

## REVIEWS

**Kevin Hince with Kerry Taylor, Jacqui Peace and Michael Biggs** *Opening hours: history of the Wellington Shop Employees Union*. Wellington, Central Distribution Workers Union and Industrial Relations Centre, Victoria University of Wellington, 1990. vii + 87p. Price not stated.

Union histories come in different forms. There is, of course, the traditional academic history, weighty with reference and detail, often sponsored by the union under analysis, destined to gather dust on academics' shelves. It was once almost the case that an industrial relations academic wrote such a history as a sort of *rite de passage* before progressing on into the study of joint regulation. Fortunately, things have changed as historians and sociologists in particular have brought the oral history and social action methodologies to bear on union activities. The past decade has seen the production of many readable accounts of union development, drawing on a mixture of archive research, interviews and commentaries, direct union involvement in the production process, and photographic materials. In this way, union histories have become both accessible and relevant to contemporary union concerns and this is to be lauded.

Kevin Hince's account of the Wellington Shop Employees Union falls into the "modern" category. It is a joint production of union and academia, brightly produced, well illustrated and readable, drawing on the records of the union now lodged in the Victoria University of Wellington library. Two things stand out in its contents. Firstly, it outlines union growth in that most difficult of sectors, the retail sector. Secondly, it gives a useful insight into the texture of union growth during this century, contrasting the internal concerns of membership, representation and affiliation with the wider issues of federation affiliation, political orientation and sectoral development.

Union activity in the retail sector is often difficult to sustain. The fate of the Wellington and District Amalgamated Butchers Employees Union illustrates this. Founded in 1890, it had collapsed by the mid-1890s, to be succeeded by the Operative Butchers Union of 1898 which eventually achieved award coverage under the 1894 legislation in 1900. A similar story is told of the Grocery Employees Union, formed, it appears, in 1899 after false starts and achieving award coverage in 1901. This evidence of the early days of union life reinforces 2 impressions of union growth in the early days of the 1894 Act. Firstly, the unions achieving awards were often the products of a number of previous attempts to establish a union base, many of which foundered outside the protection offered by the Act. Secondly, the Act not only gave existing unions purchase on the bargaining process, but also promoted union expansion, as the evidence of correspondence between Wellington unions and others indicates.

Once formed, the unions, which in 1936 would make up the Amalgamated Society of Shop Assistants, worked to maintain better conditions under the auspices of the 1894 Act and simultaneously began to develop both campaigning and welfare functions. Thus, close scrutiny was kept on closing hours, and campaigns for a Saturday half holiday were mounted, whilst trade picnics and football provided social intercourse. During these picnics, it appears that women would organize the races for the children, whilst the men adjourned to the pub. Clearly little has changed since then.

The role of women in the union is interesting. The early membership was primarily male, drawn from career-based occupations like butchers and drapers' assistants. The membership expansion of the 1930s was, however, based on the recruitment of young female shop assistants, who were given a less than active role in union affairs. Hince

concludes that "the union was, in the main, slow to respond to the specific needs of its female members, and would not really do so until the 1970s". In 1978, a resolution calling for the establishment of a Working Women's Charter was placed before the Federation of Labour conference with strong support from leading women in the then Federated Shop Employees Association. During the same decade, many of the key issues facing women in the retail trade became part and parcel of union campaigns and policy, notably due to the campaigning skills of Sonja Davies. One point of interest relating to women workers in the union stands out. Hince argues that the equal pay issue brought out strong male support for women, even amongst traditionally male groups such as butchers. Perhaps it is churlish to question this, but were there no male traditionalists believing in higher rates for male work? It would be surprising if there weren't and if they didn't campaign for their view.

There is much else in this book to discuss. There is the interesting section on the union in decline as, during the 1960s, the union fell into "a general lassitude ... interest in running the union ... almost disappeared, meetings were poorly attended, section committees never up to full membership ... quorums for all meetings were a continual problem". The charting of the turn-round, led by Graham Kelly and Geoff Smith, is equally interesting, particularly as it focuses on the role of effective management in union affairs. Similarly, the political outlook of the union *vis-à-vis* the Red Feds and the Labour Movement in general warrants perusal.

Although a short book, this is a helpful and well-presented contribution to union history in New Zealand. My only reservation is that it focuses almost entirely on the positive, and rarely gives much insight into the murkier regions of history which all unions encompass. A little controversy makes history all the more digestible.

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**Lesley Baddon, Laurie Hunter, Jeff Hyman, John Leopold, and Harvie Ramsay** *People's capitalism? a critical analysis of profit-sharing and employee share ownership.* London, Routledge, 1989. 322 p. Price not stated.

Profit-sharing and capital-sharing have been around since the early days of industrial society. Similarly, the debate about what such involvement in the capitalist enterprise means has a long pedigree. Various camps have been formed, including one supporting the view that profit-sharing and capital-sharing are capitalist ploys, either deferring wages or incorporating labour into capital's activities, another suggesting that micro-economic advantages follow from profit-sharing and capital-sharing as a result of incentive effects on remuneration, yet another arguing for macro-economic advantages for growth and employment as a consequence of production and wage flexibilities (the Weitzman argument). In recent years, the debate has been further stimulated by the dominance of supply-side economic policies which have presumed an overcoming of "traditional" conflictual labour relations by the creation of a unitary employer-employee relationship based on financial participation in the enterprise.

Baddon *et al.* comprehensively explore this new context in the UK. Legislation brought in by a Labour government in 1973 permitted Approved Deferred Share Trust schemes, in which company profits may be allocated to trust funds acquiring company shares on behalf of employees. Save as you earn share option schemes and discretionary or executive share option schemes were promoted under Conservative legislation in 1980 and 1984 respectively. Profit-related pay was introduced under further legislation in 1987. Conservative support for such schemes has been around for many years, usually in the form of a paternalist belief in the idea of co-partnership in the enterprise. Baddon *et al.* argue that this has been complemented and contradicted by new right agendas focusing

less on unitary beliefs and more on the hard-nosed linking of individual performance to the needs of the market. Labour, of course, has been far more critical of both profit-sharing and capital-sharing, and was "bumped" into the 1978 measure by its parliamentary dependence on the pro-participation Liberal Party.

The book charts a complex research programme based on a large-scale postal survey of companies with and without participation schemes, in-depth interviews with a number of respondents, and a third stage of company case-studies. As is often the case, I found the case-studies - in a consultancy firm, and brush manufacturing, baking, brewing, and high-technology sectors - the most interesting to read, though the 2 chapters on company practice and ideology offer many insights into why managements entertain or dismiss the idea of financial participation. The survey data suggests a relatively widespread incidence of financial participation, with cash-based schemes perhaps offering small firms more advantages and larger firms able to deal with Inland Revenue requirements relating to more complex share-based schemes more easily. The same data suggests that managers tend to see financial participation outcomes as positive, with emphasis put on the creation of company loyalty rather than on productivity increases. It is notable that managements were likely to introduce financial participation without much consultation with employees, and with little desire to increase employee involvement in the running of the company. In other words, financial participation was not perceived by management to involve an increase in direct democracy in the enterprise.

The chapter on the practice of financial participation fleshes out a number of other conclusions. Noteworthy is the lack of a substantial response to financial participation from the unions. The study concludes that, broadly, as long as profit-sharing and capital-sharing did not get in the way of union-membership relations, the unions took a neutral stance. "Neutrality at best, a bored hostility at worst" (but with a low profile) is how union responses are described. It is also interesting to note that the study suggests that financial participation schemes usually operate independently of the normal industrial relations practices found in an enterprise. Management appear to have kept the 2 arenas of employer-employee relations apart, a state of affairs promoted by union indifference to these initiatives.

What of employee motivation and attitudes within financial participation? The importance to employees of financial gains, possibly as a result of financial participation, is established by the survey, as is the importance of low-risk ways of relatively painless saving. Employees do not equate opportunities in the financial participation area with company openness or involvement in other areas. They have little clear-cut feeling about changes in the ownership and control of their enterprise as a result of financial participation. Perhaps not surprisingly, the study suggests that financial participation has only a marginal effect on employee opinion and behaviour in the enterprise. Employers should not, it seems, expect a revolution in employer-employee relations following the introduction of financial participation.

The overall conclusions of the study suggest that the transformative effects of financial participation are likely to be limited. In particular, the idea that financial participation will lead to the emergence of a "people's capitalism" in the UK is dismissed. At best, it seems that management can expect increased employee loyalty as the most upbeat consequence of financial participation. This, at one level, is the message and the strength of this text. Careful analysis has punctured the Conservative hope that its support for financial participation will create a new industrial climate in the UK. In these terms alone, the book succeeds. Equally, however, it is a well-written, well-researched text, succinct and informative, and well worth a visit by anyone interested in the participation debate.

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**Bert Roth** *Along the line - 100 years of Post Office unionism.* Wellington, Post Office Union, 1990. 315 p. Price not stated.

Bert Roth continues to contribute to this country's store of trade union history with this his latest union-specific history. The Post Office Union decided at their 1986 annual conference to commission "a suitable person" to write the history of the union in time for it to be published in their centennial year - 1990. They could not have found a more "suitable person" than Bert Roth whose role in the gradual piecing together of the varied strands of New Zealand union history is an essential and renowned one.

The history is compiled at a significant time for the Post Office Union, which, of all its challenges and fluctuations of membership and influence, was facing some of its most devastating. It was a time of enormous upheaval as the Post Office was separated into 3 discrete entities. As the president at the time, Dave Udy, said in the foreword:

The destruction of the Post Office on 1 April 1987 and the subsequent birth of the three corporations - New Zealand Post, Postbank and Telecom Corporation of New Zealand - led to a great deal of change within an extremely short period of time. The very reason for members' jobs, to provide a service became instead the profit motive. And thousands were to lose their jobs (p.vii).

The significance of the struggles of one's forebears is especially poignant when one is feeling overwhelmed with the weight of the present day struggle. It is not only for present day members of the Post Office Union, however, that this history makes interesting reading; apart from students of New Zealand labour history and those who live and work within the labour movement, others who would find this volume salient are those who seek to reshape the framework of industrial relations and the role of trade unions in New Zealand society. They will find one historical example after another of the need for collective representation and action and the concerted effort of workers to claim that need as a right, in the interests of the greater good. The story of the Post Office Union is a story of gains and losses and more gains, as the members struggled with an autocratic bureaucracy and an all-pervasive, controlling, political agenda.

The title of the book, *Along the line*, is taken from a popular column in the union newspaper, a journal which itself underwent numbers of changes from the *Post and Telegraph Gazette* to the *Katipo* to the *Advocate* and back to the *Katipo* again, which consisted of comments and anecdotes submitted by members.

The history begins with the development of the New Zealand Postal-Telegraph Officers' Society, undertaken in the strictest secrecy, in the aftermath of a nationwide strike on 2 January 1880 of 93 telegraph operators over an effective cut in already pitiful rates of pay. The instrument of organization of the strike, the telegraph wire, was in their hands and they used it effectively. This was in fact the first nationwide strike in the industrial history of New Zealand and the retribution was swift and severe: officers were threatened, ordered to return to work or lose their jobs, and those who remained at work were offered more money and promotion prospects. The defeated strikers were required, upon return to work, to sign apologies for their insubordination and were pointedly overlooked in the next round of promotions. They were also fined, as well as losing pay for their strike action. The object of the Society is too long-winded to repeat here, but essentially sought a unanimity of opinion amongst officers of the Department to promote a fair classification scheme (which affected conditions of work and promotion) and to ventilate any grievances.

From these unassertive but nevertheless courageous beginnings grew the union known today as the Post Office Union. Roth traces the detail of its development through union publications, the *Katipo* (not the official union paper for quite some period of time), and through conference minutes. The overriding ethic of the day was that one's service to the Crown and the Crown's agents, the Postmasters-General, was of paramount concern and anything which disrupted that service was to be quashed instantly. That ethic was used with great enthusiasm by the politicians of the time. By 1918, however, things

had progressed to the point that the annual conference debated a remit to consider affiliation to the Labour Party. It was deferred till the next year. Such a remit would never make it to the conference floor today.

The final chapters of the book catalogue the period of the fourth Labour Government. This has to be the most extraordinary period of restructuring which any New Zealand union has had to confront. One manifesto promise after another gave way to the imperative of debt reduction and the need to address the mythical view of the inefficiency of state run services. Job losses were staggering and the disillusionment of the union was profound. The union had now, as it had never been required before, to confront the relentless pursuit of an ideology which it found distasteful in human terms and destructive in terms of the services which the members believed they ought to be providing. This section is essential reading for those who are still trying to make sense of the events of recent history in order to proceed into the future.

Bert Roth's perspective is difficult to refute, given the data and source material he presents. His organisation of facts is lucid and systematic and this contributes to the accessibility of the book. He assesses the union's performance as he proceeds, with an unashamed preference for progressive, concerted and collective action. Despite the tribulations of the union, especially those of recent years, one is left with a feeling of hope and optimism, that workers will always unite, however falteringly, to make gains for their families and themselves and to improve the quality of life for the wider community. Such a feeling has never been required more than it is today.

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