

# Industrial Relations in Privatized UK Mining: A Contingency Strategy?

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## **Abstract**

*This paper explores variations in the pattern of colliery level industrial relations following the privatization of British Coal in four pits operated by the largest coal mining company in the UK. Differences are explained in terms of the competing institutions representing mineworkers and, most significantly, in relation to whether the mode of acquisition of the colliery required the management to maintain existing terms and conditions as a result of the Transfer of Undertakings (Protection of Employment) Regulations 1981.*

## **1. Introduction**

The transformation of labour relations in Britain under the Conservatives represented a departure from the traditional pluralist approach that became the predominant policy orientation during the 1960s, even if in practice unitary approaches flourished beneath the surface (Ahlstrand 1990). In a context of higher levels of unemployment and a more hostile legal environment for the unions than at any other time in the postwar period, managers were able to adopt a more robust approach to labour relations. Instances of trade union derecognition and exclusion became more common during the 1980s (Claydon 1989; Gall and McKay 1994; Smith and Morton 1993, 1994), and continued through the 1990s (Cully *et al.* 1999). The 1984–5 miners' strike marked a major defeat for the militant trade union tradition, with a symbolism reminiscent of the 1926 General Strike (Golden 1997; Richards 1996).

There is controversy surrounding the extent to which management in the coal mining industry capitalized on the defeat of the 1984–5 strike. Some authorities concluded that the National Coal Board did not launch a sustained assault upon organized labour within the industry (Richardson

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and Wood 1989), and emphasized the continuity apparent in local bargaining institutions (Edwards and Heery 1989). Others argued that industrial relations were systematically restructured (Winterton and Winterton 1989, 1993a) as managerial prerogatives were reasserted (Leman and Winterton 1991; Tomaney and Winterton 1995), collective agreements were unilaterally abandoned (Winterton 1994) and new procedures were introduced that favoured the moderate Union of Democratic Mineworkers (UDM) and marginalized the more militant National Union of Mineworkers (NUM) (Taylor 1988; Clapham 1990).

In December 1994, the majority of the core collieries privatized by the Conservative government were acquired by RJB Mining Ltd. This company had earlier purchased a number of mines offered for sale under the lease/license arrangements, and when the privatization of the coal industry was completed, RJB had secured ownership of over 60 per cent of the deep mines in the UK. As in the period following the miners' strike, opinions varied as to the impact of privatization on labour relations. Some observers anticipated that privatization would have an ambivalent influence upon industrial relations, and that it was therefore possible that organized labour might benefit from ownership change in some circumstances (Edwards and Heery 1989; Fairbrother 1994), especially where countervailing forces would constrain a more confrontational approach (Ferner and Colling 1991). Noting that many of the changes in industrial relations occurred in preparation for the return of public enterprises to private ownership, Pendleton and Winterton (1993) found that some privatized enterprises demonstrated considerable continuity of pluralist structures, while others exhibited very substantial changes, most of which were to the detriment of labour. Other empirical studies found both continuity and change in the patterns of labour relations after privatization (Avis 1990; Blyton 1992; Colling 1991; Colling and Ferner 1992; O'Connell-Davidson 1990, 1991; Ogdén 1993, 1994).

In the case of the privatized coal mining industry, Parry *et al.* (1997: 176–7) considered the extent to which there was a continuity with the uncompromising macho-management of British Coal or a change to 'residual respect for the traditional trade union role'. It is perhaps more meaningful to speak of ambiguity rather than continuity or change, since the macho-management style of the last years of public ownership, originating in the arrival of MacGregor as NCB chairman and the 1983 overtime ban, represented a dramatic break from the mainstream tradition of the nationalized era.

Anticipating that uniformity in industrial relations would be unlikely, given the diversity of forms of ownership in privatized coal mining, Parry *et al.* (1997) concluded that union marginalization was most prevalent in the largest company, RJB Mining, whereas, predictably, the trade unions had greater influence at Tower Colliery, owned by the cooperative Goitre Tower Anthracite. However, Parry *et al.* did not consider any of the collieries acquired by management buyout teams, and subsequent research has shown that

Midlands Mining adopted a more antagonistic approach to organized labour (Wallis 2000). Moreover, while Parry *et al.* (1997: 178) acknowledged that variations in industrial relations are likely to be observable 'even across pits belonging to the same company', they did not feel that such variations would account for apparent differences between the four RJB collieries in their study.

The purpose of this paper is to explore and explain the variation in patterns of industrial relations within the largest coal company in Britain, RJB Mining. In doing so, we explore the emerging patterns and assess the extent to which the changes have had positive or negative implications for organized labour within the company. It was expected that the labour relations strategies adopted by management would have a significant influence on the development of industrial relations within the whole privatized mining sector, because the power of capital had been strengthened relative to that of labour following the 1984–5 strike. However, other factors must be relevant in explaining variations within a single company, especially where labour relations strategies are formulated at corporate level but the pattern of industrial relations appears to differ among individual collieries.

The nature of trade union representation within the company was expected to be a key explanatory variable, because the different traditions of the NUM and UDM (reflecting differing labour relations traditions of the Yorkshire and Nottinghamshire coalfields) suggested that these organizations were likely to respond differently to management labour relations strategies.

The impact of the Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) was identified as another possible constraining variable on management strategies and the development of industrial relations within the company. This legislation protected existing jointly negotiated procedures and agreements at those collieries acquired by RJB following a transfer of undertakings. Parry *et al.* (1997: 184) noted that RJB was restricted under TUPE, but that this did not apply to all the collieries the company acquired, because some were purchased without a transfer of undertakings.

Another variable that might be expected to influence the dynamics of industrial relations at colliery level is the product market for the grade of coal produced, as with the anthracite niche markets served by Betws and Tower in South Wales (Wallis 2000). However, the four collieries analysed in this paper all operate in the same product market, serving the electricity supply industry, so product market differences were excluded from consideration.

The next section outlines the methodological approach adopted in order to address the hypotheses outlined above. This is followed by a brief overview of the corporate industrial relations strategy of RJB Mining, both to avoid repetition and to provide a contextual underpinning for the empirical findings of the research in the four colliery-level case studies. Each case study is divided into three sub-sections, dealing respectively with the industrial relations strategies adopted by management; the effectiveness of local trade union branches; and the institutions of collective bargaining.

In a concluding section, explanations are offered for variations in the patterns of labour relations identified within RJB Mining, in terms of the extent to which the industrial relations strategies adopted by management have been contingent upon and constrained by the ways in which the collieries were acquired and whether the NUM or the UDM was the majority union. It is also shown that such developments have been detrimental to organized labour within the company.

**2. Methodology**

A case study approach was adopted in order to investigate variations in industrial relations within RJB Mining. In the earlier work of Parry *et al.* (1997), three of the RJB collieries were in Yorkshire, where the NUM was the majority union, while the fourth was in Nottinghamshire, where the UDM was in the majority. Only one of the collieries was not subject to the provisions of TUPE, hence the separate influence of TUPE and majority union could not be fully explored. In this study, the four RJB collieries for study were chosen to capture all possible combinations of TUPE and majority union, as shown in Figure 1.

The pattern of industrial relations within the Yorkshire coalfield, an NUM stronghold, has often been more conflictual in character than that in Nottinghamshire, the power base of the UDM. Inevitably this is a simplification, and, while variation within Yorkshire generally reflected the more moderate traditions of the North Yorkshire and South Yorkshire Panels compared with the Doncaster and Barnsley Panels, individual collieries did not always conform to stereotype (Winterton and Winterton 1989: 6–8). Two collieries with a history of militancy — Prince of Wales (North Yorkshire) and Rossington (Doncaster) — were examined to enable any possible influence of TUPE to be analysed within the context of militant trade unionism, because the Regulations applied at Prince of Wales, but not at Rossington. Welbeck and Clipstone, two mines in Nottinghamshire, where industrial relations have customarily been more conciliatory, and where the UDM represents the majority of workers, were also examined. As with the Yorkshire mines, one of the Nottinghamshire collieries was subject to TUPE (Welbeck), while the other (Clipstone) was not.

FIGURE 1  
Collieries of RJB Mining selected for study

		Majority union	
		UDM	NUM
Regulatory framework	TUPE Regulations	Welbeck	Prince of Wales
	Not TUPE	Clipstone	Rossington

Information about industrial relations developments at corporate level was gathered from a series of semi-structured interviews conducted with representatives of RJB corporate level management, from national officials of the UDM, NUM, NACODS (the National Association of Colliery Overmen, Deputies and Shotfirers) and BACM (the British Association of Colliery Management), as well as from area officials of the NUM. In order to collect information about labour relations at colliery level, semi-structured interviews were conducted with branch officials of the recognized trade union at the collieries studied. Interviews were not conducted with RJB management at colliery level, however, because the company would not permit access.

### **3. Corporate industrial relations**

Management industrial relations strategies within RJB are determined at corporate rather than colliery level, and the company appears to have continued to favour the unitary approach to labour relations introduced by British Coal in the wake of the 1984–5 miners' strike. At corporate level significant emphasis has been placed on the maintenance of dual unionism, the promotion of the UDM and the preservation of managerial prerogatives.

RJB Mining refused recognition to all the mining unions at national and area levels, but recognized the unions on a local basis. As in the final decade of public ownership, the company granted sole recognition to the union with the largest membership at each colliery (management and trade union representatives). While informal discussions take place between the management and UDM national officials (UDM national official), none take place with NUM national officials. Indeed, the NUM national officials are prohibited from entering any colliery premises owned by RJB Mining: 'They [RJB] won't allow me and Arthur [Scargill] within a mile of a pit' (NUM national official). It is significant that RJB has not signed a single union agreement with the UDM, since this suggests that the company is opposed to collective organization, however moderate: 'I don't think there would be any advantage to be gained [from a single union agreement], because the company doesn't see the unions as a vehicle for representation. We prefer to deal with the workforce' (management representative).

RJB inherited the British Coal conciliation scheme under the provisions of TUPE at those collieries where the acquisition involved a transfer of undertakings. In 1996, however, the company withdrew this scheme and replaced it with a corporate-level agreement negotiated by senior RJB managers and UDM national officials, as the company has an informal relationship with the UDM (management and UDM representatives). The NUM was opposed to the scheme, but the union was not party to the negotiations, and the scheme was imposed unilaterally at those collieries where the NUM was the majority union (NUM national official). The RJB conciliation scheme is, like the British Coal scheme it replaced, based on the

majority/minority principle, whereby at each operating colliery recognition on behalf of mineworker grades was exclusively granted to that union having the most members within the pit (Taylor 1988). In the RJB scheme, however, the automatic right to independent arbitration was withdrawn (UDM national official).

The disciplinary and grievance procedure was similarly inherited from British Coal under the provisions of TUPE at those collieries where the acquisition involved a transfer of undertakings. The procedure was also modified by removing the right to independent arbitration following negotiations between senior RJB managers and UDM national officials (UDM national official). The NUM had no input in relation to the changes to the procedure, which was again unilaterally imposed at those collieries where the NUM was the majority union (NUM national official).

The pay structure inherited from British Coal at those collieries to which TUPE applied was also amended by negotiation between senior RJB managers and UDM national officials (UDM national official). The NUM was not a party to these negotiations, and the modified pay structure, which simplified the grading structure and reduced differentials, was imposed at collieries subject to the provisions of TUPE where the NUM was the majority union.

#### **4. Prince of Wales colliery**

Under the recognition arrangements inherited from the the final decade of public ownership, RJB Mining granted recognition to the NUM as the union with the largest membership at Prince of Wales. Although the NUM is recognized, however, collective bargaining has not been fully restored at the colliery, since management will not discuss wage levels with the unions (management representatives). Effectively, bargaining rights at the colliery are delimited by management; in the words of one NUM branch official: 'We have collective bargaining, to an extent.' Nevertheless, NUM officials do have office facilities, stationery and the use of a telephone provided by the company, and they are allowed time off work for union duties.

RJB's unitary approach to labour relations is evident in the significance attached to the maintenance of managerial prerogatives at colliery level. Since the colliery is subject to the provisions of TUPE, the formal consultative meetings between management and the unions that occurred before privatization continue to take place, and questions of strategy are discussed with the unions (NUM branch official). However, strategic decisions are taken at corporate rather than colliery level, and trade union branch officials are excluded from the decision-making process itself (management representatives). Decisions relating to everyday operational matters at Prince of Wales are similarly the prerogative of management, although union representatives are able to express opinions on such matters because of the continued existence of formal consultative meetings (NUM branch official).

In common with RJB employees at other collieries, each worker at Prince of Wales receives a copy of the company newsletter, but this is a corporate initiative, and colliery-level strategies for communication with the work-force are not viewed as having been designed to undermine the position of the unions (NUM branch official). Although the company has sought to promote dual unionism, management at Prince of Wales has not granted recognition to the UDM and would have little to gain from doing so, because there is 'not one member' of the UDM among the work-force (NUM branch official). Similarly, local management has not sought to promote non-unionism, and union density remains high among those directly employed by RJB. Nevertheless, some 40 per cent of the total work-force is employed by a number of subcontracting companies, and 'non-unionism is a problem amongst the contractors' (NUM branch official). Some observers have suggested that subcontracting was initially introduced in the industry in order to undermine trade union organization (Prowse and Turner 1996: 154), and, given that subcontract employment itself has become increasingly casualized, it is not surprising that union density is somewhat lower among the subcontractors at Prince of Wales than among core employees.

Collective bargaining has been re-established, but the scope is delimited by managerial prerogative, so this has not increased the influence of the trade unions over the terms and conditions of their members at Prince of Wales colliery. Although the derecognition of the unions at national and area levels has increased the importance of local bargaining, this has not increased the influence of the local trade union branch. The fieldwork found no evidence that the NUM branch at Prince of Wales had become any more effective in modifying management decisions following the ownership change.

Prince of Wales was never closed by British Coal, and remained in production throughout the privatization process. RJB's purchase of the colliery therefore represented a transfer of undertakings, and the provisions of TUPE consequently applied at the mine. RJB therefore had an obligation to recognize all the existing agreements negotiated by British Coal and the mining unions prior to privatization, and so those agreements continued to apply at Prince of Wales after RJB acquired the mine.

Because of TUPE, the former British Coal conciliation scheme applied at Prince of Wales until 1996, when the company unilaterally imposed the new corporate-level agreement negotiated by senior RJB managers and UDM national officials. The disciplinary and grievance procedure currently in operation at Prince of Wales was similarly inherited by RJB under TUPE, but the revised procedure negotiated with UDM national officials was unilaterally imposed at Prince of Wales. Equally, the pay structure amendments negotiated at corporate level with UDM national officials were imposed at Prince of Wales, although employees still receive a basic weekly wage and a production bonus, as was the case when the British Coal pay structure was in operation.

The provisions of TUPE ensured that formal structures remained in place to facilitate collective bargaining at Prince of Wales, but since these structures were not negotiated with NUM representatives, they do not constitute

collective agreements at Prince of Wales. Moreover, the NUM branch at the colliery has been unable to negotiate any substantive agreements as yet. NUM members at Prince of Wales have, on a number of occasions, supported calls from the national union for industrial action in support of collective bargaining rights at corporate level, and the negotiation of new institutional arrangements. This strategy failed to secure its objectives, having been ruled unlawful.

### **5. Rossington colliery**

The NUM is the only union representing mineworker grades to be recognized at Rossington, since there are no UDM members within the work-force (NUM branch official). However, while the NUM has been granted rights of representation, the union has no bargaining rights at the colliery, and, because the mine was not subject to TUPE, no formal meetings take place between management and trade union branch officials, with the exception of safety meetings, which are required by statute (NUM branch official).

NUM branch officials at Rossington are permitted to take time off work to attend to union business, and management provides office and telephone facilities, although there is some suggestion that this is an informal local arrangement, which may not accord with company policy. As an NUM representative observed, 'Yes, they give us an office, telephone and stationery, but whether it's official or not I don't know' (NUM branch official). This is significant, since it may indicate some dissent at colliery level from corporate-level policies towards the trade unions.

Rossington is not subject to the provisions of TUPE, and management at the colliery unilaterally withdrew the formal consultative meetings with the unions that were a feature under public ownership (NUM branch official). Strategic decision-making in relation to the long-term development of Rossington is wholly a managerial concern and the unions are unable to exert any influence since such decisions are made at corporate rather than colliery level (management representative). Decisions on operational matters at the colliery are similarly taken unilaterally by management, so the unions equally have no influence over day-to-day operations.

Management at Rossington communicates directly with employees by holding meetings in the pit canteen with members of the work-force (NUM branch official). It is interesting that management has adopted a mechanism formerly used by the NUM at Yorkshire collieries — all the more so since this strategy is designed to bypass collective channels of communication and further marginalize the unions at the colliery.

Management at Rossington recognized the NUM rather than the UDM, even though RJB sought to promote the UDM on a local basis elsewhere. The UDM has never enjoyed strong support in the Yorkshire coalfield, and there are no UDM members at Rossington (NUM branch official), so management would have little to gain from recognizing the UDM.

There is no evidence to suggest that the creation of a non-union workforce is a managerial objective, since the majority of the work-force recruited by RJB when the colliery was reopened were former Rossington employees who were previously members of the NUM. An NUM representative nevertheless conceded that around 35 per cent of the work-force had no trade union affiliation (NUM branch official). Winterton and Winterton (1993b: 24) suggested that falling union density may be attributed in part to work-force perceptions of trade union weakness, a view reflected by a branch official's comment: 'Yes, the level of [union] influence has fallen. I think that's part of the problem. A lot of the men are not in the union because they think "Well, what can they do for us?"' (NUM branch official).

Although the NUM is recognized at Rossington for the purpose of individual representation, collective bargaining has not been re-established. There is no formal contact between management representatives and NUM branch officials, and no framework for negotiation between management and union; management is able to impose change in relation both to terms and conditions of employment, and working practices. As an NUM representative explained: 'There's a tendency for them [management] to make the rules up as they go along. Without agreements it's chaotic' (NUM branch official). The NUM at Rossington, then, has considerably less influence in relation to the terms and conditions of its members than was the case when the mine was owned by British Coal.

With neither formal contact between management and union representatives, nor institutional structures to support bargaining at Rossington, the importance of local bargaining has not increased at the colliery, despite recognition being granted to the local branch of the NUM rather than to the national and area levels of the union. Organized labour at Rossington has derived no advantage from the change in ownership, and branch organization appears to be wholly ineffective.

British Coal closed Rossington and made the entire work-force redundant, so RJB's later acquisition of the colliery did not constitute a transfer of undertakings, and TUPE provisions did not apply. None of the agreements negotiated by British Coal and the mining unions prior to privatization remained applicable at Rossington when the colliery was returned to production by RJB. There is currently no conciliation scheme at Rossington (NUM branch official), and therefore no formal mechanism for the resolution of disputes. In the absence of formal procedures, future disputes are likely to be resolved by way of informal *ad hoc* arrangements: 'Because we haven't any collective agreements or anything, it's a bit of an "as it happens" situation' (NUM branch official). The disciplinary and grievance procedure currently in operation at Rossington is the revised procedure that was imposed at all collieries following negotiation with UDM national officials.

The pay structure in operation at Rossington is loosely based on British Coal arrangements, but differs from the structure adopted at collieries subject to the provisions of TUPE. Wages at Rossington are related to the

occupational grade of individual employees, and the wages received by each employee comprise a flat-rate weekly wage combined with a production bonus. The production bonus at Rossington is a constant 30 per cent of the basic weekly rate, since the production strategy is based on the same quantity of coal being mined each week. Under the pay structure at Rossington, which was imposed by management without negotiation with the local branch of the NUM, miners receive no additional payments for working in water or heat (NUM branch official).

The formal bargaining structures that exist at Rossington cannot be described as collective agreements, because they were not negotiated with NUM representatives, but were imposed upon the work-force. Furthermore, little significance can be attached to the presence of such structures because formal bargaining is not permitted. NUM members at Rossington supported calls from the national union for industrial action to secure collective bargaining rights and the establishment of new jointly negotiated procedural agreements on a number of occasions, but industrial action was cancelled, having been ruled unlawful.

## **6. Welbeck colliery**

In keeping with corporate policy, the UDM has been recognized at Welbeck, since the majority of employees at the colliery are UDM members. Bargaining rights accorded to the union at the colliery were described as: 'exactly the same as under British Coal' (UDM branch official), but since RJB will not negotiate with any of the trade unions in the industry over the question of pay, collective bargaining cannot be said to have been re-established at the mine. The NUM, in contrast to the UDM, is not recognized at Welbeck, even though NUM members constitute some 17 per cent of the Welbeck work-force (UDM branch official).

Management at Welbeck provides office and telephone facilities for UDM branch officials. Moreover, UDM officials at the colliery work full time on union business, and are given unlimited access to the mine and to Welbeck employees (UDM branch official). NUM officials at the colliery, however, receive notably different treatment. No facilities are provided for NUM officials, they are not permitted to take time off work in order to attend to union business, and they are prohibited from distributing NUM recruitment material on colliery premises (NUM area official). Furthermore, NUM officials are allowed to represent their members in disciplinary hearings only in an unofficial capacity: 'NUM reps are only allowed to represent their members as a friend, because they are the minority union' (UDM branch official).

Strategic planning in relation to the long-term development of Welbeck is viewed as the prerogative of management, although formal consultative meetings continue to take place between management and representatives of the recognized unions because the colliery is subject to the provisions of TUPE. At these meetings, UDM representatives are able to discuss strategic

matters, although it was suggested that the union was excluded from the decision-making process itself: 'We are not directly involved. We are informed' (UDM branch official). Operational questions at Welbeck are also discussed at consultative meetings, but a UDM representative suggested that management can marginalize the union by withholding information: 'They [management] hold back with information until they think it's absolutely necessary. I have to ask more questions now' (UDM branch official). The NUM is not recognized at Welbeck, so is excluded from all consultative meetings (NUM area official).

The UDM at the colliery appears to have had some success in influencing both strategic decision-making and corporate policy through recourse to industrial action. When the reserves of a nearby colliery (closed before privatization) were allocated to another mine, instead of to Welbeck, the future of Welbeck was placed in jeopardy. A ban on weekend work led to a corporate management statement that no decision had been taken in relation to the reserves (UDM branch official). This is significant, since it suggests that trade union militancy can gain concessions from management at both colliery and corporate level, and that RJB may be vulnerable to trade union sanctions in some circumstances, as Parry *et al.* (1997) argued.

Management at Welbeck communicates directly with members of the work-force, rather than through their elected representatives, suggesting that management has sought to marginalize the UDM, despite its presumed moderation: 'Management seek to resolve problems with individuals or groups rather than through collective channels' (UDM branch official). Although management promoted the UDM at Welbeck, it has not entered into a single union agreement, which would be a departure from corporate policy. Management has not sought to encourage employees at the colliery to join the UDM rather than the NUM, but a UDM representative indicated that NUM members were under indirect pressure to change their affiliation: 'If NUM members have a problem, management refer them to the UDM secretary' (UDM branch official). Neither has management attempted to promote non-unionism, and a UDM representative confirmed: 'There is no significant problem with non-unionism' (UDM branch official).

Changes in the locus of bargaining are evident at Welbeck, because RJB has derecognized all the mining unions at national and area levels, which has increased the importance of local bargaining. However, local bargaining was thought to be encouraged by the company both to undermine the principle of corporate-level bargaining and to promote decentralized labour relations within the company: 'They'd [RJB] sooner do away with national and area officials. RJB's intention is to decentralize agreements' (UDM national official). While collective bargaining has been re-established at Welbeck, the scope of negotiations is limited by corporate policy, which dictates that wage levels are not negotiable (management representative).

The restoration of collective bargaining at Welbeck has not served to increase the influence of the trade unions in relation to the terms and conditions of their members. Organized labour appears not to have benefited

from the ownership change, but it would be wrong to suggest that the Welbeck UDM branch is ineffective, since the use of limited industrial action has forced concessions from management. The Welbeck NUM branch is, by contrast, wholly impotent.

Welbeck was not closed by British Coal, and remained in production throughout the privatization process. RJB's purchase of the colliery therefore represented a transfer of undertakings, bringing the colliery within the scope of the TUPE Regulations. Under the terms of TUPE, RJB was obliged to recognize all the existing agreements negotiated by British Coal and the mining unions prior to privatization, and those agreements therefore continued to apply at Welbeck following privatization.

The revised conciliation scheme was introduced in 1996 in common with other RJB mines, as was the disciplinary and grievance procedure. Equally, the pay structure currently operative at Welbeck represents that inherited from British Coal under the provisions of TUPE, as subsequently amended by RJB. Welbeck miners continue to receive a basic weekly wage and a production bonus, as was the case when the British Coal pay structure was in operation, and similarly they continue to receive additional payments for working in heat and water (UDM branch official).

The provisions of TUPE ensured that formal structures remained in place to facilitate collective bargaining at Welbeck, although the UDM branch has not, to date, negotiated any substantive agreements (UDM branch official). As the amendments to the institutions of collective bargaining inherited under TUPE were jointly negotiated by RJB and the UDM, these structures represent a collective agreement between the company and the UDM. The NUM was not involved in these negotiations, and the new structures were therefore imposed on NUM members at Welbeck.

## **7. Clipstone colliery**

The UDM has no formal bargaining rights at Clipstone, but informal bargaining is a significant feature of labour relations at the mine (UDM branch official). The NUM is not recognized at the colliery and consequently has no bargaining rights, although some 9 per cent of Clipstone employees are NUM members (UDM branch official).

Management at Clipstone provides office and telephone facilities for UDM branch officials who are engaged full time on union business (UDM branch official). No facilities are provided for NUM officials, nor are NUM representatives permitted to take time off work for union business; and the distribution of NUM literature is prohibited at the colliery. Moreover, NUM officials at Clipstone, as at other RJB collieries in Nottinghamshire, are allowed to represent their members in disciplinary hearings only in an unofficial capacity (NUM area official).

Clipstone is not subject to the provisions of TUPE, and management has, in accordance with corporate policy, unilaterally abandoned the formal

consultative meetings with the trade unions which used to take place on a regular basis when the mine was publicly owned (UDM branch official). The unions are therefore not formally consulted on strategic matters affecting the long-term future of the colliery. Nevertheless, the UDM is able to make informal representations to management because relationships between management and the union at the colliery have customarily been conciliatory, and there has been continuity of management at Clipstone despite the change of ownership (UDM branch official). Management at Clipstone appears to have been flexible in its interpretation of corporate labour relations policy. However, contact between management and UDM branch officials is entirely unofficial, and strategic decisions are made at corporate rather than colliery level (management representatives), so the UDM is unable to exert any significant influence over strategic issues. The NUM, by contrast, has neither formal nor informal contact with management at Clipstone and consequently is unable to exert any influence in relation to strategic planning.

Decisions relating to operational matters are also the prerogative of management, and because consultative meetings have been withdrawn, the unions at the colliery are not formally consulted in relation to such issues. UDM officials do however meet informally with management (UDM branch official), and the conciliatory relations between management and the UDM facilitate some union influence in relation to operational matters, despite this being contrary to corporate policy. The NUM, again, has no influence on operational decisions, since NUM representatives have no contact with management.

Although management at Clipstone engages in informal bargaining with the UDM, it has nevertheless sought to bypass the union by communicating directly with Clipstone employees, and members of the management team go underground on a daily basis in order to facilitate this (UDM branch official). Management has promoted the UDM, which has been recognized at the colliery, but, in accordance with corporate policy, there has been no suggestion of a single union agreement with the UDM.

There is no evidence to suggest that management at Clipstone has sought to promote individual UDM membership, giving the impression that: 'Management aren't bothered what union they're in' (UDM branch official). Non-unionism has similarly not been encouraged by management; the majority of the work-force recruited by RJB when the colliery was reopened had previously worked at Clipstone, and many employees were therefore former UDM members. Nevertheless, some 27 per cent of the work-force were not members of any of the mining unions at the time of the study (UDM branch official). This relatively high level of non-unionism at Clipstone was attributed to work-force apathy: 'If I were truthful, I'd say the men didn't care about the union now' (UDM branch official). Again, this gives support to the idea that work-force perceptions of trade union weakness may lead to falling union density. Some employees without trade union affiliation apparently applied for union membership when they believed the union was

able to make effective representations on their behalf: 'The only time they come and join is when they've had an accident, or when they want something sorted' (UDM branch official).

Formal collective bargaining has not been restored at Clipstone, because the provisions of TUPE do not apply at the colliery, and management has been able to abandon the consultative arrangements that existed during the years of public ownership. However, there is informal contact between management and UDM representatives, and unofficial bargaining takes place at the colliery (UDM branch official). Since the bargaining at Clipstone is informal and outside an institutional framework, it is clearly limited by managerial prerogative. The effectiveness of the UDM branch is therefore limited despite its being party to such unofficial bargaining, while the Clipstone NUM branch, which has no contact with management representatives at the colliery, is wholly ineffective.

There have been no significant changes in the locus of bargaining in relation to Clipstone, despite RJB's derecognition of all the mining unions at national and area levels, and the majority of contact between management representatives and union officials continues to occur at colliery level, as was the case during the years of public ownership (UDM branch official). A UDM representative thought that there was greater opportunity for local bargaining at Clipstone because the colliery was not subject to the provisions of TUPE: 'The lease/licence provisions mean there is greater scope for local settlements' (UDM branch official). Indeed, there is some suggestion that corporate-level management within RJB regards the informal local bargaining established at lease/licence collieries such as Clipstone as something of a model, and aims to extend local bargaining in order to undermine the existing agreements safeguarded by TUPE at other collieries.

British Coal closed Clipstone following the coal crisis of 1992. RJB's acquisition of the colliery therefore did not represent a transfer of undertakings, so TUPE provisions did not apply and none of the agreements negotiated prior to privatization remained in force at Clipstone when it was reopened by RJB.

The conciliation scheme in operation at Clipstone is the derivative of the British Coal scheme, based on the majority/minority principle, as amended following negotiations between RJB and UDM national officials in 1996, as is the disciplinary and grievance procedure.

The pay structure in operation at Clipstone is similarly based on the British Coal arrangements, although it differs from the structure in place at those collieries subject to the provisions of TUPE. Wages at Clipstone are related to the occupational grade of individual employees, and the wages received by each employee comprise a basic rate plus a productivity bonus and an attendance bonus. Employees at Clipstone receive no additional payments for working in water or heat, however (UDM branch official). The pay structure at Clipstone was not negotiated with the local branch of the UDM, but was imposed upon the work-force (UDM branch official).

Since the conciliation scheme, along with the disciplinary and grievance procedures, was negotiated between RJB and the UDM, these structures represent collective agreements between the company and the UDM, which were then imposed on NUM members at the colliery. The pay structure in operation at Clipstone, by contrast, was not negotiated with any of the unions, and therefore cannot be regarded as a collective agreement under any circumstances.

## **8. Conclusions**

As Parry *et al.* (1997) found, industrial relations within RJB Mining exhibit some continuity with the patterns that developed within the final decade of public ownership, since significant emphasis continues to be placed upon both the maintenance of dual unionism within the company and the preservation of managerial prerogatives. Change is also evident, however, because the emergent patterns are not consistent throughout the company, and significant differences are evident at colliery level. These differences are amenable to explanation in terms of the different constraints that RJB management faces as a result of differences in trade union organization and in the terms under which the collieries were acquired.

Trade union representation appears to have influenced the development of labour relations only inasmuch as management strategies have apparently exploited the division and different approaches of the NUM and the UDM. It was hypothesized that the responses of the NUM and UDM to management labour relations strategies would have a significant influence upon industrial relations at colliery level, but this was not evident. Differing responses to management strategies are apparent at national level, but there has been no discernible difference in the responses of the NUM and UDM at local level. Since RJB derecognized the unions at national and area levels, the colliery branches are more important than the national unions. This change in the locus of bargaining to local level has not, however, increased the influence of local branches: 'Local is the only level they [RJB] talk to anyway. Whether the branches have any influence is another question, of course; I don't think they have. I've never heard any reports that RJB has changed policy because of the influence of local branches' (NUM national official). None of the branches at the four pits studied has instigated any serious challenge to management, although their capacity for effective representation appeared to be highest at Welbeck UDM, followed by Prince of Wales NUM. While Rossington NUM and Clipstone UDM were equally ineffective in terms of outcomes, the latter had the opportunity to be marginally more effective via informal channels because of the continuity of management and the tradition of conciliatory relations.

The form of acquisition of collieries, and hence whether the provisions of TUPE applied, was expected to be a major determinant of colliery-level labour relations within RJB, operating as a constraint on management

strategies through the maintenance of existing collective agreements. The TUPE Regulations appear to have had such an influence because RJB management has taken a more robust approach towards the trade unions at Rossington and Clipstone, where the legislation did not apply, than at Prince of Wales and Welbeck, which were subject to TUPE. While this would suggest that management strategies have been constrained by TUPE at the collieries that were affected, the TUPE Regulations alone cannot explain the continuity of bargaining structures, albeit in modified form, at collieries such as Prince of Wales and Welbeck. Unlike the statutory obligation following nationalization to conclude agreements with organizations representing the work-force, the provisions of TUPE only safeguard existing procedures at the point of transfer, so did not prevent RJB from modifying the arrangements; nor do they require the company to enter into collective agreements with the mining unions. As a result, 'TUPE is something that has been understated by management and overstated by the unions' (BACM national official).

The labour relations strategies adopted by RJB management have been the major determinant of patterns of industrial relations at colliery level, and these strategies appear to be contingent upon both the mode of acquisition (and therefore whether TUPE Regulations apply) and the nature of union organization at individual collieries (and therefore whether the NUM or the UDM is the majority union). Although RJB's trade union recognition policy appears to be consistent, it is underpinned by the strategic considerations of maintaining dual unionism within the company and marginalizing the NUM, and not especially in promoting the UDM, since there is no commitment to pluralist arrangements. Management has determined the institutional framework for collective bargaining and resolution of disputes within the company, with little influence from the UDM and none from the NUM. Although many of the structures now in place are *de facto* collective agreements between the company and the UDM, this has not guaranteed local UDM branches any more influence, and at collieries organized by the NUM management has imposed such structures unilaterally. In the most extreme cases, RJB management has opportunistically imposed alternative procedures or avoided introducing collective bargaining machinery, probably to fragment bargaining and undermine the principle of corporate-level agreements.

Inevitably, there are difficulties in interpreting managerial intent from actions and in trying to uncover the rationale for actions that may not, in fact, be consistent with espoused policy. For example, Parry *et al.* (1997: 193) interpreted the fact that RJB paid off contractors at Harworth to accommodate transferees from a closed mine as 'reassuring the core work-force in order to guarantee its stability and compliance'. An alternative explanation is that RJB is not liable for redundancy payments for contractors, whereas it is for core employees, hence the proportion of contractors working in the industry has fallen substantially with shakeouts of labour (Wallis *et al.* 2000).

It is similarly difficult to assess the extent to which organized labour within RJB has been affected by privatization and the change in ownership. On balance, the situation for the unions is probably slightly worse than under the last years of British Coal, but those years represented a serious derogation in comparison with the nationalized era up to 1983. The effectiveness of the trade unions in influencing decision-making and the terms and conditions of their members has been largely circumscribed by the labour relations strategies of RJB management. At national and area level the unions are less influential than during the years of public ownership, while at colliery level the branches considered in this paper were at best no more effective, and at worst significantly less effective, than during the nationalized era.

These findings are consistent with Parry *et al.*'s (1997: 192) observations that the mining unions representing the RJB work-force play 'a much more peripheral role' than was the case when the industry was publicly owned. Nevertheless, since the approach adopted by RJB management is saprophytic upon the strategies employed by British Coal during the final decade of public ownership, it would be inaccurate to attribute the current weakness of the trade unions within RJB Mining wholly to post-privatization developments. Moreover, there are significant differences in the patterns of colliery-level industrial relations within RJB Mining. These differences in patterns of labour relations appear to reflect differences in management strategies that are contingent primarily upon whether TUPE Regulations apply and, to a lesser extent, upon whether the NUM or UDM is the majority union. These conclusions, however, require a final caveat concerning the difficulty of generalizing about the coal industry, as noted by the Samuel Commission (Samuel 1925: 44). The specific circumstances of each colliery obviously continue to affect the extent to which management can adopt a more robust approach to labour relations. Hence the uncertainties at Rossington, which led employees to express 'relief and gratitude to be working again' (Parry *et al.* 1997: 193), help explain why management was able to exploit the weakness of the union and why resistance was especially problematic.

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