
BACK STREET FACTORY

**SPIRALYNX: Organising
an anti-union factory**



CDP_{PEC}

BACK STREET FACTORY

By **PETER MORRIS**

“If something is to be done for the pool of a million and a half unemployed, then small businesses are one of our best hopes . . . We must bring (inner cities) back to life with . . . workshops and small factories . . . small firms have always been vital to our economy, but never more so than now and in the years ahead; and never more so than in deprived and dejected inner city areas.”

Harold Lever, 1978

“Some hon. members may recall that in a speech made in the Isle of Dogs . . . I put forward a proposal for trying to bring new life back to these areas of urban dereliction . . . We are proposing to establish, in the first instance, about half a dozen Enterprise Zones – with the intention that each of them should be developed with as much freedom as possible for those who work there to make profits and to create jobs.”

Sir Geoffrey Howe. Budget April 1980

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CONTENTS

FOREWORD	3
THE LOW-WAGE SECTOR IN NEWHAM	5
THE COMPANY	7
The Spiralynx Group/Trading arrangements/ Profits/Production/Management/Workers/ Pay/Health and Safety.	
THE FURNITURE UNION	13
Attempts to form a union/Hi-jack/The High Court/A well-trodden path/ Industrial Tribunal cases/Outside the factory gates.	
THE LOCAL CAMPAIGN	20
Home visits/First leaflet/Other contacts/ First workers' meeting/Leaflets, visits, pickets/ Second meeting/Sackings/Postscript.	
REVIEW OF ORGANISING STRATEGIES	27
Legal remedies/Factory-based organisation/ Other traditions of organising/Conclusion.	

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1

FOREWORD

SPIRALYNX is a bedding and furniture factory in Canning Town, East London. Set amid surroundings of high rise tower blocks, used car lots and scrapyards in a near derelict industrial landscape, the company is one of a number to have moved into the area in the wake of the decline of traditional heavy manufacturing industry. The advantages of these small businesses are said to be that they are prepared to undertake production (and so provide work) that large unionised companies would regard as insufficiently profitable.

But the cost of allowing the development of small-scale production that side-steps traditional labour organization is not infrequently that customary terms and conditions of employment which were the result of the struggles of generations of workers, are now being seriously eroded. A new low-wage sector is emerging. Without union organization, firms are able to get away with paying low wages, skimping on facilities and safety precautions; they can respond flexibly to rapid changes in production requirements, but through laying off or sacking workers or introducing compulsory overtime. The political and economic context of this development has been described in an earlier CDP PEC publication.¹

This report is a critical examination of the activities of one company, prepared without the firm's co-operation; of the attempts by the Furniture, Timber and Allied Trades

Union (FTAT) to organize the 150 or so workers in the factory; and, when a dead-end had been reached using conventional means of organization, of a campaign involving immigrant workers' organizations, FTAT, Trades Council, and workers from community agencies, that concentrated on organizing outside the factory. The account draws on the following sources:

1. The records of FTAT, both those that are public (court reports, union papers and so forth) and correspondence with union officials.
2. Records of cases of the Canning Town Information Centre.
3. A tape recorded interview with Mr David Goodman prepared by Canning Town CDP for inclusion in an audio-visual presentation on the industrial decline in the area and made available to the researcher.
4. A report on the company made by Newham Careers Service.
5. Notes of interviews with individual workers in their homes.
6. The diary of one of the community workers involved in the campaign.
7. Company information available at Companies House and in company data digests.

The report was largely completed in November 1976. For various reasons, publication was delayed and a brief postscript at the end of Chapter 5 updates developments within the factory.

The campaign over Spiralynx was part of a wider strategy aimed at

linking factory and community struggles. The union is still not recognised, but the approach remains important. For most workers, and particularly those in low-paid jobs, the division between work and home is not as complete as the divisions between trade union and community organizations imply. Issues of housing, or racialism, or child care constantly impinge upon the place of work. Linking struggles that straddle workplace and the home may prove institutionally untidy, but it is a necessary first step in the development of a coherent response by the labour movement to the emergence of a new low-wage sector ■

1. See *The State and the Local Economy*, CDPPEC, 1979 especially Ch. 5.



Spiralynx (location marked above) is situated only a few hundred yards from the Docks, with their long tradition of trades union organisation.

2

THE LOW WAGE SECTOR IN NEWHAM

LONG hours, low wages and poor working conditions have always been a feature of working life in Newham. In the last quarter of the 19th century migrants from all parts of Britain and Ireland came to work in the Royal Docks, in the factories that were built alongside them, and later in the Stratford railyards. At the same time, and part of the same unregulated development, 'noxious trades' such as tallow soap and glue making, which were excluded by LCC regulations from the metropolitan area, were set up in small workshops among the mean terraced housing to the east of the River Lea. There were numerous other trades, and in many homes garment work was taken in by the women.

The major battles for the rights of organized labour to security and an adequate wage centred on the docks. From the Great Dock Strike of 1889, dock wages set the pattern for workers' demands throughout industries in the area, and by the early years of this century, unions had been established in almost all the major factories. In the mid and post-war period the unions established a tough negotiating position with the employers, and in the 1950s and 60s the boom in the economy, ensured a substantial increase in the living standards of most workers.

Alongside the struggles for a decent wage at work, the community organized itself to deal with the problems of an overcrowded and

insanitary environment. Through direct action, demonstrations and marches on the Town Hall, and finally through the formation of one of the first socialist municipalities, they fought for better housing, better schools, and better public services. Following the First World War, when the Labour Party gained control of West Ham, the borough attempted to regulate the growth of small sweatshops and succeeded in closing down the worst of the old noxious trades. While many workers were paid low wages, particularly (when they could get a job) during the 30s, the low-wage sector, in terms of small un-unionized shops, became marginal to Newham's economy.

But the post-war boom in the national economy masked the long-term structural decline of Newham's manufacturing industry. The Docks and the factories alongside them were built to handle the trade of the Empire. Within the crumbling of the British Empire and the progressive loss of world markets to American, Japanese, and European capital, the Docks have declined in importance, and the industries dependent upon them, many of which had international interests, have moved to more profitable areas. They have left behind an industrial wasteland.

The last 10 years have seen 30,000 jobs disappear and the number of unemployed has not fallen below 6,000 (12%) since the beginning of 1976.

As heavy industry has declined and

the numbers of well-paid jobs contracted, some companies have moved into the area against the tide. Some of the newcomers are only looking for storage space and bring few jobs. Firms like Augustus Barnett and Gaymel Paints have leased old factory sites for warehousing leaving the freehold interests in the property with the original owners (respectively Unilever and Courtaulds). The work they bring is routine and unskilled and is at lower rates of pay than the activities that have been replaced.

Other companies are more interested in the area as a source of cheap unorganised labour. The growing pool of unemployed, the poor communications with other areas and the low standard of enforcement of pay and safety legislation combine to make the area attractive for manufacturers whose products can be produced on labour-intensive production line operations.

The trend is not yet significant. For every ten jobs lost to the area in the past decade only one has been replaced by new work. But the continued flight of investment from industry must make it likely that this emerging sector based on low pay and the exploitation of groups like women and immigrants will come to dominate the local labour market ■



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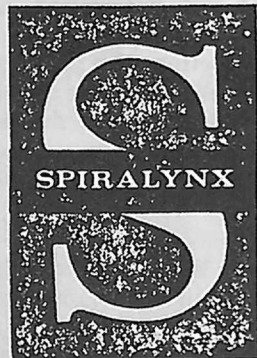
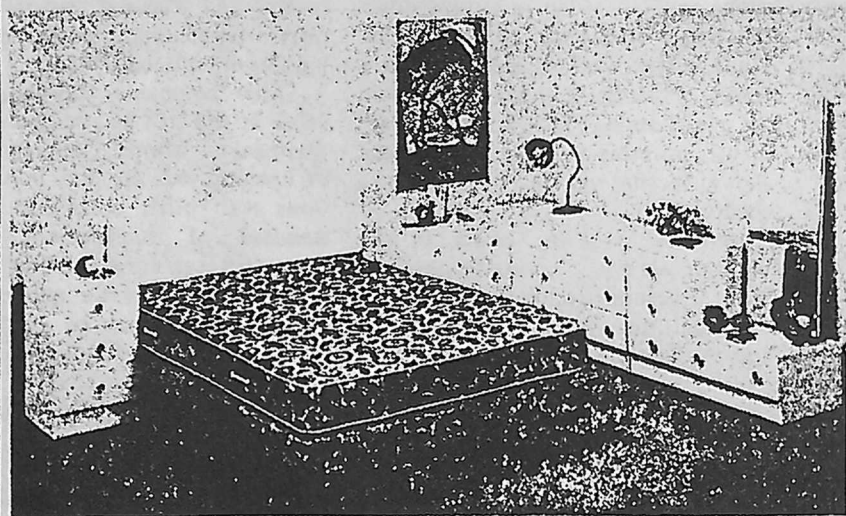
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3

THE COMPANY

The Spiralynx Group

SPIRALYNX (1933) LTD, was acquired by Montague Goodman, managing director of MG Furniture Productions Ltd, a small family firm in Hackney, in 1948. Spiralynx comprised two factories in Rowland Street, E.1 and Hanbury Street E.1, manufacturing, amongst other things, linked spiral mattresses.

Until the early 1960s the basis of the Group's operations were a number of small furniture shops in Hackney and Whitechapel. In 1963 Goodman's directorships were listed as Spiralynx (1933) Ltd; MG Furniture Productions Ltd; Bonsoir Bedding Ltd; Metro Steel Ltd; and Aid (Import and Export Ltd). By 1965 they had been extended to Boudoir Bedding Ltd; Sleepy Valley Ltd; Sun Resta Ltd; Multi-Resta Co. Ltd; MultiSpring Ltd.

In 1968, as a result of the redevelopment of the Whitechapel premises, the company moved to Canning Town, London E.16. Two years later, the Rowland Street factory was closed, and the equipment and some of the workers transferred to the new premises. According to David Goodman, one of the directors, (in an interview in January 1975) the choice of the Russell Street factory in Canning Town was as much for personal as business reasons. The family ties were all in Essex, they knew of several furniture manufacturers who had moved into the area from Whitechapel, "good

solid firms, who seemed to be very much holding their own", and when it came to it they looked around for premises at a price they could afford. The factory they finally occupied had been formerly owned by Spring Weavers, who had manufactured the linked spirals for mattresses for the Spiralynx Group, and when, as a result of a serious fire they were unable to get insurances cover for storing polyurethane, they moved out and Spiralynx moved in.

The exact function of some of the other companies is not clear from company records. Bonsoir Bedding Ltd, which is registered as a furniture factory, is an empty, vandalised building in Deal Street, E.1. The articles of Multi-Resta Co. Ltd, describe its objects as "to acquire share capital of Sun Resta Ltd, and Multi-Spring Ltd . . . and to acquire share capital of other companies", although, in practice, it has acted as the selling agency for the group.

However, in spite of a long list of directors for the various companies, control of Spiralynx (1933) Ltd, and its subsidiaries has remained firmly in the hands of the Goodman family. The list of ordinary shareholders and directors for Spiralynx (1933) Ltd, in 1975 read:

No. of 25p ordinary shares

Montague Goodman,
Trees, Meadow Way, Chigwell,
Essex 14,398

Jack Goodman, (a)
44, London Road, Stanmore,
Middlesex 2

Shirley Cohen, (b)
Mindrum, Nursery Road, Loughton,
Essex 3,602

David Goodman, (c)
1, Strad Brooke Drive, Chigwell,
Essex 8,634

Trustees of M. Goodman Trust
c/o 25-27 Blackstock Road, London,
N.4 9,360

35,996

Directors: Montague Goodman
David Goodman
Jack Goodman
Company Secretary: Reginald Francis,
19 Derby Avenue, Upminster, Essex (d)

- a) Jack Goodman, son of M. Goodman; appeared intermittently on the boards of various companies; pursued his own interests in property; rejoined as director of Spiralynx (1933) Ltd in 1975
- b) Shirley Cohen, first noted as director in 1956, appeared as Shirley Goodman in 1957.
- c) David Goodman, son of M. Goodman, joined Board of Directors in 1953 responsible for day-to-day running of factory.
- d) Reginald Francis, son of Arthur Francis, Company Secretary of Spiralynx (1933) Ltd until 1953. Also Company Secretary of Multi-Resta Ltd, and MultiSpring Ltd.

Trading Arrangements

The three main production units are Spiralynx (1933) Ltd, Ceylon Mills, Russell Street, Canning Town, E.16; MG Furniture Productions Ltd, Fremont Street, Hackney E.9 (now closed and operating from Canning Town); and MultiSpring Ltd, 23, Streatham Road, Mitcham, Surrey. They manufacture bedding, wire springs, units in wood, mattresses, headboards, divans, bunk beds, domestic furniture, contract tables, chests and chairs.

The acquisition of MultiSpring Ltd in 1964 appears to have opened up new markets for the furniture manufactured in the East London workshops. According to the headed notepaper the company were "Contractors to H.M. Government". Through Multi-Resta Ltd, the selling agency for the group, they supplied furniture to local and county authorities, hospitals, schools, universities, nursing homes, government departments, as well as the retail trade at large. Under "Fair Wages Clause" legislation, government and local government organizations are prohibited from dealing with companies paying below the agreed national rate.

According to the Union, the minimum was seldom paid to workers in the East London factories. It was, however, claimed that the workers at the MultiSpring factory in Mitcham were paid the correct rates.

FTAT has consistently claimed that the goods manufactured in Hackney and Canning Town were transported to Mitcham and marketed from there. In a letter to the Assistant General Secretary of the union (28 October, 1969), the District organizer reported that Essex County Council had ceased trading with Multi-Resta Ltd because of non-observance of the minimum conditions. He had, however, learned that the Council had been told that while Multi-Resta may not have observed the conditions, MultiSpring did. He corrected this, and requested that in order to prevent the company getting away with this device, the unions' officers and others throughout the county be informed of the situation. The district organizer's argument



A PERSONAL MESSAGE FROM THE
MANAGING DIRECTOR.

It is with pleasure that I present to you our latest Catalogue.

In offering this catalogue, I wish to thank our present customers for their kind support and extend a welcome to our many new customers.

This catalogue includes details of our ever popular designs, such as The "Du-Et" Two Tier Bunk, The "Minor" Junior Bed, an attractive range of contemporary style Pedestal Cupboards, and our new products, The "Metro" Tubular Steel Furniture, The Consort Continental Headboard, and other items.

As in the past, we of the SPIRALYNX Organization, will continue to offer you a first class service, with a value and quality of Bedsteads, Metal Divans, Springs, Bedding and Tubular Steel Furniture, second to none in the trade.

I would like to take this opportunity to introduce to customers both present and potential, my Son, David Goodman who is a Director of the Company, and to whom, if necessary, you may refer, with complete confidence.



Introducing the management . . .

was that "the firm is a large manufacturer of bedding covering the whole of the South of England and deprives the fair firms not on the basis of better production methods, but the worst type of exploitation."

Profits

" . . . good solid firms that normally don't go bankrupt. They survive, alright a few years they don't make money and live off their fat and then they make a few bob and then the cycle comes round again."

"They (the workers) know that if they've got a thriving company, or that they've got a company that

can stand on its own feet. They don't care whether it's organized or not, so long as they know it will be there . . . if they ruin a factory in two years by asking for exorbitant wage rates they know that they're drifting again, they have no security. So they come in . . ."

(D. Goodman on his type of company and its workers.)

The Spiralynx group is a family concern. In business terms the company does not make an excessive profit — about 15 per cent on capital invested — but inspection of the only information available at Companies House shows that the wealth of the enterprise has remained within the company structure either at the bank

**TRADING FIGURES FOR SPIRALYNX (1933) LTD AND
SUBSIDIARY COMPANIES AVAILABLE FROM
COMPANIES HOUSE FOR 1970-1973 (in £'000s)**

	1970	1971	1972	1973
Turnover	1212	1337	1708	1950
Net worth	366	439	523	588
Profit (Loss)	(26)	62	85	74
Directors' Remuneration	13	16	23	23
Trade Debtors	289	275	287	296
Stock	119	175	202	238
Cash at Bank	71	81	138	45
Investments	50	—	8	112
Trade Creditors	(402)	(333)	(353)	(371)

or in investments. The pattern is shown in an analysis of the returns of the company in the four years 1970-3. It has not been possible to extend the analysis to cover more recent years as the directors changed the way in which they submitted accounts, separating out the subsidiaries from Spiralynx (1933) Ltd itself.

During this period no dividend was paid. The usual reason for doing this is that the income to the recipient will probably be at a high rate of taxation. In 'closed companies', that is those controlled by fewer than six people, the Inland Revenue can assess the shareholders for a shortfall to prevent them not declaring dividends. This intervention by the Inland Revenue can be avoided by a company by, for example, lack of funds or by making investments elsewhere.

While the profits have not been excessive, the net worth of the company on paper appears to have grown by £222,000 over the four years. In 1973 the assets of the company were:

	£'000s
Investment	112 (1)
Net current assets	119 (2)
Land & buildings	143 (3)
Motor vehicles	48 (4)
Other	86
	588

Of these (1), (2) and (3) could be easily convertible to cash, should the company liquidate and (3) could have a value far in excess of this should there be any development potential.

It is also worth noting that, on book values, the shares are now

worth some 65 times their certificate value. Although the company is both profitable and has not declared dividends the directors' remuneration appears very low. It has not been possible to calculate the profit per worker as labour figures are not available.

Production

The factory is divided into seven shops. Despite the diversity of skills which included welding, spot welding, cabinet making and tailoring, almost all workers were classified as labourers. Goodman claims to have taken a leaf out of Ford's book, and broken each skill into its component parts. *"Our system is broken right down, so that each person is taught one little skill which would be of no use to him whatsoever, if he went out into another factory — probably because they would change that skill immediately. We work very much on one individual does one job, but he adapts easily if we shift him into another job. We break the jobs right down. No one man could possibly do one job."* (Interview: January 1975)

The main sections are:

Sawmill: straight lengths of wood are cut to make up divan bases. These are then fed through an automatic machine with a jig for the setting of grooves, notches, etc.; it is routine operative work and one man sets all the machines. **Making Department:** pieces of wood are knocked into a basic square, glued and stapled together by use of a pneumatic hand stapler.

Lacquering Booth: the divan bases and other pieces of furniture are spray-lacquered. The springs are then clipped

inside the wooden frames — all processes are sharply divided and one man does each operation.

Metal Department: operative level only, split into various processes. Metal rods and bars are put through an automatic hole-punching machine to make up bed bases. There are two or three small welding booths where rods are roughly moulded together to form the base. These then have metal springs clipped inside them.

Spring-Making Department: automatic machines where wire is fed through on large coils and individual springs are formed. These are put manually on to a large machine with incisor action, which assembles them into bed frames; springs are clipped and finished off by hand.

Cabinet Making Department: purely assembly work and split into the simplest of routines. Wardrobes, cupboards, pedestal stools are made. The most demanding process was where one man screwed on door hinges and assembled a complete wardrobe. There are several paint-spraying booths in this department as well.

Sewing and Finishing-Off Department: a cluttered sewing room with one line of workers. Women stitch, pad and cover the mattresses. The finishing and tape-edging machines, and the pneumatic staplers are handled by the men. (From Newham Careers Office Report 17.9.1975)

Management

"I'm talking about people of our calibre; two or three men, couple of hundred staff, good solid firms that normally don't go bankrupt . . . They live out their business lives well, never become millionaires, but they're solid citizens" (David Goodman. Interview, January 1975.)

The day-to-day management of the factory is in the hands of Mr M. Goodman, his son Mr D. Goodman and the General Manager, Mr S. Day. They are closely involved with all aspects of company activity. They are tough-minded entrepreneurs. But their claims to the local Press (Stratford Express 26.11.76) that *"we don't have bad labour relations. We have had people here for 20 or 30 years and that is the norm . . . I have no concern*



An early picket at the Rowland Street factory.

if they are in the union. I don't pry into their private life," are inconsistent with the complaints received by the union.

A letter sent by a worker to the union district organizer in November 1972 indicates the kind of grievance of which workers complained:

"I think you know who I am and what I am asking you for help as a member of the union. As you know I work for Spiralynx (1933) Ltd., have been since 1956 that is over 16 years ago. I was only 19 years old and I worked hard to hold my place in this world and this country. In 1964 I was made a charge-hand, I should say only because I was going to pack the job in. I was getting £14 a week and I had 4 children to take care of. When I gave my notice Mr Goodman came to speak to me. He said you want more money and I said I'm not here for love and said what are you giving me and he said £18.10s, and you will get sick pay if you are sick. So I stay. As the years go on they gave me £1, £1.10s and 10s rise. That's only I was good and I am still good to them. But then the move came to Canning Town, one day David asked me how will you get to Canning Town. I said I don't think I will be going with you



LIFE is not a bed of roses at a mattress factory in Canning Town.

In fact, the bedding factory is the subject of a raging controversy in which several allegations have been levelled against the firm's bosses:

Underpaid

EXPLOITATION is taking place, claims a Union which says black workers are being underpaid;

SCANDALOUS is how a recent Industrial Tribunal described labour relations at the factory;

DISGUSTING was the verdict of a Newham careers officer who was describing working conditions at the firm.

Defiant

But the defiant boss of Spiralynx of Ceylon Mills, Russell Road, declared: "We don't have bad labour relations". He dismissed the allegations as an attempt to smear his business.

Mr Jack Moss, London organiser of the Furniture Timber and Allied Trades Union, however, has a different opinion.

He has been battling with the firm for 13 years.

A bed of thorns in E16...

SEAN BARRETT INVESTIGATES A CONTROVERSIAL FACTORY

high unemployment in the area, said Mr Moss.

ing paid the rate for the job. "We don't have bad labour relations. We have had

the firm had asked for young employees to be sent by the careers department.

commit, themselves on anything regarding general conditions of employment."

Early publicity for the union's case. Stratford Express 26.11.76.

because I don't know where it is so he said come with me, that was on my own time. So I went, they walked me around. When it was all over I said I cannot come to work here it is too far. Mr Goodman said that's all right you can have this house, but you will have to repair it yourself. Then I said I have no money. He said we will lend you but you will have to pay it back. We don't want no rent from you, what we want you to do is to look after the place for us. At that time I did not see the inside of it as yet. I give them my answer on the Monday and I see the inside on Sunday. Then I said to myself what have I done. I went back to him Mr Goodman, and told that can't take that, too much work for me. He said you cannot change your mind now too late. I spent over £500 in the inside of the house. I was living at Peckham, I was paying £6 a week rent I was better off. I was sick for 3 weeks, two months ago, was unable work, under hospital treatment. The doctor put me on the panel so I stayed at home. They never paid me. But I'm not worried about that. They found out I am in the union so they asked me to leave the house. But when I take the house the agreement was the house goes with the job and job with the house. But now they want something else. I have been doing two men's job for two years now for one man's money. I asked Mr Goodman he said I can give you £7 more a week but you will have to pay me rent. So I am paying rent as well. I have to get up 3 o'clock in the morning. His son comes and wakes me at 1 o'clock and 2 o'clock in the morning to get in the office. So I say I have been tricked to come here for them not to pay me any money. He said to me on Friday 24th November as long as you work here you won't get a penny rise from me because you are in the union. So Mr Moss I put my case to you he wants me out. So I leave it to you."

The frequency of complaints such as these which have reached the union organiser over the years suggests that there is a regular pattern of anti-

union bullying within the factory. If this is so, it is not surprising that the workforce, many of whom do not speak English, and most of whom are illiterate, are cowed into submission.

Workers

There are 140-150 workers on the payroll. The Spiralynx workers are mainly Asian, half of these coming from Kerala State in South India. Around 15 per cent are women. Directly or indirectly their lives have been determined by colonialism which impoverished their villages, forced them to migrate to work in the Naval Dockyards in Singapore, and, when these closed in 1970, brought them and their families to Britain when workers were required. Once here, the only jobs open to them were low-paid and non-unionised ones.

Spiralynx management were explicit about the level of the labour market from which they wanted to recruit. They did not want workers made redundant from the large factories in Canning Town. "A lot of them travel into Fords . . . until they get fed up with that . . . they're prepared to travel for the money they can earn there. But the tedium of the journey and the actual soul-destroying aspect of the job quickly shoots them away. I mean, they work there for three, four, five months, and they come back, and they come round the door, 'I've been working for Fords, but . . . '— you know we often get this 'but'— and we say, well, we'd like to employ you, you know you're a nice looking fellow, look like a good hand, but we can't get anywhere near the wages that Fords can offer you. And we'd rather we didn't employ you because you'll only be unsettled. You'll be here for a week and then you'll be away again. We've had this happen very often, you know, that we've employed them, and they say, 'your job's alright, gov'nor but I've been used to earning £70, £80 a week', and we can't give them that". (Interview: D. Goodman January 1975)

Instead, they recruited immigrant workers: "One and a half men looking for a job . . . They are prepared to work, do anything, they could come to work for three weeks, until their brother told them there was a job

somewhere at 2p a week more, a cleaner job, and they would move, and move and move until they finally got themselves straight". — in Goodman's phrase "a bit of the debris left after Fords had picked the cream . . . the aftermath after the good stuff has gone."

There was a high rate of turnover in the factory: between January 1 and April 13th 1976, 38 workers left the factory — three on the same day on which they had started — and 35 joined.

Pay

The wages at Spiralynx did not follow any pattern. Gross weekly earnings (May 1975) varied from £29.25p (for 39 hours) to £40.40p for a group of five workers. This compared with average earnings under the Furniture Agreement of £56.50p a week. (New Earnings Survey, April 1975). Most workers at Spiralynx were amongst the lowest paid 10 per cent in the industry.

A comparison of the hourly rates paid and the Furniture Joint Industrial Council rates was made for 15 union members in August 1975: (see over)

Starting rates were reported at 45p an hour. Some overtime was apparently worked, although no indication of this was given on the wage slips. Normal hours were: 8.00 am — 5.00 pm Mondays-Fridays; 8.00am — 12.15am Saturdays.

Although improvements were reported in the following year the union district secretary told the local Press in November 1976 that "our latest figures show that people are being paid 12p to 20p below the nationally agreed rate. This means that they are anywhere between £5 and £12 a week down on the last showing" (Stratford Express, 26.11.76)

Health and Safety

The strongest complaints made by workers about the factory concerned the conditions under which they worked. They complained of a lack of basic facilities — there was no canteen or place to eat lunch; no paper in the toilets; the cold water taps frequently did not work; there were no medical



The firm is well known to the factory inspectorate . . .

**WAGES COMPARISON BETWEEN SPIRALYNX AND FURNITURE
JOINT INDUSTRIAL COUNCIL RATES (August 1975)**

Job description	Hourly rate at Spiralynx (p)	Furniture Agreement rate (p)	Shortfall %
Cabinet maker (1)	65	88.20	-36%
Cabinet maker (2)	98	98	
Cabinet maker (3)	98	98	
Bedding worker (1)	90	98	-9%
Bedding worker (2)	85	98	-15%
Bedding worker (3)	80	98	-23%
Bedding worker (4)	80	88.20	-10%
Bedding worker (5)	70	73.51	-5%
Bedding worker (6)	85	98	-15%
Bedding worker (7)	85	98	-15%
Bedding worker (8) (Stapler)	85	98	-15%
Bedding worker (9) (Stapler)	80	98	-23%
Machine operator	85	98	-15%
Sewing machinist	80	83.3	-4%
Labourer	65	86	-32%

facilities. When the siren went, they had to leave immediately, with no opportunity to clean up or wash their hands. When they went to the lavatory, they were harassed by the foreman. They were also concerned about the safety of some of the machinery.

Some of the complaints are independently confirmed by a report on

the factory made by the Newham Careers Office on 17 October, 1975. The report was made as a result of an investigation following a request by the company for young employees and was highly critical:

"I can only say I was shocked and disgusted by the conditions in this factory, which were seen to

constitute definite health and safety hazards. All the machines were archaic with no proper safeguards, e.g. guillotines, spring-making machines, and other similar machines with a cutting edge, had no automatic stopping device.

"In the metal and spring-making department the floor was littered with pieces of metal, coils of wire, and shavings, the surface of the floor was greasy, the premises generally filthy.

"The machines in the spring department gave off choking fumes and a grey pall seemed to hang over the department; the noise here was deafening. I noticed pungent fumes coming from the spray painting and lacquer booths, which were often situated in the middle of an area with workers around them; the men working these booths wore no masks or overalls; paint and lacquer residue formed thick globules and stalagmites.

"The cabinet-making department was on the whole cleaner and more pleasant than the others."

The report — after noting the depressing working atmosphere and that there was no conversation between workers — concluded with the observation that:

"Mr Day and the Directors of the company were very reluctant to commit themselves on anything regarding general conditions of employment. I was not allowed to speak to the workers . . . it seems that trade union membership is not allowed by the management.

"The firm is well known to the factory inspectorate and they are greatly concerned over several aspects in the running of the firm. The general conditions are under investigation." (Newham Careers Office, 17 October, 1975) ■

4

THE FURNITURE UNION

THE National Union of Furniture Trade Operatives (NUFTO) was formed in 1947 through the amalgamation of the National Amalgamated Furnishing Trades Association and the Amalgamated Union of Upholsterers. In 1971 it became the Furniture, Timber and Allied Trades Union (FTAT).

The furniture union first became involved with Spiralyx (1933) Ltd in August 1963. A young worker who had been employed by the firm for 18 months, was not paid for working on a bank holiday. He went to the union for advice. They found that, in addition to the non-payment for the public holiday, he was being paid at half the rate laid down in the bedding agreement. They lodged a claim with the company on his behalf. On the following day he was dismissed.

Jack Moss, the union district officer, went to see the managing director. He was told there was nothing to discuss because the worker had not been dismissed for union membership, but for using bad language to the works manager. Moss kept visiting but he could get no reply to the union's claim which now included dismissal without pay in lieu of notice. Letters were not answered, registered mail was returned, and the management were not prepared to meet him.

In January 1964, he referred the whole matter to the Conciliation Department of the Ministry of Labour, drawing their attention to further breaches by the company of the National Labour Agreement.

On May 6, 1964, Spiralyx finally agreed to settle – £21.36 to the dismissed worker and £9.30 to a second labourer, who had been underpaid by 1/1d an hour. They appear to have paid because of complaints from one of their major customers, the London Co-op. After protracted negotiations between the union and the Co-op, the Co-op management placed an embargo on all trade with Spiralyx until they agreed to talks with the union. Spiralyx paid the claim. But the worker did not get his job back.

Attempts to form a union

The claim for holiday pay brought a series of complaints about the company to the union, and on May 13, 1964, the union began a campaign of recruitment outside the factory gates.

The campaign involved people from outside the union including an active Bengali worker, who was the contact between the union and the workers. By mid-June, 62 workers had joined the union in the Hanbury Street factory. The turning point came a month later at a meeting on July 18. A barrister from the East Pakistan Association outlined the case, in several languages, for a local factory committee. For some reason the Bengali organiser refused to countenance the idea. He got very angry and denounced the union. Within weeks union organization in the factory collapsed.

The union were forced back to making what use they could of the legal machinery. On March 3, 1965, in anticipation of a reference to the Industrial Court on the 'fair wages' resolution, the company made a commitment that they would observe the agreement. At around the same time, the London Co-op totally discontinued trading with the company.

Hi-jack

The company's move to Canning Town brought a series of redundancy claims before the courts, and, in one instance, a case of industrial hi-jack. The case of the hi-jacked welder can only be understood in the context of Dickensian managerial attitudes. According to a statement he made to the union, the worker had claimed redundancy from the Hanbury Street factory. He was sent on July 22, 1968 to unload a lorry at Canning Town. While he was waiting to unload the lorry, the manager pointed to a machine in the factory and told him to start welding.

"I told him I did not come here to work my job. He said I must. I was frightened I would get the sack so I worked until the end of the week on Saturday 27.7.68. On the previous Tuesday, (23 July), when I went in, Mr Slater said, 'I will try and get you more money, but you must go to Canning Town to work'.

"When I worked in Canning

NUFTO

Record

General Secretary
A. G. TOMKINS, CBE
 Assistant General Secretaries
J. R. SHANLEY, R. S. SHUBE
 Parliamentary Adviser
R. W. BROWN, MP
 'FAIRFIELDS', ROE GREEN,
 KINGSBURY, LONDON, N.W.9
 Telephone No.: 01-204 0273

THE UNION FOR CABINET MAKERS : FRAMEMAKERS : UPHOLSTERERS : POLISHERS : CARVERS
 WOOD MACHINISTS : MATTRESS MAKERS : GLASS PROCESS WORKERS : ARTIFICIAL LIMB MAKERS
 AND ALLIED AND ANCILLARY WORKERS

FEBRUARY 1970

I.D.T. DECISION

The Secretary of State for Employment and Productivity on a report by the Union referred to the Industrial Court a claim by the Union that the terms of employment in operation at M.G. Productions Limited were not in accordance with the recognised Agreements. The Court after a full hearing made an:

AWARD

- 1 The terms and conditions on which the Union rely are the recognised terms and conditions applicable to the workers concerned in the claim.
- 2 At the date when the claim was reported to the Secretary of State the company were not observing the recognised terms and conditions or conditions not less favourable in that:
 - a) They were paying at least four workers concerned at lower hourly rates than those applicable under the Agreement.
 - b) They were not observing the conditions of the Agreement relating to Holiday Pay.
 - c) They were not observing the conditions of the Agreement relating to notice of termination of employment.
- 3 The Court accordingly require the company to observe the recognised terms and conditions as respects all workers of the relevant description from time to time employed by them.
- 4 This Award shall have effect from April 18, 1968. December 24, 1968 Roy Wilson President, Anne Godwin, J. Rhodes.

This decision came after a long period of effort by Jack Moss, London Organiser to organise the workers concerned and to open negotiations on working conditions. In addition to the hostile attitude of the management. Jack faced the problem that the majority of the workers were immigrants, with a limited knowledge of our language, unaware of their rights as citizens and visibly afraid even to take a leaflet for fear of dismissal. For them it could have been England 1868, not 1968. A further difficulty was the rapid turnover of Labour.

DIFFICULTIES

Despite difficulties a degree of organisation was achieved and claims lodged for the correct payments to be made. These were ignored and letters returned. Only then did the Union go to the Industrial Court.

After the Industrial Court Decision no doubt remained that the firm were refusing to pay the Wages and Holidays that were recognised throughout the Industry. The Union again sought negotiations and payment of moneys due to thirteen members. Again the firm flouted the Agreements and the Industrial Court Award.

Proceedings were then opened in the County Court. Judgement has been given in favour of five members, the remaining eight cases will be heard shortly. To the time of writing no payment has been made and the Union Solicitors have instructed Bailiffs to collect.



Mr. Jack Moss . . . he won't relax.



Lord Justice Russell . . .



Lord Justice Sachs . . .



Lord Justice Phillimore . . . wished everybody a Merry Christmas.

NUFTO AND SPIRALYNX



Queen's Bench Division support redundancy claim

In this issue we report Legal Proceedings taken by the Union in defence of Negotiated Agreements and in protection of workers who would be defenceless without the Union. Recourse to Law will be made when necessary, but we regret the necessity. We hold the view that Industrial issues should be settled by Industrial procedures with organisation on both sides. The acceptance and recognition of organisation on both sides is essential to our conception of Industrial Democracy. The alternative is a reversion to the cut-throat chaos that preceded the negotiations of our National Agreements.

Our position is — negotiations if we can — law if we must.

A. G. TOMKINS,
 General Secretary.

On April 17, 1969, the Divisional Court, Queen's Bench Division, an Appeal against the decision of a Redundancy Tribunal was heard on behalf of NUFTO members who had been dismissed by Spiralynx. The Court decided:

"Bearing in mind that the work at Hanbury Street was part of the Contract of Employment . . . the employers were repudiating their Contract".

This was the Judgement of the Lord Chief Justice, Lord Parker. Mr. Justice Willis agreed.

As they were entitled to, (rich and the poor being equal before the Law, if not in their knowledge of and access to the Law) Spiralynx decided to Appeal against the Judgement.

On December 19, 1969, the Court of Appeal met to consider the case of Spiralynx (1933) Ltd. versus Charles Fitz, Austin Hurd, Joseph Wyatt and Kenneth Melt.

The Court was Lord Justice Russell, Lord Justice Sachs and Lord Justice Phillimore.

Their Lordships, without needing to hear the Respondents (our members), dismissed the Appeal with Costs to be paid by the firm and wished everybody concerned . . .

A MERRY CHRISTMAS

THE STORY OF THE REDUNDANCY CLAIM

Why and how did it all happen? So far as the firm was concerned the amount of payment involved was only £79. Was that the real issue?

Throughout 1968 Jack Moss and his colleagues had continued their efforts to organise the various firms with the Spiralynx Group, with some success, some failures. Some workers joined the Union, others gained knowledge that the Contracts of Employment and Redundancy Payments Act could be a protection—if they got advice and legal help although

Continued on page 2

Town, I said to Mr D. Goodman, 'I never came here to work, only to unload the lorry'... On the Friday they gave me another 6d an hour in my packet. Before this I was getting 6/9d an hour."

He continued working in Canning Town, and did not claim redundancy. He said he was too frightened to refuse to work.

The High Courts

The next redundancy case went to the Court of Appeal. Four fitters who worked at Hanbury Street, were dismissed when they refused to go to Canning Town. They maintained that the manager said 'If you're not going, you can pick up your cards'. The company claimed the men said they would leave. A claim was lodged for redundancy. Spiralyx refused to pay.

The case went before an Industrial Tribunal, who dismissed the men's redundancy claims. The union appealed and won in the Divisional Court. They were awarded appeal costs. Lord Parker, the Lord Chief Justice, and Mr Justice Willis in a majority decision (with Mr Justice Melford Stevenson dissenting) sent the case back to the Tribunal for an assessment of the awards. Lord Parker said it was a term of the men's employment that they would be employed at Hanbury Street. It seemed impossible for it to be inferred that they would work in any other factory. They could not be forced to go to Canning Town. He thought the company was finishing the men's contract when they refused to move. It was clear they were never offered the alternative of staying at Hanbury Street.

The Tribunal awarded the redundancy payments, respectively, of £112 (for two of the men), £40.10s and £91. The company then appealed to the Court of Appeal. On December 19, 1969 Lord Justice Russell ruled, without requiring to hear the union, that Spiralyx had no case whatever. The first Tribunal was wrong, and the workers were right to regard their job at an end and must be paid their redundancy. Costs, which were considerable, were awarded against the firm.

Spiralyx (1933) Ltd.
 MANUFACTURERS OF SLEEP EQUIPMENT FOR OVER FORTY YEARS
 CEYLON MILLS, RUSSELL ROAD, CANNING TOWN, LONDON, E.16.

Lloyds Bank Limited
 Highbury Corner Branch N7

30-94-21

15-33

DATE: 12/1/71

PAY THE SUM OF: Two hundred and sixteen pounds

TO THE ORDER OF: R. Hazell

AMOUNT: £216-0-0

For and on behalf of SPIRALYNX (1933) LTD.

SECRETARY: [Signature]

DIRECTOR: [Signature]

002544 309421 0126289

The pay-off: costly tribunal actions for the company and two more workers on the dole.

Had the company originally paid the men their redundancy, their share of the cost of the redundancy payment would have been £79. As it was they paid out thousands of pounds in litigation, being represented by barristers and instructing solicitor at two Industrial Tribunals, the Queen's Bench Division of the High Court and, in the Court of Appeal, by two barristers, two solicitors and three assistants.

The union reported the case in the February 1970 issue of the *NUFTO Record*:

"Why and how did it all happen? So far as the firm was concerned the amount of payment involved was only £79. Was that the real issue?..."

"Throughout 1968 Jack Miss and his colleagues had continued their efforts to organize the various firms with the Spiralyx Group, with some success, some failures. Some workers joined the union, others gained knowledge that the Contracts of Employment and Redundancy Payments Act could be a protection - if they got advice and legal help - although they remained afraid to join. The going

was still stiff with the added difficulties of a changing labour force, migrant labour in a double sense. But the message was getting through - NUFTO made no distinction of race, colour or creed. If you worked in the Furniture and Bedding Industries you were entitled to get the protection of our agreements... After consideration by two redundancy Tribunals and two Law Courts our members have been justified. The firm had repudiated their Contracts...

"Equality before the Law is one thing, equality on the factory floor, or when you are at the gate asking for a job, or being told: 'here are your cards' is quite another. Equality then depends on the protection of Trade Union membership, Trade Union Representation and the observance of the recognised Agreements in Contracts of Employment. Without that, the equality is that of the Lion to eat, the lamb to escape if it can... All we seek and are determined to secure is that Spiralyx conforms to the standards accepted and operated in the Furniture and

Bedding Industries and recognises the right of T.U. organisation. As the General Secretary concluded: 'Our position is - negotiations if we can - law if we must.'"

The same issue reported judgement in the County Court on three claimes of underpayment against MG Furniture Production, another of Monty Goodman's factories. Since no payment had been made, the union solicitors had instructed the bailiffs to collect.

A Well-Trodden path

In 1970 the union were again in contact with the company's solicitors, Messrs. Isadore Goldman & Son, for non-payment of holiday pay. By the union's calculations, the worker was due £42. Spiralynx offered £4. The union advised him to walk off the job, but he was not prepared to do so because he had a large family. The company did not answer the correspondence, so the union wrote to their solicitors proposing a settlement . . . "I have the documents to support my member's entitlement. The claim I have made favours the firm and I suggested they settle this claim and avoid the course that takes us along the well-trodden path to the courts. If that is the only means we have to secure a just settlement we will take it." The case was settled out of court.

Industrial Tribunal cases

With the closure of the Rowland Street factory in June 1970, and the transfer to Canning Town, the company again came before a Tribunal with two redundancy claims.

The first case concerned Mr Hyman Sacks, a foreman with the company since 1956. Some months before the move, Mr Sacks, had informed the manager that he did not wish to go to Canning Town as it was too far from his home. The company seemed to accept this until the time of the actual move. On Friday June 5, he was handed his pay packet which contained his cards by Mr D. Goodman, who asked him if he would come in the next day to see off a couple of lorry loads of company equipment.

STATEMENT OF TERMS OF EMPLOYMENT 46

Mr. R. Hazell,
To: 10, Trading Sq., E.3..... Clock No. .. 57, 140000.....

EMPLOYMENT COMMENCED 23th. October. 1957, ...

Dear Mr. Hazell,

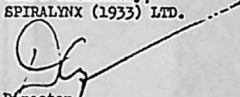
Upon the removal of our business from our present premises at Rowland Street, E.1. to Russell Road, Canning Town, E.16, which has been necessitated by the compulsory purchase of our buildings by the Greater London Council, we have pleasure in offering to you a continuation of your present employment or a re-engagement with the Company at the new premises at which a substantial number of your fellow workers are already employed, having moved previously.

The only relevant change in the terms and conditions of your employment will be an increase in your weekly remuneration to help offset any additional expenses that you may incur as a result of the move. Otherwise you will continue to be employed, or alternatively, are offered identical employment upon identical terms and conditions as those now enjoyed by you, at the new premises, with all benefits currently enjoyed by you.

Your present terms of employment are of course well known to you and any ambiguity which you feel may exist in this connection may be resolved by reference to the terms stated in your contract.

We are anxious to retain your services and would ask you, in these circumstances, to signify your decision to us within seven days from to-day's date, on the form below so that appropriate arrangements may be made for the transfer.


Yours faithfully,
SPIRALYNX (1933) LTD.


Director.

TO SPIRALYNX (1933) LTD
Mr. R. HAZELL, *Randolph Hazell*
..... Clock No. 57 140000.....

Yes, I do intend to continue my employment with you at Canning Town.

No, I do not intend to continue my employment with you at Canning Town.



On Saturday, June 6, he went to Rowland Street. He was asked by Mr Goodman to accompany the last lorry to Canning Town as Mr Goodman, senior, wished to say goodbye to him. When he reached Canning Town and saw Mr M. Goodman, it was suggested that he should also move to the new premises. It appears to have been suggested that his hours of work might be adjusted and that a first season ticket would be paid for by the company. After consideration, Mr Sacks rejected the offer. The company claimed that he had turned down a suitable alternative offer of employment and was not therefore entitled to redundancy. Not so, ruled the Tribunal. No offer had been in writing; they awarded Mr Sacks £682.10d.¹

The second case, involving Mr Randolph Hazell, a cabinet maker was more complicated. Around the middle of 1969 he had signed a statement of the terms of employment that would apply following the move (see copy), although it was accepted by the Tribunal that his name, address (10 years out of date), and the date stamp

(a week before he ended this employment on May 29, 1970) had been added subsequently.

The case turned on whether he had ever received written particulars of his contract of employment (required by the Contracts of Employment Act 1963), as suggested in the third paragraph of the statement. On the written contract, the Tribunal had this to say:

"Mr Goodman, on the part of the company said that in accordance with the company's practice, Mr Hazell must have received these particulars though he could not say he knew of his own knowledge that such was the case. For his part Mr Hazell is quite adamant that he did not receive the particulars. We have no reason to disbelieve him and accept that he had no particulars handed him."

On the basis that there was no written contract, that the statement of terms had been offered more than a year before the move took place, and

1. Industrial Tribunal: RP/6067/70

that the terms of the offer had been subsequently varied, the Tribunal awarded Mr Hazell £216.00 redundancy pay.²

Following the move to Canning Town, the union was involved in six or seven cases of dismissal, most of which were allegedly for union membership. In 1977, Mr R. Potter was being paid 9p an hour below the agreed rate. He asked the union to raise the matter with the company.

When the district organizer got no reply from the company, he again contacted Mr Potter. In reply to the union, Mr Potter wrote:

"I reply to your letter of 4th May 1972, you asked me if I have received the correct payment of rate and backpay; and if I have had a contract of employment. No, I haven't had any of these things. In fact I am not in the employment of this firm any longer, the manager asked me if I was in the union, I told him I was and he said I am sacked for being in the union. I was just going to write to you about being dismissed when I received your letter..."

Complaint was made to an Industrial Tribunal, but following a reference to the Senior Manpower Adviser of the Conciliation and Advisory Service, over the unfair dismissal and underpayment of wages and holiday pay, a full settlement was made before the hearing.

In 1976 Mrs P. Awofodu complained to an Industrial Tribunal that she had been dismissed not, as Spiralyx claimed, by reason of redundancy, but because of her trade union membership. The Tribunal did not find this to be the case. But they did express a strong opinion on labour relation practices within the factory:

"We conclude by expressing grave disquiet over the Respondent's failures in the field of labour relations. The obligation to provide employees with a written statement of the contract of employment has been law since 1963, yet it is conceded that none of the Respondent's employees have received such a document. It is also a legal obligation to provide an employee dismissed by reason of

redundancy with a written statement of how the redundancy payment is calculated. The Respondent's attention was drawn to this by a letter from the Department of Employment dated 5 March 1976, a follow-up to an earlier letter, and the Respondent was provided with the relevant form RP3 in three copies. Yet Mrs Awofodu did not receive it when she was paid off. Mr Moss's letter of 24 March requesting the statement received no satisfaction, and on 22 April Mrs Awofodu's solicitor had to repeat the request. We find this little short of scandalous. The Respondent will be well advised to obtain a copy of the Code of Practice and the pamphlets of the Department of Employment dealing with important legal aspects of employer-employee relationship"³

In the course of the hearing, counsel for Spiralyx chided Mrs Awofodu and the union for failing to raise with the management by direct representation any complaints over conditions, contract of employment, wages etc. Following the decision the union district secretary wrote to the company. *"To test the sincerity of Spiralyx management in this regard, I now wish to secure such facilities and recognition to implement all the provisions of section 29(1) of the Trade Union and Labour Relations Act, 1974"* He did not get a reply.

Outside the factory gates

Unable to gain a foothold within the factory, the main defence that the union could provide for its members was legal action through Tribunals and the courts — and then only retrospectively in terms of compensation. But the carefully balanced language of the Tribunals gives little indication of the raw-edged fight that was going on to organize the factory.

On one occasion, in April 1972, David Goodman narrowly missed running down Jack Moss, the district organizer, and whenever union officials went near the factory they were regularly abused by management. On four occasions the factory gates were shut, during the lunch hour and

after work, preventing the union officials talking to the workers.

Nor do the legal accounts indicate the fear felt by many of the men and women in the factory. It was the better established workers who knew of the union and were prepared to pursue their claims through the tribunals. But the story of many of the workers, newly arrived in this country and speaking scarcely any English, never reached the union. After leaflets had been snatched from a woman's hand and torn up during a union picket on April 11 1972, most workers were careful to dissociate themselves from anything to do with union activity.

In the 13 years since they became involved with Spiralyx, the union had fought hard to get the protection of the national agreements for the workers in the factory. Through the dogged persistence of their district secretary, they had had important successes in the courts and also some success in persuading retailers that they were in infringement of the 'fair wages' resolution in buying from the Spiralyx Group. But without organization within the workplace, as the union recognized, it could do something but not much, to defend workers' rights ■

2. Industrial Tribunal RP/6068/70.
3. Industrial Tribunal 10223/76/C

5

THE LOCAL CAMPAIGN

IN DECEMBER, 1974, three women in their 20s from Pakistan signed on at the Unemployment Office. They were unskilled and spoke little English. They were offered a job at Spiralyx at 50p an hour. One of the women's father had known someone at Spiralyx who had allegedly been sacked for trying to join the union, and advised them not to take the job.

They took his advice and as a result, their social security was cut off on the grounds that they had "turned down suitable employment". They decided to appeal against the ruling to the Supplementary Benefits Tribunal, and went to the Canning Town Community Development Project Information Centre in Barking Road, E.16 for assistance. The Tribunal upheld their appeal and accepted in their decision that "*the firm is notorious for its low wages, and under these circumstances the turning down of the job was reasonable.*" In preparing the case, the Centre had contacted the furniture union for information on Spiralyx. The background to the appeal and its outcome were publicised through the CDP broadsheet, 'Inside Out'.

Subsequently, the Employment Exchange changed its policy towards the firm.

In September 1975, the Newham Careers Office received a request from Spiralyx for young employers. Because of its "*reputation it was decided (to) visit before submitting anyone.*" The report, (see pp.9 & 12),

was highly critical. It concluded that the office should not send young people to the firm or at least if it did should spell out to them exactly the kind of work they would be doing and the conditions under which they would be working (Report 17/9/75), a recommendation the office subsequently adopted.

During this time a number of agencies - in particular the Newham Rights Centre, Canning Town CDP and the Newham Social Services Department received reports of irregularities and complaints about the factory. In March, community workers from the Law Centre, the CDP and, in a private capacity, a social worker with responsibility for immigrant communities, met to discuss approaches to low pay in the area. As a result of the furniture union's activity, Spiralyx was by now well-known to local trades unionists and community organizations.

It was thought that the organization of one notorious firm might have an exemplary effect on unorganized workers in other local factories and that contacts with local trades unionists and immigrant organisations could provide the basis of a campaign strong enough to succeed where earlier efforts had failed.

Two further meetings were arranged, one with Jack Moss, the furniture union district organizer. Jack Moss described the firm's history and FTAT's efforts to organize the factory, and gave his support to the

campaign. At a second meeting Neriss Williams told how the campaign to organize a corset factory in West London had required nearly 100 visits over a period of six months to workers in their homes, because they were too intimidated by their employer to discuss the union at or near the workplace. The factory was now unionized and the union rate paid, but she was doubtful about the spin-off effect on other low paid workers, even within the same community.

Nevertheless, it was agreed to start by visiting the homes of Spiralyx workers.

Home visits: April-June 1975

The first contacts were with workers known to an active Pakistani trades unionist at Fords, and a local interpreter in Malayalam and Tamil (South Indian languages). Several early evening visits were made each week with an interpreter. The format for the visits was simple: "*We sought information, first, about the firm, (jobs, wages, hours, working conditions) and second about the workers themselves (previous jobs, English language ability, trades union experience, special grievances, length of time at Spiralyx). Our aim was to convince them that (1) only by joining a union could they hope to improve what were clearly appalling pay and conditions; and (2) that we could help them form a union at Spiralyx. We hoped also to*

generate independent discussion of trades unionization in the Asian communities."¹

First visits gave a clear picture of the composition of the workforce. The firm employed between 140-150 workers. Of these 50 per cent were Tamil or Malayalee, South Indians, many of whom had worked in the British Naval Dockyards in Singapore before its closure in 1970. A number of the Malayalee workers had been members of the Dock Union in Singapore and had taken part in a major strike. Altogether 80 per cent of the workforce were of Asian background.

About 25 women, mostly North Indians, were employed at this time.

A major grievance was the attitude of the management. The workers did not believe they could raise anything about their work or pay without risk of the sack. Questions were regarded as insubordination. *"We're treated like slaves"*, one of them said. Most had heard rumours about earlier sackings of suspected trade union members. These fears were compounded by the fact that the workers were split along ethnic and language lines, and unable to communicate freely among themselves. Several workers mentioned that they worked in shops where only one other person spoke the same language. Malayalees and Tamils, the main groups visited at this stage, wanted assurances that Gujerati, Punjabi, Pakistani, West Indian and English workers were also being approached. They did not want to be caught out on a limb on their own.

It also became clear that no matter how long they had worked at the factory, most workers thought of it as a temporary job. It was a stepping stone, while they learnt enough English and established themselves before moving onto Fords or the railways. With rising unemployment the chances of ever getting other work were increasingly unlikely.

It is worth mentioning the very bad housing that many workers lived in. Overcrowding was typical, with husband, wife, and two children living in one room. Some of the workers lived in single rooms in the Liverpool Road, E.16 redevelopment area, where damp literally ran down the walls,

the paper was peeling and there was scarcely room for the bed. Because of their low pay and the need for concentrated settlement to ensure community support, immigrant workers find it more difficult to locate jobs and housing which are mutually compatible.

In talking to workers about the union and job security it was difficult to divorce work from housing, or for that matter, from immigration and other immediate and pressing concerns. It was necessary to take up the worst grievances over housing conditions, and in one case to take up a claim for unfair dismissal from another factory, before satisfactory discussion could take place about *Spiralynx*.

Most workers, despite their precarious economic position and fears of dismissal, were prepared to join the union. One of the community workers commented on the visits that *"on the whole workers and their families were very hospitable and pleased to see us, and to encounter English people interested in their employment problems. Many, though, couldn't understand what our personal interest was in persuading them to join the union, as we weren't directly employed by the union. At this stage, it is fair to say that we weren't ourselves clear about our interest. We talked only in terms of improving the situation for Spiralynx workers."*²

First leaflet: June 1975

By June about 18 workers had been visited. For a number of reasons which included the difficulty of getting further contacts and the fact that the interpreter was going on extended holiday, it was decided to publish a leaflet which outlined the major grievances, and set out the case for joining the union. In order to meet workers' anxieties that only certain groups were being approached, it was necessary to provide translations in all the languages. Over a period of three weeks, volunteers translated the leaflet into Tamil, Malayalam, Urdu and Bengali. The translators were generous in their assistance but there was no way of judging the quality of their work.

The Urdu pamphlet, for example, was beautifully scripted but the style and language were found to be of a classical quality inappropriate to the demands being made. Another turned out to be somewhat inaccurate. The leaflet undoubtedly was too long and some of the difficulties in translation were the result of tautological or unclear constructions in the original.

The leaflets were distributed to the households that had already been visited, and at a bus stop used by many of the workers on their way home.

Other Contacts

A number of Pakistani workers were contacted in Canning Town. Their position was similar to the South Indian workers. They recognised something should be done about conditions in the factory, but were wary of any action that might result in dismissals. They had closer contact with people who had been involved with the firm before. The union district organizer had the name and address of a lapsed white union member. He was visited but was extremely worried about getting involved. He said he could only wish the black workers good luck. He felt *"they had taken over the firm"*, he needed his job, and it wasn't a struggle he felt part of. No contacts were made with West Indian, Punjabi or Gujerati workers.

First Workers' Meeting: August 1975

There was no response to the first leaflet through the contact address or telephone number. It was agreed that there should be no open moves that might set management on their guard until there was a sure basis for organization among the workers. A meeting was arranged in a hall not far from the factory, and near the bus stop, which many workers used to get home. Mr Vishnu Sharma, a well known

1. Here and throughout the section "we" refers to the group of two community workers and a lawyer. The account is from a record kept by one of the community workers.
2. From account kept by community worker.

Indian socialist and Director of the Joint Council for the Welfare of Immigrants agreed to speak, along with Jack Moss. Two active trades unionists at Fords — one Pakistani, the other Tamil, — agreed to interpret. A short leaflet, advertising the meeting, was distributed in the streets outside the factory in the week beforehand. On the day of the meeting, people stood in the streets to direct workers to the hall.

The meeting took place on August 31, 1975. Twelve workers came along — only two or three were familiar from the previous visits — and no women attended. After one-and-a-half hours of speeches, the eldest Malayalee stood up and spoke briefly. What was anticipated was a statement of support in principle for the union, but reservations about actually joining. What he in fact said, was: *"Please no more speeches, just give us the forms and we'll sign up and be on our way"*.

All those present joined the union and with the aid of interpreters the district organizer was able to calculate the rate to which they were entitled as against the rate they were paid.

Leaflets, Visits, Pickets: September 1975

After the meeting, further leaflets were distributed, and a number of home visits arranged, from which another five members were recruited to the union. The aim was to recruit between 40 and 50 members which was seen as the breaking point for organization within factory, before going outside the factory gates.

By mid-September, however, management had learned of the campaign, but they did not appear to know how many workers had joined the union, or the strength of the opposition they faced. The union had the advantage, and it was decided to leaflet the factory itself.

Three pickets were arranged on different evenings between 5.00 and 5.30 when workers left the factory. There were usually between 10 and 15 people, including representatives from the West Ham Trades Council and the furniture union. Leaflets — the union's recruiting literature and the Asian language leaflets — were distributed at

the gate. On one evening, management directed workers out through a back entrance stating that the main gate had jammed. But the workers were increasingly defiant. Whereas before, many had been reluctant to accept a leaflet now, most took one and some stopped to talk.

Tactically the most important demonstration took place a fortnight later, early on a Wednesday morning in late September. There were the two FTAT organizers, a few community workers and several dockers from the Transport and General Workers' Union gathered round the gate with leaflets, posters and the West Ham Trades Council banner. The district organizer had rung the police concerning the picket, who had informed the management. They had drawn up all their lorries, two of them with alsatians in the cabs, along the road on the near-side pavement opposite the gates.

David Goodman, Mr Day, the manager, and five other staff came out to guide the workers in. They tried to prevent the leaflets being handed out, and when Day grabbed one of the union posters, tempers flared and there was a scuffle. Workers watched from the windows, shouting support. Management attempted to take photos of those on the picket. They then called the police. Statements were taken. The pickets withdrew, having made an effective propaganda assault on the firm.

Following the demonstration, Jack Moss wrote to the management informing them of FTAT's membership in the factory and requesting a meeting to discuss rates of pay. He received no reply.

Second Workers' Meeting: October 1975

Everyone's confidence, both workers and organizers, was at a high point in late September. A van owned by one of the community workers was parked round the corner from the factory on a number of evenings. It carried union placards and posters in Urdu, Malayalam and Tamil. No one joined the union there, but workers frequently stopped to talk. There was support for a second meeting. Leaflets were printed advertising a meeting for

October 9 in another hall near the factory.

About 15 workers attended. As well as Jack Moss, the community social worker for Croydon Community Relations Council was invited. He was himself South Indian and had been involved in a recognition dispute at a Croydon firm called Stewart Plastics. Most of the workers at that factory were Malayalee and Tamil, and workers of Spiralyx knew about the strike. He put forward the arguments about trade unions and collective power, and the need for organization within the factory.

There was an attempt to regularize the collection of union subscriptions. This was largely to the exclusion of any discussion on how organization in the factory might be effectively extended. In the end, by a somewhat haphazard process, a worker was selected as "steward" largely on the basis of his ability to speak English. A few more workers joined the union.

Sackings

A week later the steward was visited to make arrangements for handing out membership cards and collecting union dues in the future. He seemed resigned and fatalistic and mentioned that, *before* the meeting on October 9, several workers had been sacked which, in his view, had something to do with union activity. He could identify only one name from the list of members.

In view of the fears workers had expressed in earlier conversation, the sackings were a major test of the union's ability to offer real protection. Those involved in the local campaign were concerned that nothing had been mentioned at the October meeting, and were anxious about the fragility of their contact with the workers that this seemed to demonstrate.

The union organizer was contacted, but needed further details. A week's investigation resulted in the following information.

1. Pakistani worker: union member. After an absence from work, he was dismissed. He had been employed at the firm for 13 weeks and was therefore not protected by legislation. He had moved to



EUROPEAN ELECTION

HOW IT LOOKS FOR LABOUR P6

RHODESIA:

Cledwyn has a go P16

TURN TO PAGE 6

GENERAL ELECTION 1979

PICKING THE DATE



DO WE REALLY NEED NUCLEAR POWER? P5

KME P13
FORD P16

BED FIRM'S WAGES 'NIGHTMARE'



● Outside the bed factory where a report claims workers have been in fear of management reprisals if they complain. Picture Jack Kilby.

SHOCKING conditions and wages in a London furniture factory are described today in a damning report that has been kept under wraps for two years.

The report claims that the factory's workers—80 per cent of them Asian—have been getting wages below the legal minimum and that they faced the threat of being sacked if they joined a union.

The report—funded by the Home Office—names the firm as Spiralynx (1933) Ltd, which is in the heart of London's Jackmans.

The report has remained unpublished since it was completed 18 months ago—just as the Grunwick dispute was hitting the headlines.

Only on Wednesday did the Oxford University research team that sponsored the investigation clear the way for publication.

Labour Weekly exclusive by CHRIS McLAUGHLIN

leave the factory's reception area: "We don't need to pay union rates."

Later there were scuffles as Mr Day attempted to snatch Jack Kilby's camera lens. Mr Day threatened to smash the camera if the photographer returned.

Mr Day said Spiralynx had never sacked anybody for trying to join a union. He demanded to know what we were doing inquiring into "a nice firm like us".

He accused those behind the report, by Canning Town Community Development Project, of being "nothing but Communists".

A woman who left the factory, said she had worked there for eight years but would not discuss conditions because "the governor's watching".

Why has the report only just been released?
John O'Malley, who as director of the community devel-

Shock report accuses factory

opment project headed the investigation team, said: "Some of the pressure is off—Grunwick is not so much in the news now. I was told on Wednesday that there is now no obstacle to publication."

The delay means that when the report is made fully public, much of the information, such as relative wages scales, will be out of date.

I handed a list of questions based on the report to Mr Day.

I included Labour Weekly's telephone number and the time of our final deadline. As we went to press there had been no response.

One question concerned allegations in the report that the firm used a unionised intermediary to market its goods to

public bodies which, if they had been aware that the company were paying below official wages council rates, would not have conducted business.

The report states that a Mitcham firm owned by Goodcham carries on its letterhead "contractors to HM Government".

At Oxford University the Social Evaluation Unit does not accept that it fought shy of publication because of

"As far as we were concerned, the report needed amendments and has not been in a finished state," said George Smith, CDP coordinator.

The Furniture Timber and Allied Trades Union, which was initially to have published

- Birmingham, where he had found another job.
2. Pakistani worker: union member. He walked out after an argument with the foreman over the fact that he was being shifted constantly from one job to another.
 3. Sikh worker: not a union member. Rumoured to have been sacked for trade union activity. Could not be contacted; he found another job shortly afterwards.

It seemed nothing could be done. There was insufficient information nor was the organization strong enough to take action. The steward was not particularly successful in identifying sacked workers and it is not certain that these were the only cases.

Evaluation: November 1975

The inability to respond effectively to the sackings undermined morale and slowed down the campaign. Discussion with militant Asian workers' organizations in the area came to nothing.

It was not until the summer of the following year, that joint political action, in the face of resurgent racist attacks, brought a potential alliance between black workers and the local labour movement. As it was, the campaign on Spiralynx lapsed. There seemed little point in another meeting without a clear initiative from the workers or the prospect of further advances.

Labour Weekly: Dec. 1 1978.

In January, 1976, it was decided to visit union members again to find out what was happening, and what they thought should be done next. Four union members had left the firm and got jobs elsewhere. Most workers had got a rise in wages, which they compared favourably with other firms in the locality. It was felt it was not time for further action. One member said he thought that the management had received information about the second meeting and was not prepared to attend another.

There were mistakes made in the campaign and lessons to be learned, which are reviewed in the next chapter. But one clear lesson is that the organization of factories like Spiralynx require dogged persistence, returning

to them again and again. There is no place for short term adventures, because the defeats matter. On the other hand, the gains from previous struggles can be built on.

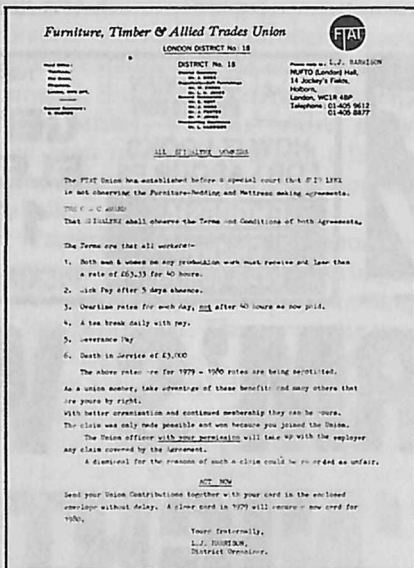
As all who were involved understood, in the long run everything depended upon the workers' own organization.

Postscript

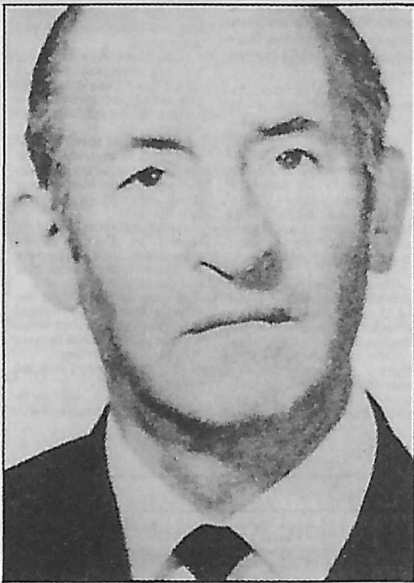
The account was completed (apart from minor reasons to update for publication) in November 1976. But events since then have not stood still. The Press have continued to give good coverage and several recent articles are reproduced on the following pages.

On December 1, 1978 *Labour Weekly* reported on a visit by a journalist and photographer to the factory. Management have remained reticent as ever about enquiries concerning the terms and conditions within the company. The general manager, Mr Day, refused to answer questions. After banning them from the factory, he attempted to snatch the camera lens and threatened to smash the camera if the photographer returned.

In February 1979, the London weekly magazine, *Time Out*, carried an account of a machine operator's attempts to recruit fellow workers to the union. "Shortly after the union arrived (just before a lunch break), the factory's main gates were closed and locked from the inside. *Spiralynx* managing director, David Goodman, then ushered workers out through a small side door, watching as some accepted union leaflets. It was after this visit that Ian Meider decided to join FTAT and encourage others to do the same. A few days later, following quizzing by works manager, Stanley Day, he was taken off his machine, given a broom and told he would be sweeping up in future. Last Wednesday, he was just crossing the road from factory when 'somebody grabbed me from behind and another bloke smacked me in the stomach. I went down. One of them said "Leave the union or else," and they walked off.' The following morning he was sacked for being late!" (full article on page 25.) The union failed to get interim relief at a Tribunal, and Ian



Above: The union recruiting leaflet. Below: Jack Moss, union district secretary who has ensured a continuing union presence at *Spiralynx*.



Meider left before the full hearing.

A colleague of Ian Meider's, Patrick Donohoe, was also dismissed at around the same time. He complained to a Tribunal that he had been dismissed for union activities. The Tribunal were not wholly convinced by his evidence, but nor were they by the company's:

"On the other hand, Mr Day tells us that he was not aware of any overture being made with regard to recognition of the union concerned. That is patently untrue and we accept without question Mr Moss's evidence that he has written some 500 letters and has

had replies to only five. There have also been meetings proposed or even held with regard to union recognition. The evidence of Mr Cowan (assistant works manager) seems tainted by the fact that he appeared not only nervous but rather frightened of the consequences of saying anything that might contradict any of Mr Day's evidence. We make these general observations because it makes our task that much more difficult when we find the evidence put before us to be unsatisfactory, whichever way we decide the case."

They concluded that Patrick Donohoe had not been dismissed, but had walked out after an argument with Mr Day. But that . . .

*"had we found that there was a dismissal here, we would have found that it was for trade union activities. We cannot, of course shut our eyes to the fact that there is a history of enmity between the company and the trade union concerned and that there is an atmosphere inimical to trade unions which has emerged from the evidence. We do not think we can say any more but to suggest that if the company and the union concerned were to cool matters and stand three paces back, as it were, there may be some progress made towards union recognition. We would point out that, it may well be to the respondents' advantage at the end of the day if they were to recognise a union."*³

In October, the union established before Central Arbitration Committee (CAC) that the company was failing to observe the Furniture, Bedding and Mattress-making agreements. The *FTAT Record*, December 1979, (on page 16) carried the Schedule 11 award in full. The CAC upheld the union's claim on wage rates, overtime rates, overtime hours, holiday pay, sick pay, severance pay, training and day release for learners. The problem remains, though, that the award can only be enforced through each individual worker's contract before the County Court. The union continues to recruit outside the factory ■

3. Industrial Tribunal: 8526/79/C.

NEWS

Union Bashing In Canning Town

When machine operator Ian Meider attempted to unionise fellow workers at an East London bedding factory, he was in for a shock. As he was leaving work one night he was set upon by two men who told him: 'Leave the union alone or else.' The following day he was sacked.

Meider's case is just one indication of conditions at the Canning Town furniture factory, Spiralyx Ltd. A lengthy investigation by the now-disbanded Canning Town Community Development Project describes 'intimidation and bullying' as regular events over a period of years. While there is no evidence whatsoever that the company are responsible for this or the attack on Meider, among its allegations are pay well below Fair Wages Agreement levels, health and safety hazards, and a virtual ban on normal trade union activities.

Roughly 150 people are employed by Spiralyx, which makes bedding and furniture. An attempt two weeks ago by officials of the Furniture, Timber and Allied Trades Union (FTAT) to make a recruiting visit met with a typically heavy response.

Soon after they arrived (just before a lunch break), the factory's main gates were closed and locked from the inside. Spiralyx managing director David Goodman then ushered workers out through a small side door, watching as some accepted union leaflets.

It was after this visit that Ian Meider decided to join FTAT and encourage others to do the same. A few days later, following quizzing by works manager Stanley Day, he was taken off his machine, given a broom and told he would be sweeping up in future. Last Wednesday, he was just crossing the road from the factory gates when 'somebody grabbed me from behind and another bloke smacked me in the stomach. I went down. One of them said "Leave the union alone or else," and then they walked off.' The following morning he was sacked for being late.

FTAT's district organiser Jack Moss has now made an emergency application for an industrial tribunal to order Meider's immediate reinstatement. Meanwhile, the Community Develop-



The Spiralyx factory—'intimidation and bullying'

ment Project has produced a report detailing the firm's Dickensian employment record.

The report's author, Peter Morris, describes one case of three unemployed Pakistani women on supplementary benefit who turned down offers of work at Spiralyx because of the firm's reputation. As a result, their benefit was withdrawn because they had refused a 'reasonable offer of employment'.

But an appeal to a Supplementary Benefits Tribunal was upheld and the benefit restored. 'The Tribunal decided that it was quite reasonable to refuse to work for Spiralyx,' says Morris, now a member of the Trade Union Research Unit at Ruskin College, Oxford.

Conditions at the Canning Town works are vividly described in extracts from a confidential report prepared for the local authority, the London Borough of Newham, three years ago. The company had approached the Council's careers office for help in recruiting young workers. 'I was shocked and disgusted by the conditions in this factory,' wrote a Council official. 'I was not allowed to speak to the workers. It seems trade union membership is not allowed by the management.'

The council report goes on to describe cutting machines without guards, grease on the floor, and 'general filth'. Workers at the factory complain of pay rates £20 a week below union scale, no sick pay, and a management 'so mean they don't even supply toilet paper in the lavatories'.

There has been some union success in persuading Spiralyx customers to

withdraw their trade because the company pays less than the Fair Wage Agreement levels. Local authorities and similar bodies are not supposed to place orders with such firms. The Greater London Council for instance, has blacklisted Spiralyx after FTAT representations. 'We withdrew from them because they were not paying enough,' said a spokesman. 'We told Spiralyx we would reconsider if they put things right. That is still the position.'

However little the firm's workers are paid, Spiralyx itself is clearly a profitable business. Companies House records show that in 1977, the latest year for which figures are available, pre-tax profits amounted to £153,065. The four directors shared a total of £44,208, plus perks, with the highest paid of the four receiving £16,000—an increase of over 14% on 1976.

The company's attitude to union approaches and adverse publicity seems simply to hope that such attentions will evaporate if ignored. Both Stanley Day and David Goodman have declined to comment on allegations made by the union and the CDP team. Day says there is a 'conspiracy' against Spiralyx, and that criticisms of it are the result of union pressure on the Government. (Tony Hetherington)

Considerable publicity was given to the conditions in the factory. (This page and next)

Time Out, Jan 26 1979

EXPRESS

EXPOSED...

Firm slammed over 'threats' to workers

A REPORT due out shortly from a Government-backed enquiry team describes "intimidation and bullying" by management at a Canning Town factory.

It claims that workers have been sacked because they joined a union.

The document is the result of a lengthy investigation by members of the Canning Town Community Development Project.

It is to be published next month by Oxford University Press. The report describes:

- Pay well below Fair Wages Agreements;
- Health and safety hazards;
- A ban on trade union activities.

The firm involved is Spiralynx (1933) Limited, of Russell Road, Canning Town.

Exclusive report by Tony Hetherington

The company manufactures bedding and furniture.

Mr Jack Moss, District Organiser of the Furniture, Timber and Allied Trades Union, has files listing complaints from Spiralynx workers.

"There have been many cases where wages and holiday pay has not been paid," he alleged.

Spiralynx bosses will not discuss wages, but a recent vacancy at the firm offered £52 per week for a paint sprayer.

Union organiser Jack Moss compares this with the £63.33 recently negotiated between the union and bedding manufacturers nationally. "I have written to Spiralynx in the past offering to negotiate with them," he said. "But the company has not replied."

Government records show that in 1977, the latest year for which figures are available, Spiralynx made pre-tax profits of over £150,000.

Because of the number of immigrants employed by Spiralynx the firm is well known to Newham Community Relations Council organiser Eddie Warner.

Mr Warner said that the Commission for Racial Equality is considering an investigation into conditions at the Canning Town factory.

Company director Stanley Day refused to comment on the investigation. He said: "The unions are getting the Government to put pressure on us."



'They won't supply toilet rolls'

BOSSSES at Spiralynx locked their gates on Tuesday in a bid to prevent workers from receiving union recruiting leaflets.

Five minutes before the lunch break the main gates in Russell Road were closed and secured from the inside.

Company Director, Mr David Goodman, ushered employees out through a side door watching as some took union pamphlets. Other workers left by a rear exit in nearby Butchers Road.

One Spiralynx employee told officials of

the Furniture, Timber and Allied Trades Union that he earned £41 per week — more than £20 below the nationally agreed basic wage.

"I wish you could see the conditions we work in. There is no hot water in the wash room and they

won't even supply toilet paper," he said.

Spiralynx boss David Goodman refused to comment on details of workers pay, but challenged claims that his firm are "anti-union".

"We are anti nothing," he said.



● Company director, David Goodman.



● Company secretary, Reginald Francis.

6

REVIEW OF ORGANISING STRATEGIES

Legal Remedies

WITHOUT social sanctions against management, the law is of limited value to workers. Protective legislation enacted under the 1974 Labour Government – now being seriously undermined – considerably extended workers rights. But there has always been a sector of the labour market that has operated largely outside the framework of the law. As Professor Kahn-Freund noted:¹

“The most elementary knowledge of the history of labour relations in this country and abroad yields the insight that, standing by itself, the law is not very effective in . . . (regulating the command power of management) . . . where labour is weak – and its strength or weakness depends largely on factors outside the control of the law – Acts of Parliament, however well-intentioned and well-designed, can do something, but cannot do much to modify the power relation between labour and management. The law has important functions in labour relations, but they are secondary if compared with the impact of the labour market (supply and demand) and, which is relevant here, with the spontaneous creation of a social power on the worker’s side to balance that of management. Even the most efficient inspectors can do but little if the workers dare not complain to them about

infringements of the legislation they are seeking to enforce. The Truck Acts and other Protective Legislation began to be effectively enforced when membership in trade unions gave the workers the strength to insist on the maintenance of the legal standards. The law can provide its own sanctions, administrative, penal and civil, and their impact should not be underestimated, but in labour relations legal norms cannot often be effective unless they are backed by social sanctions as well, that is by the countervailing power of trade unions and of the organized worker to withhold their labour. The law seeks to restrain the command power of management. How far it succeeds in doing so depends on the extent to which the workers are organized.”

Hard-won rights, giving legislative protection to workers – against unfair dismissal and granting positive rights e.g. to return to work after maternity – are now in the process of being undermined by proposed amendments to the law. The Conservative’s Employment Bill proposes exempting small companies from these responsibilities, in the case of unfair dismissal, for the first two years of trading. Already, the lengthening of the qualifying period for unfair dismissal from six months to a year has considerably diminished the protection for workers in trades with a high labour turnover. But even before these

changes, the law rarely guaranteed security of employment. Tribunal powers of reinstatement were infrequently used. As the Furniture union found with Spiralyx, the best the law can provide is retrospective compensation for the loss of the job.

The management of Spiralyx have demonstrated that they are prepared to go to any Tribunal in the land rather than allow the union a foothold in the factory. Moreover, they have made extensive use of Employer’s Protection Insurance Ltd (see panel), a high-powered consultancy team, advising on loopholes in the legislation and providing representation before Tribunals.

The new Employment Bill also proposes to do away with the legal right of a union to recognition where it has the support of a majority of the workers (as enacted in sections 11-16 of the Employment Protection Act 1975). The dispute, however, at Grunwicks showed how limited were the powers of the Arbitration, Conciliation and Advisory Service (ACAS), in the face of determined opposition from management. What was required, in the light of the House of Lords decision on the case, were stronger sanctions for ACAS. Now, Conservative employment legislation creates the possibility of new civil liabilities for bringing pressure on recalcitrant employers to recognize the union.

1. O. Kahn-Freund, *Labour and The Law*, (Hamlyn Lectures), Stevens and Sons, 1972, p.9.

The Health and Safety at Work Act (1974) has brought about important changes in controls over safety at the workplace. But these depend crucially upon the activity of union-appointed safety representatives — 'the workers' inspectorate'. Without adequate surveillance by workers themselves, there are serious problems of enforcement. There are far too few factory inspectors. Many small companies are hardly ever visited.

"In the face of an increasing workload we must of necessity set clear priorities if what we do undertake is not to appear to be chosen arbitrarily and if we are not to dissipate our efforts on desirable but

nevertheless relatively unimportant tasks. Setting priorities means saying 'no' to some work . . . It does not mean inspecting every factory however small or removed every four, five or six years irrespective of hazard." Annual Report of the Factory Inspectorate 1974.

Following the latest rounds of public expenditure cuts, factory inspectors have been told to adopt a less stringent attitude to their work. According to Press reports, *"they are increasingly concerned about the ability of companies to avoid statutory obligations, including the reporting of accidents at work, and their difficulty in establishing proof"*²

The inspectorate are widely acknowledged to be badly overworked. But the problem is not only one of shortage of staff. The law and the procedures to back it up assume the goodwill of the employer. Access to premises, ease of working both depend on this goodwill, yet often it does not exist. Despite much excellent work, there is normally an implicit recognition that nothing serious must be done to challenge the viability of a business concern.

The conclusion is not that protective and industrial and welfare legislation are unimportant. It is that, taken

2. The Guardian, December 12, 1979.

THE EMPLOYERS PROTECTION RACKET

At the cost of a modest tax-allowable premium, Employers Protection Insurance Ltd, a firm based in Sutton, Surrey, will insure against compensation and legal costs of up to £15,000 incurred in industrial tribunal cases. There's nothing illegal about this, just as it's perfectly legal to insure yourself against losing your licence if you drink and drive but the scheme's an open encouragement to employers to avoid complying with the legislation.

It works like this: EPI, which is underwritten by Lloyds and a consortium of three other companies, offers protection for a premium based on a percentage of the wages bill. Under the Lloyds policy, employers pay £12 per head for under 10 employees, 0.32% in the pound for up to 60 employees, with the rate declining to about £5 per head for 2,000 employees. In return EPI gives them a consultancy service on all aspects of employment law, provides lawyers and personnel managers to fight cases at tribunals and compensation of 90% of any costs incurred. Fines and legal costs awarded against employers in the courts are exempted because it's illegal to insure against them.

Brian Raincock, founder and managing director of EPI, is flushed with the firm's success. In two years it's grown to over 5,000 clients — ranging from firms employing 2,000 workers to an Army unit which hires a part-time barman.

EPI had handled about 500 tribunal cases since 1977, and Raincock claims a success rate slightly higher than the national average. Since the employer wins in about 70% of tribunal cases anyway, that's a pretty good record. So far EPI have coughed up about £100,000 purely for compensation awards, and he wouldn't give details of the costs involved, but with a turnover of £1 million last year and a planned expansion from four branches to seven in 1979, it's making a healthy living off the employment protection legislation.

The odd thing about the scheme is that the financial risk to employers from the legislation is actually not very great. The highest compensation award against an EPI client is just over £5,000, but on average awards for unfair dismissal, which comprise about 80% of all cases at industrial tribunals, range between £350 and £600, while costs of specialist and legal advice are estimated by the CBI at about £400 to £600. Yet an employer of 2,000 workers is paying a £10,000 annual premium to EPI. What he's really gaining is a unique — and completely legal — union-bashing facility.

The new legislation may not give much redress to the individual worker, but it does encourage awareness of employment rights and strengthens union bargaining power over employment contracts, dismissal procedures and so on. Raincock stressed to *Time Out* that he's not anti-union and is into 'good personnel relations', but he's probably forgotten that he told the *Daily Telegraph* his firm would give employers confidence to manage more firmly with less timidity in the face of the various threats the new laws present. Asked whether he didn't think the premium money would be better spent improving workers' wages and conditions, he exploded 'You might as well ask why workers pay 35p a week to the trade unions which don't do anything for them.' As even the Engineering Employer's Federation pointed out, if firms are complying with the law, why should they need insurance against breaking it?

The key to EPI's operation is the consultancy service, which appears to help employers locate the many loopholes in the legislation — where the real financial savings are to be made. Take employment contracts: if workers can be persuaded to sign perfectly legal contracts which nevertheless restrict their rights, the cost of unfair dismissals might be avoided altogether. EPI drew up

one such contract for a small British subsidiary of a US organisation. It includes clauses signing away guaranteed pay after industrial action and the undermining of the right of women to return to exactly the same job after maternity leave — legal but scarcely in the spirit of the law. A newly-formed union fighting for recognition in a small workplace is hardly a match for a high-powered consultancy team which analyses every tribunal ruling for new ways to tie the workers in legal knots.

Beneath the plausible sentiments about good work relations a few choice phrases reveal why Raincock's enterprise is so popular with his mates at the CBI. There's 'the problem of handling the pregnant women' and the 'strange fact (no disrespect to your sex) that women seem determined to pursue sex discrimination cases just for the principle involved, even when they won't gain financially'. And another trap for the unwary employer: the Health and Safety Inspectors ('they're even recruiting graduates now') who descend to demand safeguards for the workers. Pity the poor employer wound up in red tape and forced to provide decent working conditions.

Raincock is the type of enterprising businessman the Tories admire, but ironically he's anxious that they shouldn't tinker too soon with the laws (maybe because he's making so much out of the status quo). And trade unionists under the Tory government have no hope of legal reform to increase compensation awards or to prevent firms like EPI undermining employment protection rights. Raincock says smugly that his clients can sleep well at night, and 'get on with making money, leaving the hassle to us'. Will the unions' reaction to the Tory victory disturb their sleep?

Karen Margolis
from *Time Out*

Probe team back 'bully firm' staff



● Mr David Goodman.

A CANNING Town firm accused in a Government-backed report of "intimidation and bullying" its workforce has again been slammed in a finding by the Central Arbitration Committee (CAC).

Workers at the Spiralyx bedding firm, in Russell Road, Canning Town, will now earn at least the industry's minimum pay rates.

For some Spiralyx workers this could mean a pay increase of between £10 and £20 a week. The Furniture, Timber and Allied Trades Union. The union took the firm to arbitration following

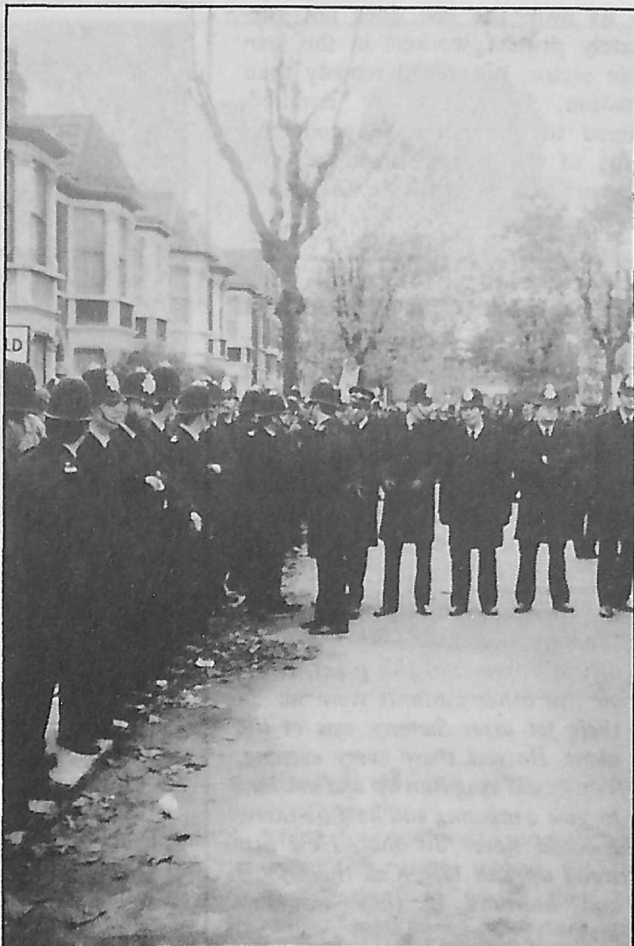
By SHYAMA PERERA

by the Canning Town Community Development Project. The findings of the CAC appear to back the criticism and its award, making the company observe the terms in two specific National Labour Agreements covering the bedding and furniture trade, is most unusual.

Correspondence

Mr Jack Moss, local organiser of the union has spent many months compiling a list of complaints from Spiralyx workers.

The evidence of sending a barrage of



Despite all the publicity, without strong trades union organisation the company can flout all the recommendations at official reports. Stratford Express 3.11.79.

Current anti-union legislation may make this a familiar scene outside dozens of small firms — Grunwick 1978.



Civil Service Department
Civil Service Commission
Alençon Link
Basingstoke Hants RG21 1JB
Telephone 0256 (Basingstoke) 29222 ext

Your reference

Our reference

0728/780

Date

23 JAN 1980

Dear Sir/Madam

HM INSPECTOR OF FACTORIES, CLASS II

Thank you for your enquiry about this scheme of recruitment. I am very sorry to have to say, however, that we are not able to proceed with it. You will no doubt be aware that the Government has decided to reduce the size of the Civil Service; and I am afraid that it now appears that the cuts will have to affect the Factory Inspectorate. Unfortunately, of course, it takes some time to work out what a cut will mean in detail; and it did not become apparent that recruitment to the Factory Inspectorate would have to be suspended until the recent advertisements had already appeared.

I am afraid that we can only apologise for the cancellation of this scheme of recruitment. When there are vacancies to be filled again they will, of course, be advertised in the national press in the usual way.

Yours faithfully

B. Lewis

B Lewis

249024/4/AT

Factory inspectors told to take it easy

By Richard Norton-Taylor

Factory inspectors, who are acknowledged to be badly overworked have been told to adopt a less stringent attitude to their work. The advice came from Mr James Hammer, the Chief Inspector of Factories, at

They say that the inspectorate tends to concentrate, as much as it can, on machinery at the expense of health hazard, partly because the effect of the latter often comes to light only in the long term. More and more time is spent on administration. The plan to disperse the Health and Safety Executive, including the Factory Inspectorate, from London to Merseyside will compound the problem, they say. One senior inspector has calculated that on average most officials spend only one and a half days a week in the field.

Inspectors are concerned that the latest directive from headquarters will encourage company managements to adopt an attitude towards health and safety that in many cases is complacent.

In a letter written last July to Mr James Prior, the Employment Secretary, the acting chairman of the Health Commission Mr

Cuts in staffing and instructions to ease off will make the Factory Inspectorate virtually ineffective. Guardian 17.12.79.

on its own, the law does not adequately protect workers in the low-wage sector; nor can it remedy their situation. New laws are required, framed to strengthen the collective rights of the poorly organized. But they are not a substitute for collective organization.

Factory-based organization

Organizing a new factory, particularly where there is resistance from the employer, can be a formidable task. Even in traditionally well-unionised sectors, it requires ingenuity and imagination. In his classic account, *Working for Ford*, Huw Beynon records workers' comments on the organization of the Ford Halewood plant in 1962:

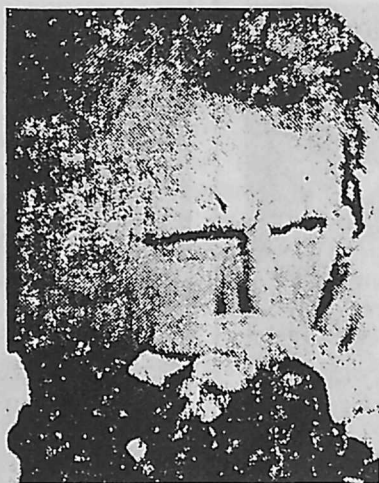
"Sammy Glasstone (the T & GWU official) organized this plant. While all the other bastards were sat on their fat asses Sammy was at the plant. He was there every evening. You could ring him up and ask him to give a meeting and he'd be there. I could never do that. He'd just stand up and talk. Call them fools and bastards if they wouldn't join.

"Sammy didn't have a car. He would catch a bus from outside the Garston office to the Speke roundabout and walk from there to the plant. In the winter he often got drenched.

"He'd arrive with water oozing out of him, dripping off the end of his nose and everything. He'd go squelching into meetings laying down the law: 'We're not having this, you're not fucking us about. We're the biggest union in the country; we'll stop the docks!'

"Sammy's early activities on the site included walking around the partially completed factory with a ruler in his hand, posing as a building contractor. He would spend his days tapping the ruler into his palm and muttering to very new Ford employee that he met sweeping up, 'Are you in the union yet?. There's only one union worth bothering with, mind - the T & G.'"³

The problems of organizing small workforces in fragmented units are



● Mr Goodman

'Fear' of pay claim staff

A UNION has claimed that workers were frightened away from a meeting by a "mystery man".

Mr Jack Moss, District Secretary of the Furniture, Timber and Allied Trades Union, said this week that workers from Spiralynk in Custom House, failed to turn up at the meeting through fear.

**Reluctant
The meeting was to**

Another attempt to organise meets with company harassment.

ten times greater. The economies of whole families are often precariously sustained on poverty wages. But, as in the case of Spiralynk, other factors such as recent immigration, uncertainty over political or civil rights, or problems in finding housing, make retaining a job the first priority. Many of the workers in this sector, coming from peasant economies in Third World or Southern Europe, or backgrounds of casual or seasonal work, could also be expected to be hostile to union organization, although this has rarely proved to be the case.

Problems can be particularly acute where the organizer speaks a different language from the workers. Some unions now publish papers in the languages of the major immigrant groups. But there are few union organizers who speak the languages. Contact has to be made through an interpreter, or more often, through halting, half-understood English, in which it is difficult to convey the complexities of the situation.

Trade union attitudes to immigrant workers have changed significantly since the early 1970s. One of the spurs to action was undoubtedly the Asian workers' strikes in the textile industry against discriminatory pay rates, work practices and promotion structures, strikes which tended to rely more on their own communities and organizations than the unions. But even where union commitment to the organization of all workers, regardless of race, sex or religion is unequivocal, there are formidable problems.

The organization of low-paid workers can never be self-financing. Many of the unions in this sector have limited resources.

They face resistance from employers over recognition, facilities for recruitment or even (as the Department of Employment have consistently found in their surveys) over the most elementary information. In trades like garment working or furniture, union membership is often scattered across dozens of small workplaces. Workplace organization is usually fragile and its defence is the union's first priority. Organizing new factories

3. Huw Beynon, *Working for Ford*, EP Publishing Ltd, 1975, p.80.



Union officials leafletting workers.

almost inevitably comes low down on the list.

The money raised through union dues from low-paid workers cannot adequately finance new expansion. The old industrial sectors, where union organization has traditionally been strongest, are in serious decline. But there has been an expansion, particularly in the older urban areas, of small businesses, and a rapid increase throughout the economy in part-time working. Both areas are largely un-unionized and, moreover, difficult to organize. A transfer of resources within the trade union movement is required, which provides much greater support for organizing activity within this new sector. Co-ordinated action may threaten individual unions' autonomy.

But without radical changes, hard-won union rights against low wages, insecurity of employment and poor working conditions, will be undermined for an increasing number of workers. More resources are needed; but also new forms of organization.

Other Traditions of Organising

The expansion of the small firms sector, and the recruiting of the labour market that this implies (i.e.

within sectors of the economy where labour organization is weak and undeveloped) calls for new forms of collective organization. There is no predetermined form, but the history of earlier struggles (and more recent experience) indicate the importance of the links between workplace and community-based organization.

Part-time working draws in many women who are forced into accepting poor wages and conditions in return for flexible hours, which allow them to combine a paid job with family commitments. In any campaign to organize such workers, the demand for child care is fundamental. Similarly, immigrant workers are often not in a position to take action over conditions at work without also taking steps to secure themselves and their families against racist attacks, uncertainty over immigration status and discrimination in the community.

The local campaign over Spiralynx did not succeed in establishing a base for the union. There are just over 40 union members at present. Indeed, without the dogged persistence of the district secretary, Jack Moss, (extending now over 16 years) it is very unlikely that the union's presence within the factory could have been

sustained at all. But gains were undoubtedly made:

1. Going door-to-door to workers, and taking up issues raised by the organizations to which they belonged, marked an important step forward in the continuing campaign to gain better conditions and the basis for self-organisation in the factory.
2. The involvement of other trade unionists (particularly from the Royal Docks and through the Trades Council) on pickets outside Spiralynx ensured that the issues were widely discussed within the local labour movement. The campaign provided a focus for discussion of a range of alternative strategies, both contributing to and deriving from, action that linked tenants and trade unionists over housing, and new forms of anti-racist organization.
3. The campaign began because those involved believed elementary justice required that they should give what support they could to workers, who, as virtual strangers in this country, had few defences.

As it developed, more complex questions were raised. The workers' own priorities were not necessarily those of the union. Nor could the community organizers remain unin-

volved in the political implications of the work they were undertaking. What began as assistance in a low wages campaign, came also to involve commitment to Asian workers' self-defence organizations.

A coherent response to the emergence of a new low-wage sector in the area, also involved an attempt to understand the relationship with the decline in traditional manufacturing industry. The questions raised through the Spiralyx campaign, and others throughout the country, seem at least to have contributed to a clearer formulation of the kind of strategies required. The new forms of labour organization that develop must be able to encompass the apparently 'non-work' issues, which themselves underlie the weakness of many workers in their work situation.

It is worth recalling the success of similar approaches in the past. In an essay, *Homage to Tom Maguire*,⁴ E.P. Thompson describes the organization of low-paid workers in Yorkshire at the turn of the century. The bulk of the labour force endured stationary or declining standards of living. The high proportion of women and juvenile workers, and sectional rivalries between mill and mill, placed almost insuperable difficulties in the way of trade union organization. Yet, against the background of enormous publicity provided by the 'Yorkshire Factory Times', and the indefatigable activity of socialists, (despite internal fractions) and new union propagandists, there was a spectacular extension of union organization during the years 1890-3.

"It is a comment upon the divorce between the skilled unionists and the unskilled that the labourers turned to the socialists rather than to the Leeds Trades Council, on which the skilled building unions had long been represented. From the outset the skilled unionists in Leeds regarded the socialist intervention with undisguised hostility . . . The socialists for their part were elated . . ."

But no-one anticipated the nearly incredible surge of unskilled agitation which engulfed the West Riding in the next 12 months . . . Defeat scarcely checked the advancing wave of unionism. In late

October 1889 the Leeds Tailor's Union (catering at first chiefly for Jewish workers) was formed . . . When 3000 tailoring workers went on strike, Maguire was adviser, organizer and poet, writing for them the 'song of Sweater's Victim', the singing of which by several hundred Jews in their broken English may be better imagined than described.

. . . every worker in every Trade, In Britain and everywhere, Wherever he labour by needle or spade Shall gather in his rightful share."

Parallel development occurred in the early years of the century in East London among Jewish garment and bakery workers, where the Jewish anarchist workers' organizations, subsidized and supported by the community, fought for the right to organize and for a decent wage.⁵

In America, during the same period, the 'Wobblies' (Industrial Workers of the World) brought to the organization of migrant workers not only a syndicalist philosophy, but a rich amalgam of cultural traditions (expressed in songs, adaptations of hymns, cartoons) and novel methods of organizing.

Contemporary struggles — Asian workers' strikes at Courtaulds and Woolfs, Mansfield Hosiery and Imperial Typewriters, at Grunwick and among migrant catering workers in the TGWU International Workers' Branch — demonstrate the same readiness to innovate, to unite across divisions of labour, the same obstinacy in the face of all sorts of odds.

Conclusion

The account of Spiralyx has focussed on the activity of the organizers. The workers for the most part remain shadowy figures. It was well understood, though, by those involved in the campaign that changes, not just in Spiralyx, but across the new sweatshop sector in East London, depend on the self-activity of workers in the factories and in their communities. For reasons outlined in the report many will continue to tolerate deplorable conditions. But times are changing. Asian families in Newham are increasingly not prepared to put up

with second-class status in citizenship.

The organization of factories like Spiralyx is not the responsibility of the workers alone. Low pay and poor conditions are not legacies of a primitive and less enlightened era. As argued elsewhere,⁶ they are an integral feature of contemporary capitalist development. But support must mean more than resolutions at union conferences.

A redistribution of resources is required within the union movement giving priority to those organizing the new non-unionised sectors within the economy, and a readiness to provide effective support to workers taking action (such support as for example was not forthcoming from the TUC over Grunwick). Important initiatives are being taken at the local level, alliances between unions, trades councils and immigrant workers' organizations⁷ — but they need to be matched by strategic action on low pay by the TUC.

Finally, low-paid workers' struggles, raise questions about long accepted priorities within the labour movement. Wider issues of the kind of care we want for our children, the way we treat strangers within our society, the guarantees of individual liberty against harassment and arbitrary arrest are raised in concrete and unavoidable terms. The conditions against which they organize evidently derive from the cruelties and irrationality of present forms of economic organization. Because of this, the struggles of low-paid workers frequently give sharp focus to the continuing need to create a kindlier and more rational social order ■

4. E.P. Thompson, *Homage to Tom Maguire*, in *Essays in Labour History*, Vol.1, ed. Briggs and Saville, Macmillan, p.295.

5. W. Fishman, *East End Jewish Radicals. 1875-1914*, Duckworth, 1975.

6. Judith Green, Ursula Murray and Bob Davis, *The New Sweatshops*, in *The State and the Local Economy*, CDPPEC, 1979.

7. See, for example, some of the campaigns described in Craig, Mayo and Sharman, eds., *Jobs and Community Action*, Routledge Kegan Paul, 1979 and the forthcoming report on hotel and catering workers to be published by C.I.S. later in 1980.

BACK STREET FACTORY



AID TO small businesses has been central to state policy for creating jobs in older urban areas. Less attention has been paid to the kind of jobs created. Work in traditional manufacturing has often been displaced by new sectors of employment that are low paid and insecure.

BACKSTREET FACTORY is about the development of this new sector. It is a study of a furniture factory in East London, and the attempts by the union to secure decent pay and conditions for the workers, first through organisation at the workplace, and then through a broader campaign drawing on support from community organisations. The report should raise serious misgivings about the direction of present Government economic policy in the inner city, particularly its emphasis on small firms. The growth of the sort of firm described in this report would create considerable problems for trade union organisation in the future.

This is the third pamphlet in a new series being published by the Community Development Project Political Economy Collective. Each pamphlet has analysed issues of current

concern to the labour movement including the role of The State, economic decline in older industrial areas, trade union organisation and Britain's changing industrial structure. Much of the work of the Collective has been based on detailed case studies of older industrial areas.

Published 1980 by CDPPEC. Editorial Group: Gary Craig, John Foster, Geoff Green, John O'Malley.

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