in the hope that Mr Cooley can be advised ... if he should persist ... the company will have to take whatever appropriate action is necessary."

— Letter to J. Rowan, National Industrial Officer, TASS.

Then, on 12th July the company objected to the inclusion of Cooley and Asquith on the two planning groups:

"We have a specific problem regarding the inclusion of two more lay delegates on the working parties (i.e. M. Cooley and P. Asquith both TASS members and both connected with the unofficial 'Combine')."

BUT, BUT ...

So, the Company was again on the offensive — what was the reaction of TASS and the CSEU??

Cooley has not yet received TASS support — he is 'waiting' for TASS to make up its mind about supporting a union member in face of the sack!

— Furthermore, in an article in 'The Engineer' it was made clear that the company intended to press ahead with redundancies — despite the so-called agreement with the CSEU:

"a Lucas spokesman told 'The Engineer' that nothing dramatic was expected (from the Planning groups). He claimed that Lucas plans to close the factories had not been affected and the whole working party just represented the next step in the negotiating procedure ... This was confirmed by the Department of Industry." (1)

IN THE HOUSE

In May a Parliamentary campaign was launched by the Combine, with numerous Questions in the House of Commons, below is a selection of replies from the Department of Industry:

22.5.78 — Kaufman

"Yes, I would welcome a planning agreement with Lucas Aerospace."

"If either CSEU or management asks for DOI intervention I shall be glad to give assistance."

"I accept that these matters have not proceeded as satisfactorily as they might."

"I am unable to set aside CSEU procedures and talk directly with the Lucas Aerospace Combine."

"the proposals put forward by the Combine Committee are very constructive."
(Replying to a Con. MP)

12.6.78 — Kaufman

"Ministers have consistently welcomed the initiative of the Lucas Aerospace stewards in preparing constructive proposals for the future of their company."

12.6.78 — Huckfield

"I would welcome a planning agreement with Lucas Aerospace, but there are at present no such plans for such an agreement."

either a lie, or
it hadn't yet
happened.

On 20th July, 40 MPs signed a letter to Varley urging him to:

"... use all possible influence and pressure to persuade the Lucas management to abandon action against the steward which will otherwise lead to damaging confrontation."

MPs are campaigning on behalf of Cooley — why is nothing heard from his own union or the CSEU?

On 28th July the Combine wrote to the CSEU objecting to its acquiescence in regard to the composition of the two planning groups and calling for a commitment to the unanimous 25th April decision to organise "A campaign to gain a Parliamentary enquiry into the role of the Department of Industry".

"I was amazed at the content of Roy Grantham's letter to A. Whitney, Personnel Director of Lucas Aerospace, dated 19 July 1978. In this letter Roy Grantham completely reverses a significant part of his letter sent to Mr Blyth on 6 July. This reversal is apparently due to an objection by Mr Whitney to the inclusion of M. Cooley and P. Asquith... Have we now reached a stage where the Company can decide whom the unions will have to represent them on working parties of this kind; or is the CSEU going to demand parity and have a say on who Mr Blyth appoints to his working parties?"

"The two people in question are not just TASS members as Mr Whitney implies. Phil Asquith is the Confed. Secretary for Lucas Aerospace in the Burnley area (29a D.C.). He is also a graduate engineer... he is also a member of the TASS National Negotiating Committee for the whole of Lucas Industries, including Lucas Aerospace."

"Mike Cooley is likewise a member of the National Negotiating Committee... and he is a Past President of AUEW-TASS... He is an internationally recognised authority on Computerisation and Automation and a UK delegate to the International Federation of Automatic Control."

"... not only is the Company dictating to the CSEU who will be on the Union working parties, it is also trying to sack one of the people involved, it is making a mockery of the Eastbourne agreement (see 'CSEU Again'), and is treating the CSEU as a joke."

"You will know that for the past five years the Lucas workers have succeeded in preventing this management from carrying out one single direct sacking. It would be a sad reflection if, now that the CSEU is involved, it is going to undermine that position..."

Yet again — Labour Party endorses plan

At the 1978 Annual Conference of the Labour Party in Blackpool there was unanimous support for a resolution supporting the Lucas workers and calling for the implementation of a Planning Agreement procedure on the basis of the Corporate Plan.

RESOLUTION 22

"This Conference applauds the initiative of the Lucas Aerospace Shop Stewards Combine Committee, shown in its plan for the production of socially useful commodities, which would help to avert the proposed 2,000 redundancies. Conference regards this as a genuine step forward for workers' control, and calls upon the Government to:

- (a) enter into a planning agreement with Lucas Aerospace in response to the initiative shown by the Shop Stewards;
- (b) give active support to similar initiatives shown by workers in other organisations;
- (c) to take into public ownership through the National Enterprise Board the parts of a company affected by non-implementation of the corporate plan;
- (d) curtail the manufacture of armaments for export.

Conference also urges the Party to support the aims of the plan and other similar initiatives in this country and to commend similar aims and principles to the Labour and Trade Union Movements of other countries."

November, 1978

Composition of two Planning Groups finally resolved - in the CSEU (and company)'s favour. Agreement with Company that Planning Groups, comprising 14 Lucas shop stewards in all should have exactly eight weeks in which to put together an "Alternative Corporate Plan" in respect of the Liverpool, Bradford, and Coventry closures.

November - January, 1979

Two Planning Groups form themselves into one Committee: The Lucas Aerospace Confederation Trade Union Committee, interview over 50 Lucas Aerospace managers, send dozens of questionnaires to managers, interview Chief Engineers etc.

THE REPORT

In January, 1979 the Confederation Committee spent two weeks at CAITS, putting together their knowledge and experiences to form a negotiating document: "Lucas Aerospace, Turning Industrial Decline into Expansion - Trade Union Initiative". This 350 page report, a concrete and precise application of the Corporate Plan strategy, contains the following information:-

REAL COST OF PROPOSED REDUNDANCIES, with £8m. DoI offer is £14m.
(£8m. to save 500 jobs, £6m unemployment costs for 1,500).

LIVERPOOL WORKS CLOSURE A FRAUD, as the Company was investigated the stewards discovered that the Victor Works had to be closed because of a structural defect in the foundations, and not because of the down-turn in the demand for its products - also discovered was a work-sharing arrangement whereby a lot of the work from Liverpool was being re-routed to an associated company of Lucas in Germany.

COVENTRY FOUNDRY CLOSURE RIDICULOUS, as the stewards discovered that the accounting used by the Company to prove that the Foundry had to close gave rise to the peculiar fact that the higher the production level the higher the overheads per unit produced!

INDUSTRIAL WORK TURNED AWAY, for instance the stewards discovered that Lucas had turned down an order for 400 generating sets from the GPO.

CLOSE RELATIONS BETWEEN THE DoI AND LUCAS were spent out in the Report, principally concerning the involvement of Sir Anthony Part (Lucas Director) who was the top civil servant at the DoI in 1976 when the stewards first met their government rebuff.

PRECISE DEMANDS FOR GOVERNMENT ASSISTANCE TO SAVE 2,000 JOBS was clearly set out in one section, it amounted to £12 $\frac{1}{4}$ m - somewhat cheaper than the £16m real cost to the public purse of making 1,500 Lucas workers redundant.

PRECISE ALTERNATIVE PRODUCTION PROPOSALS were spent out in a major section, ranging from immediate production possibilities for Liverpool, for longer research and development programmes for a number of Lucas Aerospace sites.

JANUARY 30th, 1979.

Confederation Committee meets at CAITS to approve final Report, before sending to the CSEU and Management for a meeting with the Management on February 9th.

Previous day stewards at the Wolverhampton site approach Management for information about a work-sharing arrangement which was removing work from the site, failing to get an adequate reply limited industrial action was embarked upon, which led the management to lock-out the Stores and Transport staff during the course of the day, and when the night shift arrived all the power was cut off to the site - RESULT: TOTAL LOCK-OUT.

The Confederation Committee on the following day contacted the Company, saying that they refused to be involved in the meeting on February 9th whilst their members were locked-out, following upwards of 20 telephone calls to try and contact Confed union officials (without any success), the Confed Committee was forced to accept that the meeting would go ahead.

FEBRUARY 2nd, 1979

In this difficult situation the Confed Committee felt it should visit the Wolverhampton site to encourage and show solidarity with the locked-out workers. Workers in fact inside the factory gates and Fourteen-man Committee entered it to discuss the issue with site Shop Stewards Committee.

One of the members of the Confed Committee, who also happened to be the site convenor at the Wolverhampton plant was charged by the Company with gross mis-conduct - the Company alleged that he removed (forcibly) a commissionaire in order to gain access for the Confed Committee onto the site.

FEBRUARY 8th, 1979

The site convenor told that he would be "tried" by a panel of three senior Lucas Managers, also told that "gross mis-conduct" normally carries with it instant dismissal.

FEBRUARY 9th, 1979

Confed Committee meets with Company and CSEU - "Failure to Agree", ...
Confed Committee informed that a meeting already set up with Kaufmann on February 14th, supposedly for "adjudication".
A

ST. VALENTINE'S DAY MASSACRE

The meeting between the CSEU, the Confed Committee, the Company and Kaufman on February 14th was a very difficult one for the shop stewards. One CSEU official admitted at the beginning of the meeting that he knew nothing of the history of the trade union struggle in Lucas Aerospace.

Kaufmann, with beautiful timing, "offered" the Confed Committee and CSEU 800 jobs to be saved at Liverpool instead of 500, to repeat, it was Kaufman, not the Company who offered this. One of the CSEU officials voted immediately to accept the offer, saying that it was "magnificent". The "agreement" was as follows:-

1. Lucas Aerospace will proceed immediately with the construction of new factories at Huyton and Bradford on the understanding that the closure of the existing factories at Victor and Bradford will go ahead on the Company's timetable.
2. The new factory at Huyton will employ 800 instead of 500 originally proposed.
3. Lucas Aerospace undertake that there will be no compulsory redundancies at Bradford as a result of the re-organisation, and no compulsory redundancies at Liverpool in the next 2 years.
4. A Group will be set up as follows:-
 - a) Management of Lucas Industries will provide a Chairman, and financial and marketing expertise.
 - b) Lucas industries will provide services of an independent management consultant;

- c) Lucas will second 2 shop stewards from their workforce to be nominated by CSEU:
 - d) a representative of DoI to be available as required.
5. The Group will consider a limited number of alternative products, some to be nominated by the CSEU and some to be nominated by Lucas management.
 6. The Group will report in a timescale to be agreed.
 7. If there emerge from the work of the Group commercially viable products, Lucas Industries will use their best endeavours to manufacture these on Merseyside so as to create or preserve jobs there.
 8. The Department of Industry will consider what maximum additional assistance can be provided both for the additional employment now planned for Huyton and for any new facilities required for new products to be produced as a result of the work of the Group.
 9. Copies of the report of the Group will be sent to the Right Hon. Gerald Kaufman, MP, in a personal capacity in the event of disagreement.
 10. Negotiation on the detailed implementation of this agreement will take place at local level.
 11. In the event of disagreement at local level a further meeting will be held between Lucas Aerospace management and CSEU national officials.

MARCH 15th, 1979

The Lucas Aerospace Confederation Trade Union Committee forced a recall of the CSEU Deligate Conference on March, 15th to obtain the backing or otherwise of the whole of the workforce for the 14th February Agreement. The Conference agreed the following resolutions:-

1. This CSEU Deligate Conference expresses its bitter disappointment at the outcome of the tri-partite meeting of 14 February. The "Basis of Agreement" falls very far short of the policies decided upon by this deligate conference last year.
2. This Delegate Conference is, therefore, only willing to endorse and implement the "Basis of Agreement" subject to the following conditions and understandings:
 - a) That a 14 man committee must be ongoing with facilities to monitor every aspect of the Company's restructuring activities including the monitoring of all sub-contract work both internal and external.
 - b) That this 14 man committee is required to report back to this deligate conference at regular 3 monthly intervals.

- c) That this delegate conference elects the 2 persons for the technical working party, these 2 persons to be responsible at all times to the 14 man committee and be subject to instant recall and removal. Further, that the Chairman, and the "Independent Management Consultant" of the technical working part must be acceptable to the 2 elected persons and the 14 man committee.
- d) That there is a clear understanding by all concerned that the objective is to retain the entire workforce in its present geographical areas and that there is an ongoing commitment from the CSEU to this objective. Furthermore, that the "status quo" is to remain until such time as this delegate conference is satisfied as to the Company's sincerity and responsible approach in these matters of restructuring, and the implementation of the spirit and intention of the "Basis of Agreement" with respect to introducing alternative work.
- e) That clause 11 of the "Basis of Agreement" be amended to include the 14 lay member committee.

3. This Delegate Conference repeats its demand for an enquiry into the role of the Department of Industry in this affair.

- MEANWHILE, Kangaroo Court disbanded and Wolverhampton site "let off" with a "rap on the knuckles" - a result of pressure on the Company in respect of their complete lack of a disciplinary procedure or of disciplinary rules - in complete contravention to the Employment Protection Act.

JUST TO MAKE SURE.....

- The co-ordinator of the Confed Committee wrote to the CSEU on 19th March reiterating the agreement reached at the CSEU Delegate Conference:-

"I would also point out that it was only agreed to endorse and implement the tri-partite agreement subject to the conditions and understandings contained in the resolution and, until such time as we receive assurances that the Company has accepted those conditions, nothing has changed."

Again, on 21st March the CSEU was written to:-

"Since our delegate conference last Thursday, 15 March, the Company has announced that Mr. Ewen McEwen will be Chairman of the technical working party. That the Company should have unilaterally done this is contrary to the delegate conference resolution and is not acceptable. Further, it is our information that Mr. Ewen McEwen has declined to be associated with the North East London Polytechnic, specifically because Lucas shop stewards were given facilities to establish the Centre for Alternative Industrial and Technological Systems (CAITS)."

And yet again on the 29th March:-

"I wish to conform our understanding that we are expecting to receive from you a copy of the resolution, passed at the Delegate Conference on 15 March, incorporating the agreed amendments to paragraphs 2b and 2d that were suggested by yourself and Roy Grantham.

As the resolution states, the tri-partite "Basis of Agreement" would only be endorsed and implemented subject to the conditions and understandings contained within the resolution. It is, therefore, important to know whether the Company has accepted those conditions? Only then would the "Basis of Agreement" become endorsed and, until that acceptance is known, the situation prevailing prior to the delegate conference should remain.

In the light of the delegate conference resolution it would seem necessary to convene a meeting with the Company to establish the precise means of progressing these matters."

NO REPLY WAS RECEIVED TO ANY OF THESE LETTERS

LUCAS ALTERNATIVE PRODUCTS WORKING GROUP

This "Tri-partite" working party, ostensibly thought to be the basis by which the Confed Committee could instruct its two delegates (M. Cooley and P. Asquith) to pursue in a negotiating situation the contents of their report, was held on April 24th - unfortunately Messrs. Cooley and Asquith were not informed of this until a day before and they had previous engagements at National Negotiating Committees of TASS. Nevertheless, the CSEU met with the Company and the Department of Industry....

However, the first meeting "proper" occurred on April 30th, IN WHICH IT WAS MADE CLEAR THAT THE RESOLUTION AMENDING THE AGREEMENT OF FEBRUARY 14th HAD NOT BEEN RECEIVED BY THE DEPARTMENT OF INDUSTRY OR THE COMPANY MANAGEMENT.

Accordingly, the Confed Committee wrote to the CSEU on 1st May:-

"We attended a meeting of the above on Monday April 30th. We had been informed by the 14 man CSEU Committee, to whom we report, that the terms of reference for the Working Group were those laid down by the Delegate Conference on March 15th. We were further given to understand from the 14 man committee that you would have advised the Company of this. We were therefore greatly disconcerted when the Management Representatives informed us that you had accepted that the terms of reference were to be the "basis of agreement" reached at the tripartite meeting on February 14th, which was only endorsed by the delegate conference subject to specific conditions. If, in fact, this is the case, it means you have deliberately ignored the democratic decisions of the properly constituted CSEU Delegate Conference. It further means that you are accepting that the Company can unilaterally appoint the Chairman of the Working Group, although the Delegate Conference specifically

pointed out that the Chairman and the Independent Management Consultant must be acceptable to us and to the 14 man Committee.

The Management Representatives repeatedly stated that you had not advised them of these conditions either in writing or at the meeting which you attended with them on April 24th, and the Representative of the Department of Industry, who was present at that meeting, also confirmed that you did not convey the decisions of the Delegate Conference to them on that occasion.

We now seek urgent clarification of the above before we can proceed further."

MAY, 15th - SECOND ALTERNATIVE PRODUCTS COMMITTEE MEETING

At this meeting it was made quite clear to the Confed Committee representatives that the Company was now seeing their role as that of CSEU-Delegates, providing product suggestions which were to be used by Lucas Industries as a whole, rather than Lucas Aerospace, and that no guarantee about the future of jobs on Liverpool in Lucas Aerospace was forthcoming.

ANOTHER LETTER TO THE CSEU.....

As events seemed to be taking a distinct turn for the worse, the Confed Committee yet again wrote to the CSEU on 22nd May:-

"Mr. James Blyth is making it quite clear to trade union representatives at the Liverpool factory that the outcome of the Working Party will be quite irrelevant as far as the Liverpool situation is concerned. He said, and I quote, "The working party is just a meaningless appendage to the agreement." Meantime, the Company at a number of levels, including the technical working party and Mr. Whitney, are saying that the terms of reference are those contained in the Basis of Agreement reached on 14 February and do not include any of the safeguards that were agreed by the delegate conference held on March 15th. Both Mr. Blyth and Mr. Whitney also assert that the 14 man CSEU Committee is now non-existent and they are refusing to provide any facilities, even for discussions with the 2 representatives on the working party.

All of this tends to confirm the fears which were expressed at the delegate conference that Lucas would simply take the £8 million of the taxpayers money, push ahead with their restructuring plans, and ignore the other commitments. Gerald Kaufman said at the tripartite meeting that much would depend on the Company's implementation of the spirit and intention of the agreement. Judged by the statements of Mr. Blyth and Mr. Whitney, any positive spirit and intention seems to be totally lacking and the whole basis of the Working Party is now in tatters."

MEETING OF CONFED COMMITTEE

Despite the fact that the Company now appeared to refuse to accept the legitimacy of the 14 man committees existence, it met to consider its strategy in relation to the tripartite Working Party and to the Company as a whole. Two major points arise out of this meeting:-

THE COMPANY IS INTENDING TO CLOSE ITS SHIPLEY PLANT ON 31st AUGUST

THE COMPANY HAS MANAGED TO CLOSE DOWN ITS BALLSCREW SECTION OF ITS HEMEL HEMPSTEAD PLANT - a move rejected several times by the shop stewards, and also by the Department of Industry. Also discovered that ex-General Manager of Rotax Precision Products and a Rotax Director at Hemel Hempstead is "taking away" the ballscrew works to start a new factory in Barnstable with £1m. of government aid.....

QUESTIONS THAT NEED ANSWERS - QUICKLY

1. The stewards still do not know exactly what the role of the DoI has been in all this, their comments on the role of Sir Anthony Part in the Confed Committee Report resulted in an attempt by the Company to suppress the Report. Also want to know why DoI is giving £1m. to ex Lucas Director to take away work from inside Lucas.
2. Stewards very unhappy about the role of the CSEU, in the light of the large number of unanswered letters, and "agreement" between them and the Company without reference to the stewards, stewards want to know whether trade union officials on CSEU are in the same unions as them.
3. Stewards want to know why Ken Gill of TASS has been vehemently opposed to the implementation of the CSEU Resolution calling for an enquiry into the role of the DoI.
4. Stewards want to know why, in the light of Resolution 22 at the Labour Party Conference, not a whisper of protest has been heard from Kaufman or CSEU officials when the whole of Lucas Aerospace was threatened with closure - threat put forward on February 14th by Lucas if stewards did not agree to "agreement" of February 14th.
5. Stewards want to know why CSEU refused to allow MP's with Lucas Workers in their constituencies to be present at the meeting on 14th February.
6. Stewards want to know why DoI insist on giving money to a company which lies about its reasons for closure.

So the struggle continues, but perhaps the most worrying aspect of the affair concerns the CSEU's position. Directly after the last CSEU Conference of Lucas stewards CSEU officials got into a company car to report back to Whitney, the Lucas Aerospace Personnel Director. The stewards also point to the great discrepancies between the CSEU Conference agreements and the St Valentine's Day agreement. In the course of the Committee's investigations the following gem was unrecovered. It is contained in the (confidential) Annual Personnel Report of Lucas Aerospace, 1977-78:-

• 'During the year the majority of manual workers withdrew their support of the original Combine. . . . However this has not prevented the leaders of the original Combine from pushing their 'Corporate Plan' philosophy through every channel available. Nevertheless, it is clear that national officers of unions and the Department of Industry are aware of the Company's policies *and the CSEU is dealing effectively with this unofficial body.*' (my italics)

.. That statement speaks for itself and it speaks volumes.