

WAGES FRONT

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Heinemann*

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By the same Author :
BRITAIN'S COAL

WAGES FRONT

Prepared by

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AUTHOR'S NOTE

This book has been written in the course of my work on the staff of the Labour Research Department. The material was mainly compiled during 1946. While every effort has been made to bring it up to date to mid-1947, with the inevitable delays of publishing at present it is likely that further changes in detail will have taken place by the time it appears. Nevertheless, I hope it will serve to provide concrete information and argument for the serious discussions now taking place, both in trade union and political circles, on wages policy, and perhaps to remove some misunderstandings. The factual appendices have been included as examples of different types of structure, and not as a comprehensive guide.

The compilation of the book, incomplete as it is, has only been possible because of the co-operation of many leading trade unionists and economists, who have provided both information and helpful suggestions. I would like to thank especially Mr. W. Airey, Mr. G. Eastwood, Mr. J. Fletcher, Mr. L. Gregory, Mr. J. Hammond, Mr. A. Horner, Mr. Z. Hutchinson, Mr. J. Jefferys, Mr. H. Kanter, Miss P. King, Mr. Gavin Martin, Mr. J. Mathieson, Mr. L. Powell, Mr. J. Ryan, Mr. J. R. Scott, Mr. W. Warren, and Mr. W. Zak.

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FOREWORD

No one who depends on them for his livelihood underestimates the importance of wages. This is the great majority. The small minority who do not depend on wages attach equal importance to rent, interest, and profit. This conflict over the division of the product of industry is the essence of capitalism which has, in fact, been called the "wages system." It is a system under which the means of production are owned not by those who do most of the work, but by the few who buy for wages the labour power of the many. While the object of the wage earners is, very naturally, to increase their wages, their employers try to keep the price they pay for labour power as low as possible so as to swell the share of the value produced accruing to those who own.

Practically every social conflict stems from this fundamental struggle going on under the capitalist system. Hence the great importance of a clearer understanding of wages, a subject almost as complicated as capitalist society itself.

Miss Heinemann's book makes a really constructive contribution to this understanding. It has the outstanding merit of making a serious attempt to get at the root of the issues and of distinguishing the important from the trivial. It places wages in their historic and social perspective showing how the wages structures in various industries have developed over the years. This study demonstrates the absence of fundamental change even in recent years, despite the rapidly changing social scene and the transformation of industrial technique. Some of Miss Heinemann's conclusions are controversial. What good book on a basic social subject could fail to be? One thing, however, stands out: that the wages structure, developed during capitalism's formative period, in which the skilled artisan is placed at one end and the "unskilled labourer" at the other, has no place in industry today—unless the object is to preserve a pattern which has proved its value to those who are determined to go on exploiting the worker's labour power.

Not only has the industrial structure undergone vast changes, but also today something like 20 per cent of productive industry is, or is about to be, nationalised. We have a Labour Government, pledged to maintain full employment. The organised workers are demanding a real voice in deciding what is produced and how. Above all, we have a chronic production crisis which, if not overcome, is likely to lead to a sharp drop in living standards.

In the circumstances, no adequate wages structure can fail to take account of new skills other than those of the all-round craftsman. Wages must have regard to the character of the job and the number of people willing to do it. Every single thought on the subject of wages must be conditioned by an awareness of the basic conflict over the division of the product of industry and such modifications as arise from nationalisation and other forms of State control. Within the Labour Government these things are mostly agreed. Controversy arises mainly on method and tactics.

Miss Heinemann's work deals with these problems; it faces up to the issues. Hence its great value for those engaged in any form of wages negotiations who, pre-occupied with their own problems, only too easily—and here I speak from experience—tend to lose sight of the broader aspects. It helps us to see more clearly the links between one industry and another; between one phase of development and another. No one who reads it can fail to learn. I advise every trade unionist to read it and every wage negotiator to study it closely.

July, 1947.

GAVIN MARTIN.