



Industrial Relations in the London Traffic Combine : I

by

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The Governing Body at its meeting in October 1928 decided on a programme of work to be undertaken by the Office to give effect to a resolution of the 1928 Session of the International Labour Conference. This programme included a series of studies of industrial relations in certain outstanding firms in various countries. The Office therefore approached prominent undertakings in a number of countries with a view to obtaining permission to visit them and make reports on their systems of industrial relations.

The Office has pleasure in putting on record its deep gratitude to Mr. Frank Pick, the Managing Director of the Companies whose industrial relations policy and practice are described in this report, not only for permitting and facilitating this study but also for giving some of his own valuable time to the representatives of the Office. Special thanks are due to Mr. G. W. Duncan, who at the time of the visit of the authors of this report was the Staff Officer of the Companies, and directly responsible for industrial relations. Mr. Duncan anticipated the requirements of the representatives of the Office, prepared memoranda for them, gave access to all the documents and records for which they asked, answered all their questions fully and clearly, and did everything possible to enable them to obtain the fullest acquaintance with all aspects of the work of the Companies having a bearing on industrial relations. The representatives of the Office also had many opportunities of speaking with other officers of the Companies, including Mr. Rawdon Smith, the present Staff Officer, and with its employees. The report which they have prepared is now put forward in the belief that it represents an accurate and objective account of industrial relations in the London Traffic Combine.

THE group of Companies forming what is generally but not officially known as the London Traffic Combine is engaged in passenger transport within the area of Greater London and it carries the majority of those who travel to and fro in that area.

Before proceeding to describe industrial relations in the Combine it would appear desirable to give a few facts to indicate the scope and character of its work.

THE SCOPE AND CHARACTER OF THE WORK OF THE COMBINE

The term "London Traffic Combine" is used to denote the transport companies controlled either directly or indirectly by the Underground Electric Railways Company of London, Limited, which is a holding company and was incorporated in 1902. The transport companies under its control are as follows :

- (1) Metropolitan District Railway Company.
- (2) London Electric Railway Company.
- (3) City and South London Railway Company.
- (4) Central London Railway Company.
- (5) London General Omnibus Company, Limited.
- (6) Metropolitan Electric Tramways Limited.
- (7) London United Tramways Limited.
- (8) South Metropolitan Electric Tramways and Lighting Company, Limited.
- (9) Tramways (M. E. T.) Omnibus Company, Limited.

These companies can be divided into two distinct groups.

The first group is known as the Common Fund Group of Companies and consists of the first five companies named above, which are controlled directly through their share capital by the Underground Company. By the London Electric Railways Facilities Act of 1915 it was provided that the balance of revenue of all these companies, after providing for working expenses and other revenue liabilities, should be pooled and the available balance divided amongst the several companies participating in the Common Fund in agreed proportions.

The second group, consisting of the last four companies named above, is known as the London and Suburban Traction Group of Companies ; they are controlled directly through their share capital by the London and Suburban Traction Company, Limited, which is a holding company and which in turn is controlled through its capital by the Underground Company.

In addition to the transport undertakings referred to above, the Underground Company also wholly or partially controls a number of smaller undertakings which it is unnecessary here to refer to.

"What is most striking in London", wrote Disraeli in *Tancred*, "is its vastness." Equally might it be said that what is most striking in the London Traffic Combine is its vastness. A few figures, the significance of which will be indicated in detail later, will show the immense scale of the organisation.

The transport companies controlled by the Underground Company have a total capital of £68,000,000 and employ a staff of over 44,000 persons. The total number of passengers carried in 1929 was 2,175,000,000. The total number of car-miles run by the companies' trains, omnibuses and trams in 1929 was 288,000,000.

The conception conveyed by such astronomical figures is pale and nebulous. Colour and form can be added to it by visitors to London from that most familiar of all the familiar sights of London streets, the unending stream of red omnibuses, and the ubiquitous illuminated signs of the underground railways which are ceaselessly engaged in passenger transport for some twenty hours out of the twenty-four.

Unity in the direction of the policy of all the Companies embraced in these two groups is ensured by the fact that Lord Ashfield, who is Chairman and Managing Director of the supreme holding Company, the Underground Electric Railways Company of London, Limited, is also Chairman of each of the other Companies in both groups; and that Mr. Frank Pick is Managing Director of each of the operating Companies in both groups.

From the point of view of management all the Companies in both groups are regarded as constituting a single unit. All higher administration is centralised at the head office at 55 Broadway, S.W.1. There is no duplication or overlapping. Thus, the Staff Officer is responsible for industrial relations throughout the whole Combine. In spite of the complexity of the organisation of the Combine, and in spite of the complexity of the work it has to do, its operations in all the variety of its activities are inspired by a dominant unity of purpose and of policy.

Brief mention may be made in passing of the financial results of the operation of these Companies.

In 1929, the Common Fund Group of Companies paid in dividends on ordinary stocks and shares £1,127,147, representing an average rate of 5.69 per cent. Each of the railway companies paid dividends upon its ordinary stocks and shares in 1929 at the rate of 5 per cent. for the year, and the London

General Omnibus Company Limited at the rate of 8 per cent. free of tax for the year.

The Tramways Companies, it should be pointed out, have only recently come completely under the control of the Underground Company. For the year 1929, the Metropolitan Electric and London United Tramways Companies did not pay any dividend on their ordinary shares; the South Metropolitan Electric Tramway and Lighting Company paid an ordinary dividend of 5 per cent.

In addition to their ordinary stocks and shares, the various Companies have a variety of Debentures and Preference Shares, ranging from 3 per cent. to 7 per cent.

The following table shows, for the Common Fund Companies, the average return per annum paid on total capital, after operation of the Common Fund, by the Underground Company and each of the operating Companies over a series of years.

AVERAGE PERCENTAGE RETURN ON CAPITAL PAID BY COMMON FUND COMPANIES, 1913 AND 1924-1929

Company	1913	1924	1925	1926	1927	1928	1929
U.E.R.	3.9	4.6	4.5	5.0	5.9	6.3	6.6
M.D.R.	3.0	4.1	4.1	4.1	4.2	4.5	4.5
L.E.R.	2.3	4.0	3.8	3.9	4.1	4.5	4.5
C. & S.L.R.	2.1	4.3	4.1	4.2	4.4	4.6	4.6
C.L.R.	3.4	4.1	4.1	4.1	4.1	4.7	4.7
L.G.O.	10.0	6.1	6.0	5.9	6.4	6.5	6.5
M.E.T.	4.26	1.88	1.84	1.77	1.70	1.64	1.58
L.U.T.	2.01	1.39	1.39	1.39	1.39	1.39	1.39
S.M.E.T.	3.23	5.09	5.09	5.13	5.13	5.11	5.11

The London Traffic Combine is inspired by the desire to be of the best possible service to the travelling community. This desire, embodied in a definite policy, is manifested in various ways. It is shown by the steady growth in the services given and the steady improvement in the facilities afforded for cheap, convenient, punctual and safe travel. Some figures may be given at this point to indicate the immensity of the services thus rendered to the travelling public. The following table indicates

by category for the year 1929, as compared with the year 1928, the numbers of passengers carried, the number of car-miles run by Companies' trains, trams, and omnibuses, and the number of cars and omnibuses owned.

Item	1929	Increase over 1928
Passengers carried :		
Ordinary	2,011,640,435	40,277,898
Workmen	100,054,258	4,820,268
Seasons	63,541,894	4,202,401
Total	2,175,236,587	49,300,567
Average daily number of passengers carried	6,435,611	155,150
Total number of car-miles run by Companies' trains, omnibuses or trams :		
In relation to traffic receipts	280,763,620	6,828,632
Over all lines	288,161,517	7,047,502
Number of cars or omnibuses owned	7,190	396

A careful record is kept of all complaints received from passengers. In 1929 there were 11,097 complaints — only 5.1 per million passengers carried. Rather fewer than half of these were complaints against the staff.

Over a period of the last five years the volume of traffic controlled by the Companies has regularly and steadily increased. On the average there has been an increase of nearly 100,000,000 passengers per annum. Additional services have, however, been given in order to deal with this increase in traffic. Between 1924 and 1929 traffic has increased by 25 per cent., and the corresponding car-miles run have increased by 24 per cent. Additional service has, therefore, been given in accordance with the increasing needs of the travelling public.

And what is the price to the public of the services rendered ? On all trains, omnibuses and trams, fares vary with distance, the minimum fare in each case being 1d. The following table shows for each of the companies the average rate of fare per mile and the average length of journey possible for 1d. fare :

Company	Average rate of fare charged per mile (pence)	Average length of journey possible for 1d. fare (miles)
M. D. R.	0.776	1.288
L. E. R.	0.862	1.161
C. & S. L. R.	0.723	1.384
C. L. R.	0.961	1.041
L. G. O. C.	0.956	1.046
M. E. T.	0.824	1.214
L. U. T.	0.837	1.195
S. M. E. T.	0.923	1.083

THE ORGANISATION AND ADMINISTRATION OF INDUSTRIAL RELATIONS

The London Traffic Combine keeps constantly in view that its aim is and must be a single one, namely, the transport of passengers from one part of London to another. Nothing is allowed to obscure that aim. It is, however, surprising how many different subsidiary operations are necessary in order to contribute to the carrying out of that purpose.

In addition to working the underground railways, omnibuses and tramways, the Combine operates its own power station, and its own repair shops, in which a certain amount of construction is also done, effects its own publicity and advertising, and carries out catering and a number of other subsidiary activities.

It is clear that no single form of industrial relations would be adequate to cover such a wide range of functions and occupations as the operations of the Combine involve; and in fact, as we shall see, there is considerable variety in the practice of industrial relations. This variety is, however, as the philosopher would say, subsumed within the dominant unity of the policy applied under the single direction of the Company.

The total staff employed by the Common Fund and Tramway Companies is, as we have already pointed out, over 44,000. The following table indicates by category and group of companies the division of this total into its component parts.

STAFF OF THE COMMON FUND AND TRAMWAY COMPANIES

Group	Administrative	Supervisory	Wages	Total
L.G.O.C.	1,239	1,156	27,596	29,991
Railways	1,021	370	9,308	10,699
Tramways	244	134	3,481	3,859
Total	2,504	1,660	40,385	44,549

The officer of the Companies primarily concerned with industrial relations is the Staff Officer. The Staff Officer is responsible to and reports direct to the Managing Director, but acts in concert with the head of the several departments in matters concerning these departments. The various departments into which the

headquarters organisation of the Companies is divided are the following :

- Department of the Secretary and Treasurer (Underground Company and Common Fund Companies) ;
- Department of the Comptroller and Accountant (Underground Company and Common Fund Companies) ;
- Department of the Chief Engineer (Railway Companies) ;
- Department of the Chief Mechanical Engineer (Railway Companies) ;
- Department of the Chief Engineer (London General Omnibus Company) ;
- Department of the Operating Manager (Railway Companies) ;
- Department of the Operating Manager (London General Omnibus Company) ;
- Department of the Commercial Manager (All Companies) ;
- Department of the Publicity Manager (All Companies) ;
- Department of the Chief Stores Superintendent (All Companies) ;
- Department of the General Manager (Tramways) ;
- Extra-Departmental Officers :
 - The Claims Agent ;
 - The Legal and Parliamentary Officer ;
 - The Staff Officer ;
 - The Estate Agent.

The duties of the Staff Officer relate to all Companies and comprise the review and check of salaries, wages, hours, conditions of service, and similar questions affecting the staffs as a whole to secure uniform and consistent treatment ; the establishment and maintenance of records of salaries and classification of administrative staff ; the conduct of the Suggestions Bureau ; the conduct of the Employment Registry for administrative staff ; the control of common services (such as central typing section, printing and duplicating machines, traffic drafting section, etc.) ; the management and control of mess-rooms, institutes, and other premises set aside for the staff, and also the catering stores and the costing work of the Catering Section ; the supervision of welfare work ; the control and supervision of the office buildings, furniture, telephones, and other office equipment of the Companies.

In the discharge of this dual responsibility of co-ordinating officer and personnel director he has reporting to him an assistant

staff officer who is in charge of the catering service and incidental office services for the Combine, a chief assistant who is in charge of rates, wages, agreements, staff meetings, and the suggestion system for the Combine, and a principal clerk under whose direction come all the records pertaining to the administrative staff of approximately 2,500 people. These three principal assistants have a total of more than 50 people, acting mainly in clerical capacities, as aids in the execution of their respective responsibilities.

The organisation and administration for detailed and routine matters pertaining to industrial relations in the several affiliated companies and departments thereof are in principle decentralised relative to the Combine, with responsibility centralised in one individual in each operating unit. Under the principal officer of each of the operating units is a staff clerk, who is responsible for the maintenance and control of records and classification of the local staff. In the shop units of the Combine, where there are large concentrations of workers, there are labour superintendents reporting to the principal officer, who have responsibility for staff discipline and training.

As a part of his responsibility for the co-ordination of industrial relations for the Combine, the Staff Officer transmits all press items relating to labour conditions in England, which are despatched with a memorandum to the company officers most interested in the specific item, who in turn record their comments as a guide to the Staff Officer in formulating a policy of action. As general aids to effective administration the Management prepares printed circulars describing operating practice, and detailed organisation charts setting forth staff duties.

RELATIONS WITH JOINT BODIES, EMPLOYERS' ORGANISATIONS, AND TRADE UNIONS; STAFF COUNCIL SCHEMES

In connection with the organisation and administration of industrial relations the Combine is related to various joint bodies, employers' organisations, and trade unions. Thus it is associated with the Railways Staff Conference, which deals with working conditions on the railways. In connection with its omnibuses, the Combine may and does associate itself with other omnibus companies in its negotiations with the trade unions. Finally, in connection with its tramway work, it has representation on the National Joint Industrial Council for the tramways.

It, however, prefers direct to joint negotiation, and would sever its joint connection if it disagreed with the joint policy.

The Combine also maintains direct and independent relations with the trade unions to which its employees belong. In the main the operating staff of the underground railways belong to the National Union of Railwaymen, the Associated Society of Locomotive Engineers and Firemen, and the Railway Clerks' Association; the operating staff of the buses and tramways to the Transport and General Workers' Union; the staff of the power station and sub-station to the National Union of Railwaymen and the Electrical Trades Union; the staff of the overhaul and repair shops of all Companies to the National Union of Vehicle Builders, the Amalgamated Engineers' Union, and the Transport and General Workers' Union. The clerical staff of all Companies are represented by the Railway Clerks' Association.

The general attitude of the Combine towards the trade unions is one of complete willingness to negotiate with regard to conditions of work. The Combine makes it clear, however, that none of its negotiations with the trade unions shall involve any interference on the part of the trade unions in regard to questions of management (including disciplinary matters).

Relations between the management and workers within the Combine are extremely good. Though the Combine was involved in the General Strike of 1926, and, together with the Main Line Railways, in the National Railway Strike of 1919, it is safe to say that the origin of those strikes was foreign to conditions of work within the system of the Combine.

In explaining in detail the machinery of industrial relations it is necessary to keep distinct the three categories of work for which the Combine is mainly responsible, namely, the railways, the buses, and the tramways.

Railways

In the case of the railways, conditions of work are in general regulated by a series of collective agreements, and other instruments, the basic agreement being the National Agreement of 1920, concluded between, on the one hand, all the railway companies of the country and, on the other, the railway unions.

If questions now arise between the Companies and the railway unions with regard to new questions at issue, they are in the first place discussed directly between the Companies and the

union concerned. Then, if an agreement cannot be reached the questions at issue may, by agreement, be referred to the Industrial Court.¹ If considered desirable, however, they may, in the first instance, be referred to the Railways Staff Conference with a view to ascertaining whether the Main Line Railways are likely to be involved, so that in such event the matters could be discussed by the Railways Staff Conference with the unions concerned and thereafter — failing agreement — go to the Industrial Court for a ruling.

In addition to this machinery for negotiations between the Companies and the trade unions, a scheme is in operation which provides for discussion and negotiation within the Companies between their own officers and representatives of the men employed. This is known as the "London Underground Railways Staff Council Scheme" and deals with questions of wages, hours, and conditions of service, and other matters affecting the staff. This scheme was agreed upon in 1921 between the Companies on the one hand and the National Union of Railwaymen, the Associated Society of Locomotive Engineers and Firemen, and the Railway Clerks' Association on the other.

One of the first provisions of this scheme — a provision which is common to all the industrial relations schemes in operation in the Combine — is that nothing in the scheme shall be taken to cancel the regular channels by which employees communicate with the officials and officers of the Companies on matters which concern them, it being understood that every employee in the first instance is to address his case to the official immediately over him, or through him to the official or officer authorised to deal with it. It is only if a satisfactory settlement should fail to be arrived at by this normal procedure that the special scheme applies.

The scheme provides a hierarchy of three series of committees or councils. Lowest in the hierarchy come "sectional committees" established in such numbers as are necessary to provide a recognised means for the discussion and settlement between the employees and the local officials of questions arising out of their employment, such as (a) the local interpretation and administration of the agreements governing employment; (b) questions relating to conditions of employment, i.e. working hours.

¹ For the functions and procedure of the Industrial Court, cf. *International Labour Review*, Vol. III, Nos. 1-2, July-Aug. 1921, pp. 41-50: "The British Industrial Court", by Sir William MACKENZIE.

reliefs, timekeeping, holidays, rosters, seniority, suggestions, and welfare ; (c) questions of mutual interest affecting the efficiency or economy of operation. Some ten of these sectional committees have been set up, each comprising from six to fourteen members. Each sectional committee consists of a certain number of elected members of the staff, together with not more than a corresponding number of officials nominated on behalf of the companies. No sectional committee may come to a decision on any matter which does not fall within the authority of the officials who are members of the committee ; nor may it make any vital alteration in existing practice in regard to the conditions of any grade of the staff until a fortnight has elapsed to enable the staff concerned to express their views thereon. While, however, sectional committees may not reach decisions, they may discuss questions not covered by this provision, and their recommendations may be put forward to the management of the Companies through the regular channels.

In the second grade of the hierarchy are "departmental councils" for the discussion and settlement between the representatives of the employees and the higher officials of the Companies of questions common to two or more sectional committees. There are four departmental councils : (1) clerical, (2) traffic, (3) supervisory, and (4) engineering. The membership of the councils is composed, on the one hand, of members of the staff nominated by and from the respective sectional committees, and, on the other hand, of officers and officials, nominated by the Companies, not to exceed in number the representatives of the employees.

Finally, and at the apex of the scheme, there is an "Underground Railway Council". This deals with any questions which may concern two or more departmental councils ; it consists of the proper departmental councils sitting together. Any questions involving all departments come before the full Underground Railway Council, consisting of all departmental councils sitting together.

Each council and each sectional committee has two secretaries, one nominated by the Companies, and one, who need not necessarily be in the employ of the Companies, nominated by the elected representatives of the staff. No items may be placed on the agenda of a meeting except by agreement of the two secretaries. If a sectional committee, a departmental council, or the Underground Railway Council fails to come to a satisfactory

settlement by agreement, the question under discussion is referred in the first instance to the management of the Companies, and subsequently, if necessary, to the "negotiating committee". The negotiating committee consists of representatives of the Companies and of the trade unions concerned in the scheme. This negotiating committee deals in particular with every alteration or variation of any agreement between the Companies and the trade unions governing employment.

To be effective, every decision, whether of a sectional committee, departmental council, underground railway council, or negotiating committee, must be by the agreement of both sides. With the exception of the last named, the committees remain in office for two years. The scheme contains details with regard to regulations governing the election of representatives of the staff to the sectional committees, and gives the schedule of grades of the staff covered by the scheme.

Minutes of the proceedings of the various councils and committees are carefully kept, roneoed and circulated. An examination of these minutes shows clearly that great use is made of this machinery for settling the difficulties and grievances which inevitably arise in the day-to-day operations of such a complicated undertaking as the Underground Railways.

In the great majority of questions which come before the committees and councils agreement is reached between the two sides represented on the committees and councils. In some cases where agreement cannot be reached at first, the question is deferred and further investigation enables agreement ultimately to be obtained.

In addition to the general joint machinery which has just been described, provision is made for special machinery in the case of three other categories of men employed by the Underground Railway Companies to whom the General Staff Council Scheme does not apply, as follows. The first two of these additional schemes do not provide for joint committees, but set up representative shop committees of the men for negotiation with the Management.

(1) *Departmental Shop Committees and Lines Committee for Staff employed in the Mechanical Engineering, the Civil Engineering, and the Signal Engineering Departments, represented by the National Union of Railwaymen.* This scheme was accepted on 27 August 1925, on behalf of the Companies on the

one hand and the National Union of Railwaymen and the shop staff concerned on the other hand. It consists of three departmental Shop Committees covering (a) the Mechanical Engineering Department, (b) the Civil Engineering Department, and (c) the Signal Engineering Department.

Above these three parallel departmental Shop Committees, there is a Lines Committee, the object of which is to provide machinery additional to that existing for the departmental Shop Committee, for the discussion and settlement (subject to National Agreements and/or Awards) of questions relating to rates of pay, hours of duty, conditions of service and other matters, which are of common interest or concern to the staff of the above-mentioned departments who are represented by the National Union of Railwaymen, and with which the departmental Shop Committees are not competent to deal.

The Lines Committee consists of seven representatives of the staff nominated by the three departmental Shop Committees.

(2) *Departmental Committees and Lines Committee for Electrical Staff employed in the Mechanical Engineering and the Signal Engineering Departments, represented by the Electrical Trades Union.* This scheme was accepted on 31 October 1924, on behalf of the Companies on the one hand and the electrical staff concerned on the other. It consists of two departmental committees covering (a) the Mechanical Engineering Department and (b) the Signal Engineering Department.

In addition to these departmental committees, there is a Lines Committee which functions in a similar manner to the Lines Committee referred to above for the staff represented by the National Union of Railwaymen. The Lines Committee consists of six representatives of the staff nominated by the two departmental committees.

These two schemes are now in course of review, and will be modified in order to fit in with departmental reorganisations which have taken place; the main principles of the schemes, however, will not be altered.

(3) *A Local Committee (which is a joint committee) for Staff solely employed in Railway Electricity Generating Stations and Sub-stations.* This Committee was set up on 26 April 1928, in accordance with a national agreement of 22 August 1927, between all railway companies on the one hand and the National Union of Railwaymen and the Electrical Trades Union on the other hand.

to afford facilities for discussion of questions relating to rates of pay, hours of duty, and general conditions of employment. The procedure under this scheme is as follows :

(a) An employee, or group of employees, who desire to raise any question within the scope of this scheme in which he or they are directly concerned, shall, in the first instance, make representations to the Foreman or other official in charge.

(b) If the answer to the application is not regarded as satisfactory, the employee or group of employees concerned shall refer the matter to their representative or representatives on the Local Committee, who will discuss the matter with the Assistant Engineer concerned.

(c) In the event of failure to secure agreement at the meeting between the Sectional Staff representatives and the Assistant Engineer concerned, the matter will be referred to the full Local Committee.

(d) In the event of failure to secure agreement at the full Local Committee, direct negotiations may, if required, be opened by (a) the District Staff Officer of the trade union concerned, or (b) the Headquarters Officials of the trade unions concerned, jointly or severally, with the Chief Engineer of the London Underground Railways.

The Local Committee is part of the general scheme of national organisation. It is, therefore, provided that:

If the trade unions desire to raise any question of a general character within the scope of this scheme, they may take the matter up jointly with the General Managers of the Railway Companies parties hereto.

A National Council to be established for dealing with national questions within the scheme affecting the employees concerned.

Any necessary negotiations in regard to such national or general questions will be conducted on behalf of the Railway Companies by the Railways Staff Conference, and on behalf of the trade unions by eight delegates to be appointed by the trade unions, and if, failing a settlement, it is decided to submit any matter in difference, the reference shall be to the Industrial Court.

Omnibuses

In the case of the omnibuses the problem of industrial relations is in one sense simpler than in the case of the railways. This is due to the fact that whereas in the case of the railways basic conditions are generally fixed between on the one hand the Main Line Railways and the Underground Railways and on the other the three railway trade unions, in the case of the omnibuses

basic conditions are regulated between the L.G.O.C.¹ on the one hand and the unions concerned on the other.

Conditions of work for drivers and conductors are regulated by an agreement signed on 31 May 1929, between the London General Omnibus Company, Limited, and two other Omnibus Companies on the one hand, and the Transport and General Workers' Union on the other. This Agreement took the place of an Agreement of 1926.

The old Agreement was terminated by the Transport Workers, and various demands for improvements in conditions were made. Finally, after some months of negotiations, this new Agreement was reached. It includes concessions with regard to meal times and annual holidays. Provision is made in this Agreement with regard to disputes arising in the interpretation of the Agreement. This provision is as follows :

Any dispute as to the interpretation of any clause of this agreement or of any agreed minute relating to practices, payments and privileges arising out of this agreement or covered by clause 14 hereof, shall be discussed at a meeting between representatives of the Companies and of the Union, and failing agreement such dispute shall be referred to a Board of Referees, consisting of two members to be elected by the Companies and two by the Union, with a Chairman to be mutually agreed on, or, failing agreement, to be appointed by the Minister of Labour.

In the case of the omnibuses, there is no general scheme corresponding to the Staff Council Scheme of the Underground Railways. The reason is that the organisation of the L.G.O.C. on the one hand, and of the Transport and General Workers' Union on the other, makes it relatively simple to arrange for direct negotiations between the management of the L.G.O.C. and the Union at every stage in the hierarchy of administration.

In order to understand this system of negotiations, it is necessary to know how the L.G.O.C. system is organised and how the Transport and General Workers' Union is organised.

The organisation of the administration of the omnibuses comprises a hierarchy of three elements—first, there is the garage, from which a number of buses start on the roads ; secondly, the district, of which there are 15, each including a certain number of garages ; and finally, the division, including a certain number of districts. There are three divisions, which in turn report to

¹ With the L.G.O.C. are sometimes associated other omnibus companies which, however, are of much less magnitude than the L.G.O.C.

Headquarters. Officials of the Company are in charge of each garage, each district, and each division.

The corresponding local organisation of the trade union is as follows.¹ In each garage there is a branch of the Union, with its Branch Secretary. Each branch elects one representative to the divisional committee. The divisional committees, of which there are three, corresponding to the three divisions into which the Company is organised for operation, each elect two members to the Central Bus Committee. The Central Bus Committee, consisting of these six members plus two representatives of the workers in two other omnibus companies and a representative for the indoor staffs, is responsible, under the Executive of the Union, for all dealings with the Company with regard to questions arising in connection with the schedules and rotas on which the men work. The Union has four officials operating under the Central Bus Committee and London District Secretary, who undertake this work ; one of these officials is the Schedules Officer, the other three are Divisional Officers.

If any grievance with regard to schedules and rotas should arise in a garage, it is normally brought to the attention of the Chief Depot Inspector (the head of the garage) by the Union Branch Secretary, and endeavours are made to settle the difficulty directly and immediately. If agreement cannot be reached locally, provision is made by an agreement of 10 July 1929 between the Company and the Transport and General Workers' Union for the joint consideration of the grievance. This organisation for dealing with complaints is as follows :

Schedule and Rota Complaints

1. Complaints which arise in connection with schedules or rotas shall, in the first instance, be considered by the Chief Depot Inspector of the garage concerned and a Schedule Representative of the Union.

2. In the event of the Chief Depot Inspector and the Schedule Representative of the Union being unable satisfactorily to adjust the complaint, it will then be formulated, on a form to be provided, to the Joint Secretaries of the Committee set out below.

3. The Joint Secretaries will then endeavour to reach a settlement of the complaint, taking such instructions or advice as may be necessary for the purpose.

¹ The information in this paragraph with regard to Union organisation was supplied by Mr. Harold E. Clay, of the Transport and General Workers' Union.

4. If the Joint Secretaries fail to reach a settlement of the difficulty or if a question of principle is involved, the matter shall immediately be considered by the following Committee:

Representing the Omnibus Company:

Traffic Superintendent;
Superintendent of Schedules;
Staff Superintendent (Operating);
Joint Secretary.

Representing the Trade Union:

Schedule Sub-Committee—3 members;
Schedule Officer of the Union and Joint Secretary.

The Union shall be entitled to arrange for a local representative or representatives to be present either when the complaint is being discussed by the Joint Secretaries, or by the whole Committee. The Local Officials of the Company may also be present if required to assist in the consideration of the complaint.

The Joint Secretaries shall be responsible for the convening of meetings of the Committee; for taking minutes, and recording decisions both in the case of meetings between themselves, as provided in paragraph 3 above, and of meetings of the full Committee.

General Complaints

1. General complaints shall in the first instance be considered by the Chief Depot Inspector of the garage concerned and the Branch Representatives of the Trade Union.

2. In cases where a settlement cannot be reached locally, the matter will be referred, on a form to be provided, to the Divisional Superintendent of the Company and the Divisional Officer of the Union.

3. If the complaint cannot be settled in accordance with the procedure set out in paragraphs 1 and 2, the details of the complaint will be forwarded to the Traffic Superintendent of the Company and the London District Secretary of the Union.

Where complaints are lodged immediate attention will be given to them in the manner provided so that a speedy decision may be arrived at.

The machinery which has just been described for direct negotiation between the management and the Trade Union covers all men employed in the direct operation of the buses.

There are, however, four other main categories of workers employed by the L.G.O.C., who are not covered by this machinery and for whom special schemes have been set up.

(1) A Works Committee has been set up at the Chiswick Works, in which are situated the Repair Shops for the buses. The men concerned are, for the most part, members of the Transport and General Workers' Union, the Amalgamated Society of Engineers, the Electrical Trade Union, and the National Union of Vehicle Builders. This Works Committee is

recognised both by the Management and by the trade unions concerned.

(2) Provision is also made in the case of the ticket-sorting staff for a Staff Committee to deal with questions relating to conditions of service and other matters affecting the staff. This staff is composed of women who work at Chiswick. This scheme was agreed upon by the Management on the one hand and the Railway Clerks' Association, to which the ticket-sorting staff belong, on the other.

(3) and (4) In the case of the administrative technical grades and traffic supervisory grades, provision is made for granting them representation for the discussion of conditions of work with the Management. These administrative technical grades and traffic supervisory grades comprise men in positions of authority and responsibility and they are not represented by the trade unions.

Tramways

The Companies are represented on the National Joint Industrial Council for the Tramway Industry, and also on its District Council for the Metropolitan area. Their representative has frequently been the Chairman of the National Council. The objects and functions of the National Joint Industrial Council for the Tramway Industry and its District Council are as follows:

Objects of the National Council. To secure the largest possible measure of joint action between employers and employees by the regular consideration and settlement of matters affecting the well-being and progress of the tramway industry as part of the national life.

It will be open to the Council to take any action that falls within the scope of this general definition. Its more specific objects will be the consideration and (if found practicable) settlement of matters relating to the following :

- (a) The establishment and definition of functions of District Councils and Works Committees.
- (b) Effecting the inclusion of all employers and employees in their respective organisations, and securing the observance by them of collective agreements.
- (c) Wages, hours and working conditions which affect the industry as a whole. The rates of wages and conditions of service of the Supervisory, Administrative and Clerical Staffs shall not be within the objects of the Council.
- (d) The machinery for the settlement of differences between the parties and sections in the industry.
- (e) The measures for securing regular employment, while providing the public with the most efficient services.

- (f) The improvement of conditions with a view to removing danger to the health of the workpeople and minimising accidents.
- (g) The safeguarding of the rights of workpeople inventing or designing improvements in machinery and method.
- (h) Training for the industry, and co-operation with educational authorities in arranging education in all its branches for the industry.
- (i) Enquiries into special problems of the industry, including the study of the organisation and methods of the industry in this and other countries, and, where desirable, the publication of reports.
- (j) The collection of statistics and information on matters appertaining to the industry.
- (k) Representation to any appropriate authority of the needs and opinions of the industry in respect of any matters affecting the constitution and continuance of the Undertakings and the material well-being of all concerned in the industry.
- (l) Any matters that may be referred to it by the Government or any Government Department.
- (m) Co-operation with the Joint Industrial Councils for other Industries and other bodies to deal with problems of common interest.

Functions of the District Councils. The main functions of the District Councils shall be as follows :

1. To consider any matters that may be referred to them by the National Council, and to take executive action within their districts in connection with decisions arrived at and matters deputed to them by it ; to consider any matters of interest to their district, including matters referred to them by Works Committees, and to take executive action with regard to matters that affect only their particular district, subject to the right of the National Council to veto any action if it be found to involve the interests of other districts ; to make recommendations to the National Council.

Among the more specific functions falling under this head are :

- (a) The consideration of working conditions, including the codification, unification, and amendment of working rules relating to holidays, juvenile labour, overtime, the shift system, and similar matters.
- (b) The co-ordination of local working conditions.
- (c) General district matters relating to the well-being of the workpeople.
- (d) The consideration of safeguarding the rights of workpeople inventing or designing improvements in machinery and method.
- (e) The improvement of conditions with a view to removing danger to the health of the workpeople and minimising accidents.
- (f) Training for the industry, and co-operation with the educational authorities in arranging education in all its branches for the industry.

2. Co-operation with the District Councils for other industries to deal with problems of common interest.

3. To consider any differences which may be referred to them and cannot be settled within an individual undertaking, and, if necessary, to refer the same to the National Council.

4. It is competent for District Councils to consider and arrive at decisions upon any of the subjects above referred to. No decision which may affect other districts shall become operative until it has been confirmed by the National Council.

Questions at issue between the Companies and their Tramway employees, most of whom belong to the Transport and General Workers' Union, are either settled by direct negotiations or are referred to the District Council or National Joint Industrial Council. On one occasion, in 1924, it became clear that the issues were so serious that it would be necessary for the National Joint Industrial Council to constitute special machinery to deal with them.

In the month of May 1924 the National Joint Industrial Council appointed a Special Committee "to enquire and report as to what steps, if any, may be taken to improve the existing machinery of the Council, with a special reference to the procedure to be followed in the event of a failure to arrive at a decision on any question." In an Interim Report the Special Committee recommended, among other matters, the constitution of a "Tribunal" to deal with matters referred to it by the National Council in respect to the revision or modification of any national agreement, and such other matters of national importance as the Council might from time to time decide. The Special Committee also recommended that the Tribunal should consist of ten members of the National Council, five to be elected by each side, with the addition of four persons who are not members of the National Council, two to be nominated by each side, together with a Chairman appointed by the National Council. The Special Committee's recommendations further dealt with matters affecting the procedure of the Tribunal.

This Interim Report was received by the National Council on 10 July 1924, and recommended by them to the constituent associations for adoption. The Report was adopted by the constituent associations and this was duly communicated to the National Council. The National Council was thereupon constituted a Tribunal for the Tramway Industry.

This Tribunal, after hearing both sides, issued on 1 November 1924 a unanimous decision and report on grouping, standardisa-

tion, increase in wages, stabilisation, and night work. Basic conditions continue to be regulated in accordance with this report.

In the case of the administrative clerical staff employed on the Tramways, an Agreement was made on 10 January 1925, between the Tramway Companies on the one hand and the Railway Clerks' Association on the other, for the establishment of an administrative clerical staff committee scheme for the discussion of questions relative to rates of pay, hours, conditions of work, conditions of service, and other matters affecting the staff. This scheme is generally similar to that which operates in the case of the head office administrative clerical staff.

Administrative Clerical Staff

The conditions of work of the administrative clerical staff employed at Headquarters are regulated in accordance with a series of collective agreements and other instruments, the basic agreement being that of 1920 between the Committee of Railway Managers and the National Union of Railwaymen and Railway Clerks' Association.

Within the combine there is in existence an administrative clerical staff committee scheme for dealing with questions of wages, hours, conditions of service, and other matters affecting the staff. This scheme, which applies only to members of the male and female administrative clerical staff below the "special" class, was brought into operation by an Agreement of 11 August 1922 between the London General Omnibus Company and the Railway Clerks' Association. The functions and mechanism of this Committee are generally similar to those of the Sectional Committees under the Staff Council Scheme on the railways.

Half-Yearly Salaries Committee

Provision is made for the reviewing of salaries of the administrative (clerical and technical) grade twice a year — shortly before 1 January and 1 July — by the Managing Director, assisted by the Principal Officers of the Companies, i.e. the heads of the departments, sitting as a Committee called the "Salaries Committee". The object of dealing with the matter in this manner is to ensure uniformity of treatment throughout the departments, but the decision of the Managing Director in each case is final. The Principal Officers forward to the Staff Officer any proposals

they have to make. The Staff Officer, who holds a central record of all members of the administrative staff, compiles data in respect of each case submitted, for the assistance of the Committee in considering the recommendations put forward.

The proposals may consist of recommendations for :

- (1) *Promotion*, involving a passage from class to class.
- (2) *Merit Increases*. These are special increases given in recognition of particularly good service. They are distinct from the normal increments given within the classes in accordance with the scales provided in the agreement.
- (3) *Lump-Sum Bonuses*. These may be granted in certain exceptional cases where some special work has been done by an official in circumstances which would not come under category (2) above.

The total cost of the recommendations approved by the Managing Director at the Salaries Committee is submitted to the Chairman of the Companies for final confirmation.

The Salaries Committee's functions are confined to recommendations for promotion, etc., in *individual* cases. It does not deal with recommendations for increases in the *number of staff employed* by the respective departments, such recommendations being made direct to the Chairman's Meeting, which is a regular weekly meeting of the Principal Officers presided over by the Chairman of the Companies.

If a member of the administrative staff considers that his present responsibilities warrant a higher salary than he is receiving, he may make application to his Departmental Officer. If the Officer does not approve, or if he submits a recommendation which is not approved by the Managing Director at the meeting of the Salaries Committee, the employee in question has the right to appeal to a Committee called the "Salaries Appeals Committee", which consists of the Managing Director, supported by two of the Principal Officers not directly concerned in the appeal. The appellant may, if he so desires, be represented at the meeting of the Appeals Committee at which his appeal is to be heard, by an advocate, who may be either a fellow employee or a representative of a trade union. The Officer under whom the appellant is employed is also present when the case is heard.

The Appeals Committee usually sits about one month after the

meeting of the Salaries Committee, in order that there may be no undue delay in dealing with any appeals which may arise after the decisions of the Salaries Committee are made known.

Suggestions Scheme

It is convenient, at this point, as a further instance of collaboration between the Management and the workers, to consider the Suggestions Scheme. The Companies have in operation a Suggestions Scheme whereby any member of the staff may submit suggestions for improvements of any kind in regard to either the running of the railways, omnibuses, or tramways, or the plant and equipment used.

Suggestions are invited from employees in regard to such subjects as :

- Methods of increasing traffic and the provision of better traffic facilities ;
- Improved methods of working trains, omnibuses, and trams ;
- Improvements in rolling stock and equipment ;
- Improvements in connection with works, garages, depots, stations, lifts and escalators, etc. ;
- Improved methods of lighting, heating, ventilation, signalling, etc.

Suggestions submitted for consideration under this scheme must contain something original and show evidence of having been carefully thought out. Merely to call attention to an omission or error or to propose the extension of some existing practice, is insufficient, unless the matter is of some exceptional importance.

Forms on which suggestions must be submitted (and envelopes for despatching them to 55 Broadway), can be obtained at every local office.

The form is so arranged that the upper portion, giving the name, occupation, and other particulars of the suggester will be detached in the Suggestions Bureau prior to forwarding the suggestion to the departments concerned for report. The anonymity of those putting forward suggestions is thus preserved whilst the proposals are under consideration.

The Suggestions Scheme in its present form has been in operation since 1917. Since its inauguration, 52,856 suggestions

have been received. During 1929, 3,632 suggestions were submitted, of which 153 were wholly adopted and monetary awards granted.

There were 111 other cases in which awards were made either for suggestions leading to some definite action being taken or considered of sufficient merit to justify recognition.

The usual award made for adopted suggestions (the majority of which relate mainly to detail and assist to keep a standard of accuracy and care) is £1. Higher amounts have, however, not infrequently been paid. In one case an award of £25 was made to an assistant craftsman at one of the Companies' works for an improvement in connection with the working of valve-grinding machines. A list of awards is published monthly in the Traffic Circulars and posted on the notice boards. Particulars of the awards are also entered on the employees' staff records.

It is of interest to note that it has been ascertained that a much larger proportion of suggestions is received during the winter months than in summer. The obvious deduction is that the men occupy some of their leisure during the winter months in thinking out suggestions for improvements.

GENERAL PRINCIPLES OF INDUSTRIAL RELATIONS

It is clear from the account that has been given that the machinery for discussion between Management and workers assumes a wide variety of forms. Can any underlying principles be discerned? Is there any unity in all the diversity of application? In our opinion, the policy of the Combine in its relation with its workers is inspired by a unity of purpose which considers that consistency is important but symmetry is not. The general aim has been to provide everywhere for machinery to facilitate relations between Management and workers. The precise form of the machinery adopted necessarily varies, however, in accordance with circumstances.

The general principles of industrial relations in the Combine, it may be suggested, are the following :

- (1) Basic conditions of work are regulated in accordance with collective agreements. In all cases the Combine has been associated with other undertakings engaged in passenger transport in the negotiations with the trade unions which led to these collective agreements.

(2) The Combine remains in direct contact with the trade unions concerned, and makes direct settlements with them on matters which concern its employees.

(3) In conjunction with the trade unions concerned the Combine has set up a wide variety of schemes to facilitate industrial relations within the Combine.

(4) Negotiations between the Combine and the trade unions and between Management and workers cover wages, hours, and conditions of service. They expressly exclude questions of management and discipline.¹

(5) Nothing in the various schemes is to be taken to cancel the regular channels by which employees communicate with the officials and officers on matters which concern them, it being understood that every employee shall, in the first instance, address his case to the official immediately over him, or through him to the official or officer authorised to deal with it. It is a general principle that all disputes shall be dealt with in the first place locally and as rapidly as possible.

(To be continued.)

¹ Questions of discipline are dealt with by disciplinary boards representing exclusively the Management. A man brought before a disciplinary board is, however, permitted to have the assistance, in presenting his case, of a representative of his trade union.