

**PUBLIC SECTOR EMPLOYMENT,
WAGES AND STRIKES IN THE UK:
THE THATCHER YEARS (1979-1984)**

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ABSTRACT

The present Conservative Government of Margaret Thatcher is committed to reducing the size of the public sector and the power of public sector unions in the UK. This article reviews the employment, wage, and strike record of the public sector under the present government to date. The results indicate that, first, public sector employment has fallen by some 11 to 12 percent in the years 1979-84, although considerable variation around this average is apparent. Second, public sector wage settlements, although generally in excess of the government's target figures, have tended to fall in successive years since 1979, with increases being typically below those of the private sector from 1981-82. And finally, national wage disputes and prominent manpower stoppages, with their relatively sizeable contribution to total working days lost, have increasingly characterized the public sector since 1979, although the frequency of strikes and industrial conflict should certainly not be viewed as a sector-wide phenomenon.

In a recent review of changes and tendencies in British industrial relations in the period 1979-83, David Soskice claimed that "although the Thatcher administration did not come to power with a single, coherent view of economic policy and industrial relations in general, or of relations with UK unions in particular, the Conservative strategy for refashioning British industrial relations has evolved into a deliberate attempt to replace the consensus approach that (at least at the national level) characterized most of the previous 40 years" [1]. In addition to not seeking union cooperation at the national level, the Thatcher government has sought to 1) weaken the power of private sector unions by indirect means (i.e., through macroeconomic policy instruments concerned with interest rates, the exchange rate and unemployment) and 2) reduce the size of the public sector and the influence of the unions in that sector.

This article is solely concerned with point 2 above. The basic approach adopted here is to present a general overview of the employment, wage, and strike position in the public sector since 1979. In examining the post-1979 position in the public sector, we will not only concern ourselves with the impact of the policies of the present government, but will also consider developments that had their origins in pre-1979 trends or issues. For this reason, references are made on occasion to figures and findings for years prior to 1979.

The need to place the post-1979 experience in a longer time perspective is certainly the view of Soskice, who argued that much of the Thatcher government's initial approach to industrial relations was strongly influenced by the earlier experience of the Heath government [1]. In fact, the confrontation between the Heath government and a number of public sector unions, most notably the miners in 1972 and 1974, led to two unpublished (but leaked) reports prepared by Conservative party committees, one chaired by Lord Carrington and the other by Nicholas Ridley, MP. The Carrington report expressed considerable doubt about any government's ability to deal with public sector unions, most notably those in the power and fuel industries. In sharp contrast to the tone of the Carrington report, the Ridley report drew up a five-part strategy for winning the industrial conflict it perceived as inevitable in the public sector. It classified industries into three groups according to their degree of vulnerability and concluded, in the words of *The Economist*, that "the eventual battle should be on the ground chosen by the Tories in a field they think could be won (railways, British Leyland, the civil service, or steel)" [2].

The recall of the Heath government experience (as well as the 1978-79 "winter of discontent") should serve to remind us that the whole of the 1970s witnessed governments of both political persuasions coming into open conflict with public sector unions as they struggled to reconcile their responsibility for macroeconomic management with that for the well-being of their own employees. Throughout that decade, public sector unions claimed that the government of the day had dishonored their traditional commitment to act as a "good employer" of labor by seeking to enforce the restrictions of incomes policies most vigorously on their own employees. Having said this, there is no denying the Thatcher government has a reputation second to none of being "antipublic sector." In making this criticism, the public sector unions could cite numerous examples of such attitudes and actions. The examples that come most readily to mind would include the extent of proposed public expenditure cuts, the moves toward privatization, the use of cash limits as a public sector specific incomes policy, the banning of union membership at the General Communications Headquarters at Cheltenham, the repeal of the Fair Wages Resolution of the House of Commons, the outlawing of "union only" work practices in government contracts, and a generally reduced commitment to consultation and discussion with unions in the public sector. The intention here

is not to look in any detail at these individual policies or initiatives [3]¹ but rather, as indicated earlier, to concentrate on the overall movements in employment, wages, and strikes in the public sector in the years 1979-84. In presenting this material, the author follows, wherever possible, the traditional division of the UK public sector into 1) central government (very largely the civil service and the National Health Service); 2) local government; and 3) public corporations (very largely the nationalized industries such as the National Coal Board and the British Steel Corporation).

PUBLIC SECTOR EMPLOYMENT

In mid-1984 an estimated 6.8 million (28.5%) members of the UK workforce were in the public sector. This total consisted of 1.6 million (6.7%) in public corporations, 2.3 million (9.7%) in central government, and 2.9 million (12%) in local authorities. The single, most comprehensive set of public sector employment figures for the period 1978-84 is listed in Table 1.

This table reveals the following basic picture [4, p. 93]:

On the basis of both the headcount and full-time equivalents, public sector manpower reached its peak in 1979. Since then it has fallen by 7.9% on a headcount basis and 8.8% in full-time equivalents.² Some of the reduction on either basis stems from privatisation of public corporations (British Aerospace, Cable and Wireless and the National Freight Corporation); if these are excluded, the reductions are 6.5% headcount, 7.2% full-time equivalent. The full-time equivalent employment in the National Health Service rose by 6.1% over the period compared with 6.2% in numbers. In contrast, other central government civilian staff fell by about 11.6%, rather more in full-time equivalents. Local authority employment fell by a little under 4% on both bases.

The picture that emerges here is clearly one of considerable variation in the extent of employment change in the different parts of the public sector. For example, employment in public corporations fell by nearly 22 percent in 1978-84, compared to a 9 percent increase for the NHS, a 12 percent fall for central government (excluding the NHS and armed forces), while in local authorities education fell by 5.4 percent, whereas both social services and the police showed a 10 percent increase. To pursue this theme of variation further, it is worth considering the particular case of the civil service. This is because the present government entered office with the *explicit* aim of reducing the size of the civil service from 732,000 to 630,000 posts by April 1984; a 14 percent reduction in staffing over a five-year period.

¹ For such a discussion, see, for example, [3].

² The transfer of British Telecom to the private sector in November 1984 adds over 3 percent to these figures.

Table 1. U.K. Public Sector Employment 1978-84 by Major Categories

| Thousands | | General Government | | | | | | | | | | Local Authorities | | | | | Public Corporations | | | | | | | | |
|----------------------|-----------|-------------------------|---------|------------------|------------|--------------------------|------------|-----------|-----------------|-----------------|--------------------------|-------------------------|-------------------------|--------------------------|-------------------------|---------------------------|---------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|-------------------------|---------------------------|---------------------------|
| | | Central Government | | | | | Other | | | | | Total | | | | | Total | | | | | | | | |
| | | National Health Service | | Other Government | | Total Central Government | | Education | | Social Services | | Construction | | Police (Incl. Civilians) | | Other Local Authorities | | Total Local Authorities | | Nationalized Industries | | Other Public Corporations | | Total Public Corporations | |
| Mid-Year | Headcount | HM Forces | Service | Health | Government | Government | Government | Education | Social Services | Construction | Police (Incl. Civilians) | Other Local Authorities | Total Local Authorities | Total Local Authorities | Nationalized Industries | Other Public Corporations | Total Public Corporations | Total Local Authorities | Nationalized Industries | Other Public Corporations | Total Public Corporations | Total Local Authorities | Nationalized Industries | Other Public Corporations | Total Public Corporations |
| 1978 | 318 | 1,120 | 895 | 2,333 | 1,512 | 334 | 155 | 170 | 761 | 2,932 | 2,932 | 5,265 | 1,844 | 217 | 2,061 | 7,326 | | | | | | | | | |
| 1979 | 314 | 1,152 | 889 | 2,356 | 1,539 | 344 | 156 | 176 | 782 | 2,997 | 2,997 | 5,352 | 1,849 | 216 | 2,065 | 7,417 | | | | | | | | | |
| 1980 | 323 | 1,174 | 865 | 2,362 | 1,501 | 346 | 152 | 181 | 776 | 2,956 | 2,956 | 5,318 | 1,816 | 222 | 2,038 | 7,356 | | | | | | | | | |
| 1981 | 334 | 1,207 | 846 | 2,388 | 1,454 | 350 | 143 | 186 | 766 | 2,899 | 2,899 | 5,287 | 1,657 | 210 | 1,867 | 7,154 | | | | | | | | | |
| 1982 | 324 | 1,227 | 820 | 2,371 | 1,434 | 352 | 132 | 186 | 761 | 2,865 | 2,865 | 5,236 | 1,554 | 202 | 1,756 | 6,992 | | | | | | | | | |
| 1983 | 322 | 1,227 | 813 | 2,362 | 1,434 | 360 | 130 | 187 | 768 | 2,879 | 2,879 | 5,241 | 1,465 | 198 | 1,663 | 6,904 | | | | | | | | | |
| 1984 | 326 | 1,223 | 786 | 2,335 | 1,430 | 368 | 126 | 187 | 773 | 2,884 | 2,884 | 5,219 | 1,416 | 195 | 1,611 | 6,830 | | | | | | | | | |
| Full-time Equivalent | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1978 | 318 | 957 | 866 | 2,140 | 1,105 | 228 | 152 | 165 | 675 | 2,325 | 2,325 | 4,465 | 1,843 | 218 | 2,061 | 6,526 | | | | | | | | | |
| 1979 | 314 | 975 | 863 | 2,152 | 1,110 | 235 | 150 | 172 | 701 | 2,368 | 2,368 | 4,520 | 1,818 | 217 | 2,035 | 6,555 | | | | | | | | | |
| 1980 | 323 | 999 | 839 | 2,161 | 1,087 | 235 | 146 | 170 | 699 | 2,343 | 2,343 | 4,504 | 1,785 | 223 | 2,008 | 6,512 | | | | | | | | | |
| 1981 | 334 | 1,036 | 825 | 2,195 | 1,058 | 240 | 136 | 180 | 692 | 2,306 | 2,306 | 4,501 | 1,656 | 206 | 1,862 | 6,363 | | | | | | | | | |
| 1982 | 324 | 1,045 | 789 | 2,158 | 1,041 | 241 | 131 | 180 | 681 | 2,274 | 2,274 | 4,432 | 1,538 | 198 | 1,736 | 6,168 | | | | | | | | | |
| 1983 | 322 | 1,045 | 785 | 2,152 | 1,034 | 246 | 130 | 182 | 686 | 2,278 | 2,278 | 4,430 | 1,444 | 197 | 1,641 | 6,071 | | | | | | | | | |
| 1984 | 326 | 1,034 | 754 | 2,114 | 1,027 | 251 | 126 | 182 | 689 | 2,275 | 2,275 | 4,389 | 1,396 | 193 | 1,589 | 5,978 | | | | | | | | | |

Source: [4, p. 94].

In fact, the government more than achieved this target, with the civil service being down to 623,972 in April 1984; a 14.8 percent reduction (the result was an estimated reduction in the gross pay bill of the civil service of some £0.75 billion). This overachievement of the target led the government to announce (in November 1983) its intention to seek a further 6 percent reduction of the civil service in the following four years. The reductions achieved in the 1979-84 period were estimated to have come about in the following ways [5]:

1. increased efficiency after changes in work practices: approximately 55 percent;
2. cutting back or dropping functions: approximately 20 percent;
3. privatization, including contracting out: 10 percent;
4. hiving off to new or existing public sector bodies: 2 percent.

Table 2 sets out the reductions achieved (1979-84) and targeted reductions (1984-88) for individual departments in the civil service.

The contents of Table 2 indicate considerable variation in the degree of change between individual departments. Four of the fifteen departments (or groupings) listed actually show increases for the period 1979-84, while the size of the reductions varied from a high of 34 percent to a low of 8 percent in these years. The reductions achieved to date have been largely through natural attrition, retirement, and redeployment. There appear to have been relatively few instances of redundancies (i.e., permanent lay-offs). The years 1979-84 saw 3,200 redundancies in the nonindustrial grades and 14,700 among industrial civil servants (approximately a half of the latter occurred in 1983); redundancies only accounted for 0.2, 1.1, and 0.8 percent of all leavers in the nonindustrial civil service in 1979, 1982, and 1983 respectively [7]. As to the future, the scale of the targeted reductions for 1984-88 is less than that achieved in 1979-84, although there is likely to be relatively more emphasis on privatization measures as a means of achieving them.

The discussion and figures presented to date indicate that the National Health Service continued to grow in employment terms during the years 1979-84. As a final illustration of the variation theme, Table 3 shows some relevant figures (for England only) for changes in the employment of different staff grades in the NHS.

The contents of Table 3 indicate, first, that despite the overall growth in staff numbers for the service as a whole in 1979-83, the ancillary grades experienced a 2 percent reduction. These particular grades also accounted for a disproportionate number of the staff reductions in 1983-84, although reductions there were also recorded for nursing and the works grades, with the result that overall numbers in the NHS (in England) fell for the first time in some thirty years; the total reduction in numbers in 1979-84 was some 11,500.

Table 2. Civil Service Employment Changes, Actual and Proposed, by Departments

| | April 1, 1979 | April 1, 1984 | Percent Change 1979-84 | Target April 1, 1988 | Percent Change 1984-88 |
|--|------------------|------------------|------------------------------|----------------------------|------------------------------|
| Defense | 247,700 | 200,000 | -19 | 170,000 | -15 |
| Energy | 1,300 | 1,100 | -15 | 1,000 | -9 |
| Treasury, Inland Revenue, Customs and Excise, etc. | 126,900 | 113,000 | -11 | 104,200 | -8 |
| Employment, Manpower Services Commission, etc. | 53,700 | 57,700 | +7 | 54,000 | -6 |
| Environment | 56,000 | 37,000 | -34 | 34,600 | -6 |
| Foreign Office | 12,000 | 11,200 | -7 | 10,500 | -6 |
| Health and Social Security | 98,400 | 90,700 | -8 | 87,900 | -3 |
| Scottish Office | 10,900 | 9,800 | -10 | 9,500 | -3 |
| Agriculture | 14,000 | 11,500 | -18 | 11,300 | -2 |
| Education | 2,600 | 2,400 | -8 | 2,400 | nil |
| Trade and Industry | 19,500 | 14,900 | -24 | 14,900 | nil |
| Transport | 13,900 | 14,200 | +2 | 14,200 | nil |
| Welsh Office | 2,600 | 2,200 | -15 | 2,200 | nil |
| Courts, etc. | 16,500 | 17,300 | +5 | 17,400 | +1 |
| Home Office | 33,500 | 35,800 | +7 | 41,100 | +15 |
| All Civil Service | 732,300 | 624,000 | -15 | 592,700 | -6 |

NB: Total includes small departments not listed separately

Source: [6].

Table 3. Percentage Changes in Directly Employed Staff
by Grades in the NHS, England, 1979-1984

| | 1979-1983 | 1983-1984 | Total in 1984 |
|-----------------------------|-----------|-----------|---------------|
| Medical and Dental | 3.5 | 2.9 | 39,500 |
| Nursing and Midwifery | 10.2 | -0.8 | 392,200 |
| Professional and Technical | 13.1 | 1.3 | 68,900 |
| Works | 8.6 | -1.7 | 5,984 |
| Maintenance | 4.9 | 0.2 | 21,584 |
| Administration and Clerical | 5.6 | 0.3 | 109,100 |
| Ambulance | 6.4 | No change | 18,200 |
| Ancillary | -2.0 | -6.0 | 158,700 |
| Total | 6.6 | -1.2 | 813,000 |

Source: [8].

THE WAGES RECORD

Before considering the movement in public sector wages since 1979, it is necessary to note as background the general nature of such movement throughout the 1970s. In essence, the decade of the seventies saw relative wages move quite strongly in favor of the public sector in the early '70s, with the opposite tendency being apparent from the mid-1970s [9]. Accordingly, against this background, Table 4 shows the relevant wage increases for the period 1979-84.

The contents of Table 4 indicate that wage increases in the public sector generally exceeded those in the private sector in 1979-80 and 1980-81, while the opposite tendency was apparent in the years 1981-82, 1982-83, and 1983-84. The table also indicates some noticeable differences between the size of the increases for men and women in the public sector (e.g., 1980-81) and between different parts of the public sector (e.g., compare central and local government in 1979-80 and 1980-81).

The relative wage movement in favor of the public sector in the years 1979-81 clearly owed a great deal to the "catch up" awards of the Clegg Comparability Commission. For example, ambulancemen received an award of 21.6 percent; nurses and midwives, 19.6 percent; teachers, 18.2 percent; and local authority manuals, 10.2 percent (in addition to their "normal" pay increase for the year). The size of these awards were much criticized in government circles, and the commission was eventually abolished on August 4, 1980, with the government declaring its intention of bringing public sector pay settlements down to single figures. The major means to this end were to be pay provisions or cash limits for central government employees and, less directly, for local government employees; the pay of employees in public corporations or nationalized industries is not capable of being controlled in the same manner,

Table 4. Percentage Increase in Average Gross Weekly Earnings, 1979-80 to 1983-84

| | 1979-80 | | 1980-81 | | 1981-82 | | 1982-83 | | 1983-84 | |
|----------------------|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|
| | Men | Women | Men | Women | Men | Women | Men | Women | Men | Women |
| Public Sector | 25.6 | 26.6 | 13.9 | 18.0 | 8.4 | 6.3 | 7.5 | 9.6 | 6.3 | 4.8 |
| Central Government | 34.4 | 31.8 | 7.8 | 9.2 | 6.8 | 7.4 | 6.6 | 10.8 | 6.1 | 3.4 |
| Local Government | 25.9 | 22.8 | 17.3 | 26.8 | 5.9 | 4.8 | 8.8 | 8.3 | 6.2 | 5.7 |
| Private Corporations | 22.1 | 25.4 | 14.2 | 17.4 | 11.1 | 11.2 | 7.5 | 10.2 | 6.5 | 6.7 |
| Private Sector | 20.6 | 22.5 | 12.0 | 14.5 | 10.9 | 10.3 | 8.6 | 9.7 | 9.8 | 9.2 |

Source: Relevant issues of Part A of [10].

although similar constraints have been exercised through the use of stricter, external funding limits. The pay provisions announced by the government were 14 percent in 1980-81, 6 percent in 1981-82, 4 percent in 1982-83, 3.5 percent in 1983-84, and currently 3 percent. In Table 5 the relevant provisions are listed with a comparison being possible with the actual settlements of the individual groups of public employees listed.

The contents of Table 5 indicate that, in any one year, the majority of public sector wage settlements have exceeded the government's target figure(s). Nevertheless, the government could claim some degree of success in bringing down settlement levels in consecutive years. The picture revealed in Tables 4 and 5 can be usefully supplemented by considering the position of the nine major public sector negotiating groups that account for about 75 percent of all central and local government employees. Table 6 sets out their percentage wage increases for the years 1981-82 to 1984-85.

Table 6 indicates that the total rise over the four financial years for public services as a whole was 31.5 percent, which may be compared to the pay provisions or cash limits accumulated over these same years of 17.5 percent; even the lowest figure in the table (21.3% for NHS ancillaries) exceeded the cash limits total. The article from which Table 6 is drawn made two further points worthy of note [12, p. 34]. First, the average public sector wage increase was less than inflation in 1981-82 and 1982-83, but higher than inflation in 1983-84 and 1984-85; only the increase(s) for the police exceeded the increase in the retail price index in all four financial years. And second, only the police had increases greater than that for the economy as a whole over the four-year period. As to the future, the National Institute has commented that "beyond the end of the current round, the prospects for earnings become increasingly uncertain . . . (but) on balance, we have taken the view that wage settlements in 1985-1986 will be at a similar level to those in the current round" [13, p. 22]. That is, the Institute estimates that wage settlements (and earnings increases) in central and local government will be 5.75 (6.5) percent and in public corporations 5.25 (6.0) percent, compared to 6.5 (8.5) percent in manufacturing and 7 (8.25) percent in nonmanufacturing.

It is a *potentially* useful exercise to try and see whether movements in public and private sector wages in the UK have moved in a similar fashion to those in other countries; through such means we can try to identify the respective influence of *system specific*, as opposed to more general (cross-country), factors on such movements. Such an exercise was undertaken in a recent paper by Hall and Hawkesworth, who examined the relative movements in civil service pay for the period 1972-82 in four countries, i.e., Great Britain, West Germany, France, and Sweden [14]. The timing and direction of any movement was found to be quite similar in all four countries over the period in question (suggesting similar government responses to adverse macroeconomic circumstances), although Great Britain stood out in being characterized by a particularly high degree of

Table 5. Percentage Increases on Basic Rates During Each Government "Pay Provision" Period

| | September 79- August 80 Percent | September 80- August 81 Percent | September 81- August 82 Percent | September 82- August 83 Percent | September 83- August 84 Percent | Comments |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|-----------------|
| Pay Provisions | 14 | 6 | 4 | 3.5 | 3 | |
| Public Services | | | | | | |
| Central Government | | | | | | |
| Civil Service (Nonindustrials) | 15.3-27.8 | 7.5- 8.4 | 4.7-6.3 | 3.5- 4.0* | | *plus £70 pa |
| NHS Nurses and Midwives | 13 | 6 | 12.3* | - | | *2 yrs: 1982-84 |
| NHS Ancillary Workers | 12.3-12.9 | 8.4- 6.1* | 6.4-4.7 | 4.8- 3.6 | | *15½ months |
| Armed Forces | 14.5-20 | 8-15 | 4 -8.9 | 3.9- 9.9 | | Review Body |
| Local Government Local Authority Manuels | 12.4-13.1 | 6.7- 8.4 | 6.3-7.8 | 4.8- 5.1 | 4.1-5.1 (offer) | |
| Local Authority Staff | 15* | 7.3 | 5.7 | 4.6- 5 | | *staged |
| Teachers (E and W) | 13 | 7.5 | 6 | 5 | 3 (offer) | |
| Police | 13.5 | 21.3 | 13.2 | 10.3 | 8.4 | |

| | | | | | | |
|-------------------------------------|-----------|----------|---------|------------|--------------------|--------------------------|
| Fire Service | 20 | 18.8* | 10.1 | 7.5 | 7.8 | * staged |
| Public Corporations | | | | | | |
| NCB | 20* | 9.8 | 8.6 | 7.2 | 5.2 (offer) | * staged |
| Electricity Supply Manuals | 17 | 11 | 6.2-7.5 | 4.5- 6.1 | | |
| Gas Supply | 18.8-21.3 | 9.9-10.7 | 7.7-8.0 | 5-6 | 4.1-4.9 (offer) | |
| Water Industry Manuals | 13 | 10.2 | 9.1 | 13.5-14.1* | | * 16 months |
| British Rail (Manual, operating) | 20 | 11* | 6** | 4.5 | | * staged ** paid late |
| Post Office Operational Grades | 18 | 9.5* | 7 | 6* | | * staged |

NB. Delayed awards from Clegg, which were increases relating to 1978-79, are excluded.

Source: [11].

Table 6. Public Services Wage Settlements Since 1980

| Group | Weight | | | | | Cumulative Total |
|----------------------------|---------|---------|---------|---------|---------|---------------------|
| | Percent | 1981-82 | 1982-83 | 1983-84 | 1984-85 | |
| Teachers | 25.6 | 13.2 | 6.0 | 5.0 | 5.1 | 32.4 |
| Police | 6.5 | 16.2 | 11.4 | 9.2 | 6.6 | 50.7 |
| Nurses | 15.1 | 6.0 | 8.2 | 3.8 | 8.0 | 28.6 |
| Armed forces | 15.5 | 12.9 | 7.1 | 9.2 | 5.1 | 38.8 |
| NHS ancillaries | 7.5 | 4.0 | 4.8 | 6.6 | 4.4 | 21.3 |
| Central government manuals | 2.7 | 10.4 | 6.8 | 5.0 | 7.6 | 33.2 |
| Local authority manuals | 8.1 | 6.5 | 5.6 | 4.5 | 4.4 | 22.8 |
| Town hall staff | 9.8 | 10.5 | 6.1 | 4.9 | 4.6 | 28.7 |
| Civil servants | 9.2 | 8.7 | 6.2 | 4.4 | 5.0 | 26.6 |
| Total | 100.0 | 10.3 | 6.8 | 5.8 | 5.5 | 31.5 |

Source: [12].

fluctuation in the relative pay of civil servants. This latter feature was attributed to an *erratic policy toward comparability*, as well as the variable incidence of incomes policies. This reference to the comparability criterion in wage determination suggests a mention of the report of the Megaw Committee of Inquiry, which was established after the 1981 civil service strike to examine the nature of civil service pay determination procedures. This committee's report contained four basic recommendations. First, that market and efficiency considerations should play a more central role in the wage determination process. Second, that a pay information board should be established to collect information on pay movements outside the civil service. Third, that the civil service unions and the Treasury would have to conclude a settlement each year within the "interquartile" range of pay movements, i.e., below the top quarter of increases and above the bottom quarter. And finally, every four years, the board would produce a fuller evaluation of whether civil service pay had moved seriously out of line with that of comparable groups [15].

There have been a number of comments on the desirability and practicality of the Megaw proposals, with one of the most well known of these being Phelps Brown's call for a much greater commitment to and role for arbitration in the civil service [15]. Prior to the Megaw Committee of Inquiry there had been the Scott Committee of Inquiry, which was established to examine the long-standing claim that civil-service-index-linked pensions were substantially undervalued in the wage determination process. The report of this committee suggested the desirability of spreading index-linked pensions beyond the civil service and, as such, did not constitute the attack on comparability that many observers had anticipated.

STRIKES AND INDUSTRIAL ACTION

One of the most comprehensive studies of strike activity in Britain reported that the public sector accounted for some 26 percent of all strikes (but approximately 36% of all working days lost through strike activity), which was roughly its share of total employment, in the years 1966-76 [16]. Since then, however, the proportion of strike activity accounted for by the public sector appears to have risen. Indeed an article in the Department of Employment Gazette explicitly stated that [17, p. 304]:

Three large national rail stoppages and the strike by NHS employees from April to December, together with related sympathy stoppages, accounted for nearly a half of the days lost in 1982. It is estimated that about 3.4 million of the days lost in the year were in the public sector and 1.9 million were in the private sector. *Between 1975 and 1979, the incidence of days lost through strikes was higher in the private than in the public sector. In the most recent three years this position has been reversed.*

This observation certainly applies to 1984, as a result of the miners' strike (see below). In 1983 the largest single strike was certainly in the public sector (that by the water workers, resulting in 766,000 working days lost) although the Department of Employment estimated that total days lost through strikes were about evenly divided between the public and private sectors, i.e., about 1.9 million days each. There have been a number of national *wage* related strikes in the public sector since 1979, the details of which are listed in Table 7.

The highly centralized, industry-wide bargaining structure of the public sector means that sharp year-to-year variations in total working days lost through strike activity in the UK are highly influenced by what is happening in the public sector. The steel strike, for example, accounted for nearly 75 percent of all working days lost through strikes in 1980. This particular strike followed the rejection of a 2 percent (later 5%) wage offer and was only called off after a settlement worth some 16 percent had been awarded by a committee of inquiry. At least one set of commentators have viewed the steel strike as an important factor in helping the government gain legitimacy for the closed shop and picketing provisions of the 1980 and 1982 employment acts [19].

These particular strikes are likely to have influenced the ongoing debate over the possible introduction of no-strike provisions and arrangements in certain parts of the public sector. A report by the Center for Policy Studies in May 1984, for example, called for such restrictions to be introduced for the health service, the fire service, gas, electricity and water, and local authority workers responsible for burials [20]. There has been little tangible outcome from these discussions to date, presumably as a consequence of disagreements over the definition or scope of "essential services" in the public sector and over the desirability of institutionalizing compulsory arbitration arrangements in return

Table 7. National Wage Strikes in the Public Sector Since 1979

| <i>Industry</i> | <i>Duration</i> | <i>Number of Workers Directly Involved</i> | <i>Total Working Days Lost</i> |
|-------------------------|-----------------|--|--|
| Steel | 13 weeks (1980) | 138,000 | 8,800,000 |
| Civil Service | 21 weeks (1981) | 294,000 | 867,000 |
| National Health Service | 36 weeks (1982) | 400,000 | 3,441,000 |
| Water Supply | 5 weeks (1983) | 35,000 | 766,200 |

Source: [18].

for removing the right to strike. In the case of the independent pay review body that was established for nursing staff and other professional medical workers from April 1984, the government has, however, reserved the right to exclude from the scope of its recommendations any groups that resort to industrial action. The government has also banned union membership at the General Communications Headquarters at Cheltenham on the grounds of national security, although many commentators were surprised that they did not take up (and attempt to spread) the union's offer of a no-strike pledge in this particular case.

In view of the cutbacks in public sector employment, which we noted earlier, it is hardly surprising that strikes (and other forms of industrial action) have occurred over manpower, redundancy, staffing, etc., issues. Indeed, an examination of the most prominent stoppages (i.e., those involving more than 5,000 working days lost) recorded by the Department of Employment for the years 1976 to 1983 revealed that the public sector accounted for nearly half of the prominent redundancy disputes between 1980-83 compared to less than 15 percent in the period 1976-79. The general extent of such action should not, however, be exaggerated. A recent survey of union branches in the public sector, for example, found that redundancy was a relatively infrequent occurrence compared to changes in hours and the freezing of vacancies and, as a consequence, there had been relatively little union negotiation over and opposition to (in the form of industrial action), what they termed, "job erosion" [21]. It is worth noting that the no-redundancy issue was central to the failure to reach agreement in the civil service in 1982 over a service-wide new technology agreement; negotiations have subsequently been pursued on an individual department basis.

One cannot, of course, discuss public sector strikes over redundancy and manpower matters without making some reference to the miners' action of 1984-85. This particular dispute, which is discussed at some length in the ACAS

Annual Report for 1984, involved over 22 million working days lost, the highest in any industry since 1926. And, as a result, the total number of working days lost through strike activity in Britain was the second highest (after 1979) since World War II. This strike is estimated to have affected the gross domestic product of the country by some 1.25 percent, with the major impact being felt through stockbuilding and imports [13, pp. 17-18]. The larger implications and lessons of this dispute for public sector unions will presumably manifest themselves over the next few years.

In the case of the public sector, any discussion of industrial conflict or action must extend beyond simply discussing strike activity. This point was particularly stressed by Daniel and Millward, who reported that nonstrike forms of industrial action exceeded strikes in central and local government in 1980; this was largely attributed to the relatively high proportion of white collar employees there tending to favor the former types of action [22]. Confirmation of this view was provided by a recent survey of local authorities in Britain which enquired about, among other things, industrial disputes over *purely local issues* in the period January 1980 to March 1982 [23]. The responses, which came from some 45 percent of all local authorities, revealed the following basic position with regard to the occurrence of one or more instances of industrial action in this period of time:

| | <u>Manual</u> | <u>Nonmanual</u> |
|--|---------------|------------------|
| Strike | 21.2% | 7.6% |
| Overtime ban | 8.8% | 7.6% |
| Work to rule/withdrawal of cooperation | 14.7% | 21.4% |
| Any of the above | 34.2% | 29.0% |

The basic conclusions were that the majority of respondent authorities had experienced no instances of industrial action over purely local issues in the period in question (an authority taken at random would expect to have less than one local dispute every 2.25 years) and that strike action was much more a manual than a nonmanual phenomenon.

CONCLUSIONS

As indicated earlier, the approach adopted in this article was quite deliberately one that was "outcomes oriented." As a consequence, the behavioral processes or mechanics involved in bringing about these outcomes are here largely ignored. The responses of the unions as institutions and of individual employees have also been little touched upon. The result is that a great deal of research remains to be conducted on such matters, and it is to be hoped that this article will have served in some measure to stimulate interest along these lines.

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