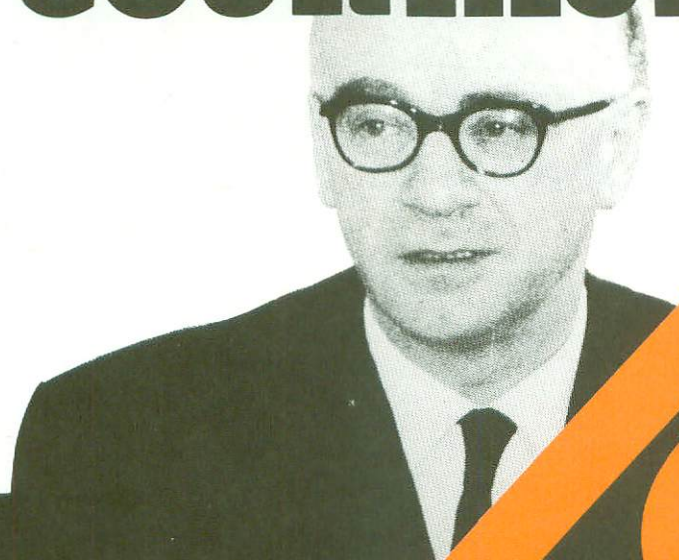


# COURTAULDS



**INSIDE OUT**

HOW LARGE IS THE GROUP?  
WHERE THE UNIONS FAIL  
HOW BIG ARE THE PROFITS?  
WHO WORKS FOR COURTAULDS?  
HOW THE COMPANY CONTROLS

**CIS** ANTI REPORT No.10

Produced in co-operation with  
The Transnational Institute 30p



# COURTAULDS IN THE CITY

Courtaulds, the textile giant, surprised the stock market and announced best ever profits in 1974. Profits were up from £68.2m to £116.3m, a jump of 70% in a year. Chairman Lord Kearton was able to announce that the company had reached the position of being the sixth largest exporter in the UK. For this the company received two Queen's Awards to Industry.

Sixty-five year old Kearton, well known from his frequent TV appearances, fulfilled many of his earlier promises. The company was reaping the bonanza of the massive investment programme sown in recent years. Shareholders' funds rose from £201.7m in 1967, to £352m in 1974. Lord Kearton claimed that dividend restraint in such inflationary times was a monumental injustice to shareholders.

In the context of the world-wide oil crisis and the three-day week the profit can only be regarded as remarkable. Yet for a company which has one of the most progressive images in the City, widely recognised as the saviour of Britain's ailing textile industry, this comes as no surprise.

The company regards itself as one of the most efficient yarn spinners and fabric producers in Europe.

---

## CONTENTS

2	Courtaulds in the City	14	The State Partnership	25	Worldwide
3	Courtaulds on the Inside - Spondon	17	Lord Kearton	29	Workers on the Line
5	Deeside Dispute	18	Lancashire - the Courtaulds cure	36	The Unions
6	Roots	19	Monopoly	38	Stop Press
9	Troubles in Rayon - the Greenfield dispute	20	New Technology Old Tactics - Skelmersdale	39	Conclusions
12	Vertical Integration - building the monopoly	22	Facts and Figures	40	Who's Where
		24	Profit on the Three Day Week	42	Glossary
				43	Bibliography



# COURTAULDS ON THE INSIDE

## SPONDON

The Spondon industrial complex owned by Courtaulds just outside Derby is like a self-contained town, a network of avenues and roads servicing a motley range of Courtaulds' plants and processes. For the 7,500 strong workforce it is a dirty, smelly, and often dangerous place to work. Spondon is dominated by British Celanese plants and is the centre of British Celanese operations in the group. Courtaulds acquired the plants and the site when they took over British Celanese in 1957. Kearton was the first new Chairman. The company's first act after the takeover was a savage cutback of labour. 2,500 Transport & General Workers' Union (T & GWU) members out of a total Celanese membership of 7,000 lost their jobs. Redundancy payments did not exist at the time, and despite 'extended notice' of redundancy, the men deprived of their jobs were, according to a spokesman for the T & GWU, predominately over, at, or near retirement age. In other words they had no hope of getting another job.

The British Celanese plants at Spondon produce acetate and triacetate yarns and fibres, cigarette tow, petrochemicals, acetate flake, film, sheet and laminates.

Other operations include the Celon Division, making nylon yarns; Steel Cords Ltd., making steel tyre cord and various hose and reinforcement cords; Bonshawe Ltd., fabric printers; Kenwil Textiles Ltd., weavers; Furzebrook Knitting Co. Ltd., carrying out knitting, dying and finishing; Derwent Dyers, fabric dyers; British Sanitized Ltd., producing 'Actifresh' bacterios-tatic compounds for finishing textiles, leather and plastic; National Plastics, producing compression, injection, and hard rubber mouldings and extrusions; Series Ten (a division of National Plastics), of plastics plumbing products; T.H. Kenyon & Sons Ltd., painting contractors and decorators; THK Insulations, thermal insulations, suspended ceilings, sprayed polyurethane foam.

### Hazardous

You pass Spondon when travelling between London and Derby in the train, and even at 60 miles per hour you can catch a whiff of fumes that seem to hit you in the back of the throat. These are acetic acid fumes, a fact of everyday life for miles outside Spondon, let alone inside where they are produced. Perhaps the strongest concentration of acetic acid fumes is to be found in the department known as CA's — a section of British Celanese No. 2 works where acetate flake is produced. The flake is used in the plastic division, and when mixed with acetone forms a spinnable dope. The atmosphere in CA's is heavy with acetic acid fumes. The labourers in CA's are nearly all oldtimers who, according to other workers, have become used to the fumes. Newcomers to CA's cough and choke, their eyes watering and stinging. At one time after complaints a doctor came along, stood some distance from the area of highest concentration, and pronounced the air fit to work in. Masks are available but never worn, and workers agree that to wear a mask makes things worse, as the temperature is high, and sweat forming around and under the mask mixes with the fumes and causes facial blistering. In this same section packages of material have to be loaded from pallets onto barrows and wheeled between the vats. The floor is so heavily ridged with accumulated deposits that if the barrow is not kept to the ridges there is a real danger of capsizing into a vat, particularly as the barrows are often heavily loaded with 30 or 40 bags.

Bad as CA's is, it is not the worst place to work at Spondon. That distinction must go to National Plastics, a subsidiary of Celanese. An ex-inspector at National Plastics has estimated that the inside temperature at National Plastics in summer can be as high as 120 degrees fahrenheit. The air is full of rubber and plastic fumes from the battery cases and tops being made on the presses. Two hundred and forty

men work a system of four eight-hour shifts, and the work is non-stop; 95% of the workers are Asian or West Indian, 5% are white. Blacks of any race seem to be sent straight to National Plastics whenever they are taken on at British Celanese in Spondon.

The four lines of presses are controlled by management who can and do increase the rate of a press without any consultation if it seems that the operator can keep up with an increased rate. Men can earn up to £44 a week before stoppages, but this includes bonus (the lowest in the plant) and shift rate. Basic pay (July 1974) is £26 a week. Nearly everyone works rest days in order to make up their money. Fainting due to the heat and the fumes is a common occurrence, and the general procedure is to take the man down to first aid for half an hour, then back to the production line. Workers think that the plant is kept under-staffed to make the operatives work harder.

### Fire Danger

The long-term dangers of working in the sort of conditions described above can be guessed at, but dangers of a much more immediate kind also exist at Spondon.

Many of the chemicals in use are highly combustible, yet safety measures are inadequate. On the night of 21st July 1974 there were two separate fires at Celanese. One of them, in 365 plant, was in a tank of acetic anhydride, a chemical which is mixed with sulphuric acid and used in the flake making process. The fire, in an open tank, was the spontaneous result of chemical reaction and took a long time to put out. The other fire, which was put out more quickly, was in 800 plant. This plant is a hundred yards from Aromatics, the most explosive section at Spondon. In the words of one engineer, 'if Aromatics went up it would take half of Derby with it'. The Flixborough disaster immediately springs to mind. With



such potential dangers on site, one would imagine that Spondon would be kept both fireproof and equipped with the best fire-fighting apparatus. Yet these two fires were able to occur, and, worse, all news of them was kept from the workforce.

If the fires had not been reported in the local paper, the *Derby Evening Telegraph*, most of the men at Spondon would never have heard about them. As far as apparatus is concerned, they were lucky in 800 plant that night. But at another fire, in a smoke room at Plastics in August, the fire extinguisher just sputtered weakly and was no use.

## 'It was a Bomb'

Fire is not the only hazard that threatens because of management laxity. In early July 1974 outside contractors were brought into Furzebrooks to deal with a build up of gas under the floor due to a fractured gas pipe. The men on the engineering side had been reporting the leak and the smell of gas for three months, week after week, and yet nothing was done about it. Finally, production operatives were beginning to feel shaky from the effect of the gas, and the management suddenly developed a sense of urgency. 'It was a bomb. We were all working on top of a bomb' said one fitter's mate. When the outside men started to work, drilling the floor with a hammer and chisel to avoid electric drill sparks, the fitters were standing a few feet away showing them where to drill. The immediate area was cleared of about 30 men, but the production line carried on throughout the rest of the factory, with men working only 30 yards away from the potential explosion. The hole was drilled and liquid nitrogen pumped in to clear the gas. Had anything gone wrong at any stage casualties would have been very high, but apparently continued production was more important to the managers than the safety of their workers. Lord Kearton has been President of the Royal Society for the Prevention of Accidents since 1972.

What has become increasingly apparent from our investigations at Spondon and other Courtaulds plants is the extreme difficulty the workforce experiences in trying to get its views and grievances heard — even in situations such as that above where the problem is urgent and involves danger to life. In a huge complex such as Spondon men feel isolated, plant from plant, and even room from room. Ignorance of what is going on in other parts of

the complex is almost total, and as a result there is little or no solidarity or identity of aims. The unions often play a passive role as a buffer between workers and management, taking no initiatives on behalf of their membership and being seen by many workers as nothing less than an arm of management.

Everyone at National Plastics is in the T & GWU. In November 1971 an Asian worker, Ajit Singh, was persuaded by the men on his shift to stand election for steward. He won the election easily. Management, however, with the co-operation of the full-time convenor, refused to recognise him as steward. Their argument was that the man he had defeated was an inspector, had been a steward for 21 years, and was 'very understanding of management problems'. It was six months before the unions gave Singh his credentials and a further year before the full-time convenor found time to meet the four stewards from National Plastics to discuss grievances. In the meantime both the management and the union continued to treat the man who had lost the election as if he was still the steward. Singh and his supporters were harassed and victimised throughout this period. Singh was told that he could not go to the toilet except in his break or before or after work. Other men were warned not to speak to him. The man who had seconded his nomination was warned that he had been seen talking to Singh, and that the size of his bonus might depend on his future co-operation. Singh's bonus dropped without explanation from 11p to 9p per hour.

## Union and Non-Union

The AEU is the second largest union at Spondon, outnumbered by the T & GWU by about two to one. It has a more active record than the T & GWU, and in March 1974 200 AEU members staged the first walkout ever at Spondon after management had refused permission for an on-site meeting in a dispute over a Phase Three rise. The men met in the car park outside the works, and despite some petty intimidation by management (the security men on the gate photographed everyone at the meeting) they won their rise.

Most of the maintenance engineers also went on strike in August 1974 after five welders were sacked for working to rule on their shop steward's recommendation in pursuit of the most recent threshold payment of 40p. How-

ever the T & GWU officials persuaded the engineers to go back to work and lift the work to rule, on the grounds that the company was giving notice of suspending the guaranteed working week, and that thousands of men would have been laid off if the strike had continued. There was no union opposition to the suspension of the guaranteed working week.

The company benefits from such lack of union solidarity and the low level of union activity generally. Many workers at British Celanese are in no union at all, and even those in unions often have the utmost difficulty in achieving shop steward representation. The result is that Courtaulds can manipulate non-union labour to undermine the already weak union structure.

Two thousand men work at Furzebrooks, and 90% of them are in the T & GWU. Workers there say that there is a consistent management policy of upgrading active stewards to staff jobs in order to 'buy them off'. They graduate from the shop floor to charge-hand and shift manager. Non-union men are used whenever there is a dispute over overtime working and this ploy is used so extensively that, amongst the fitters mates in 1973, union men earned an average of £2,000 for the year, whilst non-union men, benefitting from the extra overtime given them, averaged £3,000.

Non-union labour is also used on the site in the form of the employees of Arrow Engineering, a site sub-contractor who provides what workers at Spondon describe as a cheap mobile labour force for British Celanese, often doing the same work as Celanese employees. The non-union employees of Arrow Engineering work for 55p an hour with no bonuses, can be sacked at one hours notice, have to be willing to work anywhere, and get no threshold payments.

In the year 1973-74 British Celanese contributed a trading profit of £9.4m to Courtauld's overall figure. That represents an increase of over 125% compared with the 1972-73 trading profit of £4.2m. Spondon demonstrates the way in which such profits are generated, in terms of low expenditure on safety and conditions, the ruthless exploitation of immigrant labour, the playing off of non-union against union labour, and the low negotiating ability of a workforce where unions are disorganised, passive and often contemptuous of the shop floor.





'Helmets flew and women screamed as picketing workers clashed with police outside a Flint factory on Tuesday. About 40 women strikers scratched and punched police in a 3½ hour battle. The confrontation came after 16 policemen and 3 policewomen were called to protect lorries entering Courtaulds' Deeside works . . . The worst incident occurred when two more lorries fully loaded approached the picket lines. The women were driven to one side in a scrimmage. About 12 fell to

the ground on a spot where a fire had recently been put out. Some women struggled back into the path of the lorry . . . Several women emerged sobbing and with blackened hands and torn clothing. One middle-aged woman clutched her ribs. After the lorries left ten women rushed into the entrance of the management office. They were followed by police who ejected them. Later three women were allowed in to talk to company officials while police mounted guard outside . . . the TGWU

Regional Welsh Secretary said that the events would tend to unify Courtaulds workers. A total of 120 workers at the Aber Works coning department had been on unofficial strike for three weeks over a bonus pay dispute . . . Latest: The women of the coning department agreed at a Thursday meeting to stop picketing and go back to work . . '

(*Chester Chronicle, Clwyd Edition*, Oct. 13th 1972.)



# ROOTS

Britain's original textile industry was mainly wool, but when trade with India was opened up in the 17th century the cotton textiles produced there rapidly became very popular, being cheap, comfortable and attractive. To fight off this threat, the powerful wool interests persuaded the government to introduce heavy tariffs on the Indian cottons. But this action, as so often with protection, backfired against the wool interests. Demand for cotton goods was already strong, and the protection provided a strong incentive for the development of a domestic cotton industry.

With the new inventions of the industrial revolution, the British cotton industry established a world-wide dominance. Within a generation the Indian industry was destroyed, with exports falling 95% in 30 years. By 1840 cotton supplied a half of Britain's exports and in the 1880s these exports represented 80% of the entire world trade.

## Roots of Insecurity

During this period enormous fortunes were made by the mill owners by the super exploitation of the workforce. In 1835 more than half the industry's labour force was either children or juveniles, conditions were horrific and the wages paid were as low as possible. With the introduction of laws to limit conditions of child employment, children were replaced by women as the next cheapest source of labour. Conditions remained abysmal. 'Many mills were dingy inside, walls were lime-washed to a dismal bluish shade, floors of weaving sheds were often uneven and slimy from the dampness of the conditions . . . the regulations under the Factory Acts did little more than prevent conditions from becoming lethal'. (Tippet p138).

In these conditions the industry continued to 'prosper' to the First World War, and the first post-war years too were a bonanza for the industry, with margins in some sections of the spinn-

ing industry ten times as high as in the pre-war years. This prosperity, however, masked the real decline of the industry caused largely by the desire for short-term profits which led to a refusal to modernise. Whilst it was obviously impossible for the British cotton industry to maintain its relative share of world trade this was made worse by inadequate marketing.

In 1921 the post-war boom failed, employment dropping by 25% in some sectors in a single year. As always the workforce bore the brunt. To cope with the years of decline that followed, standards were cut and the industry 'adopted a policy of price maintenance and short time working that put a premium on inefficiency. For it meant that firms with out-of-date equipment and low overhead costs could reduce their output in bad times, while keeping prices up, by laying off workers or going on to short time and thus reducing costs without reducing the margin of profit per unit of output'. (Textile Council p118). The industry, in other words, 'was relying on having at its disposal a cheap, highly skilled labour force which it could turn on, off or put on short time at any moment' (Cotton p8).

## Man made fibres

This policy together with poor quality and high prices merely served to accelerate the decline in sales and the employers then attempted to reduce wages. The history of the cotton industry in the early 1930s was one of high unemployment, lock-outs, strikes and short time working. In 1936 the new man-made fibres made a direct bid for the traditional markets of wool and cotton. One of the big fibre producers, Courtaulds began marketing viscose staple, and demonstrated that this fibre was a direct substitute for natural fibres. The company acquired a cotton mill, Arrow Mill at Rochdale, and a wool mill, Westcroft at Bradford, to demonstrate the use of the new fibre on traditional machinery. Although many mill owners adopted the new fibre, the fortunes of

the industry remained the same, although the man-made fibres dominated from this time on.

'These developments affected a few mills, mostly in part only, and gave some novelty to Lancashire products. But they had only a little effect on the mass of the industry and its products' (Tippet p10).

It was not until the Second World War that highly profitable government contracts brought back a measure of prosperity to the industry, and with redeployment and call-up eliminating unemployment, the end of the war found conditions much improved. Employment was half that of 1937.

In 1940 a Board of Trade working party wrote that 'the one thing that must be avoided is the enjoyment of this period as a fool's paradise of easy profits at the end of which the industry, and all those who rely on it for employment, may find themselves in worse difficulties even than those of the inter-war years'. This warning was totally ignored. The Ministry of Labour set up a special committee to increase the labour supply, the call-up was suspended for cotton workers and over 4,000 foreign workers were recruited. Profits were huge and between 1946 and 1951 the labour force rose again by some 50%. As the second post-war boom ran out this entire increase was almost wiped out in a single year.

## Lancashire in Decline

Once again Lancashire became a depressed area, once again minimum prices were set to maintain profits, once again this accelerated the sales decline and led to higher unemployment.

No real government action was taken until 1958. By then it was no longer loss of exports but loss of the domestic market because of imports that was becoming the problem. In a bye-election at Rochdale that year there was a swing against the Conservative Government of 13.6%. Political expediency dictated rapid action and the



result was the Cotton Industry Act of 1959, which provided public funds for the industry's scrapping and re-equipment schemes — so long neglected for short-term profit considerations. As a sop to the unions, minimal payments were set for those laid off as a result of the Act.

The government took the industry's estimation of the best solution of its own problems at face value, largely ignoring all previous analyses and recommendations. The result was that the Act had little effect, other than giving large amounts of money to firms in return for scrapping mainly worthless equipment. It also involved grants to firms to purchase new equipment — equipment that could not be used effectively anyway, since the Act contributed nothing to improving the industry's structure and organisation.

## Courtaulds' Rayon Monopoly

The Courtaulds family connection with textiles dates back to 1775, but it was not until the mid 19th century that it became a leading force in silk production with its domination of the mourning crape industry. By 1880 the firm was employing 3,000 people and the senior partner, Samuel Courtauld, was drawing £46,000 a year (worth over £400,000 in today's money) from his investment in the business. The reasons for this are not hard to find, for 'the wages paid to the skilled men were high, by contemporary standards; those received by the large numbers of girls and young women who tended the power looms were not, and certainly reflected the fact that East Anglia was

one of the low wage areas of the country. When Trade Unions made their belated appearance in this region, so remote from the big industrial regions of 19th century Britain, the (Courtaulds) partners' attitude was unequivocally hostile' (A Brief History of Courtaulds p9). But the company fell into decline at the end of the century as mourning habits changed.

The second period of expansion was marked by the purchase of a set of patents in 1904 for the manufacture of 'artificial silk', later to be known as rayon. In 1909 the American rights were purchased and by 1915 output was higher in the US than in Britain. After the First World War the market for rayon greatly increased. This was in part due to the fashion for shorter skirts and the consequent wide use by women of 'artificial silk' stockings. The patents expired in 1920 and many new groups entered the rayon industry. Between 1919 and 1939 world output rose from 29m lbs to 2,200m lbs, 76 times as much. Courtaulds and its American subsidiary were both major participants in the boom and the period up to 1929 was enormously profitable. Courtaulds' production, which had reached a level of 6.2m lbs by 1920, was expanded to a level of 30.9m lbs by 1928.

## The Entire Industry

The 1929-31 economic collapse wiped out many of Courtaulds' new competitors. Courtaulds itself was cushioned from the impact of the slump by the 'considerable profits' still being made in the American market, and in 1933 when the market picked up and some

increase in price was expected, the company actually cut its prices. The smaller producers who had survived the slump protested but were obliged to follow Courtaulds' lead. At the Annual General Meeting in 1934 the Chairman said that the price cut represented the passing on to customers of reductions in costs, and denied that the company aimed at a rayon monopoly. The company, he said, aimed 'to stimulate the home market and maintain or increase the company's share of it', adding that 'the time had come to make this particular industry less attractive to the speculator'. It came as no surprise when in 1936 a scheme was formulated by a director of Courtaulds 'to take over all the other companies and create a new company owning the entire British rayon industry' (Monopolies Commission Report p11). Although the plan came to nothing, Courtaulds continued to dominate the cellulosic fibre industry, with only British Celanese as a competitor of any note. Despite the substantial growth of Courtaulds through the thirties, none of the prosperity was felt by the people who worked in the mills. Wages were cut, and persistent labour troubles beset the yarn mills.

Although Courtaulds was denied an absolute monopoly in the rayon industry, cartels and price fixing agreements which the company dominated served the purpose well enough. These practices were justified on the grounds that they allowed the cellulosic fibre producers to compete more effectively with cotton (and later with synthetic-nylon and other chemical fibres. Rayon the cellulosic fibre, is made





mostly from wood pulp) rather than with each other. The exact extent of Courtaulds monopoly of the cellulosic fibre industry can be seen in the table below:

#### COURTAULDS MONOPOLY OF THE CELLULOSIC FIBRE INDUSTRY

##### Production 1920-62

	Courtaulds m.lbs	UK m.lbs
1920	6.2	6.5
1930	23.5	45.1
1939	53.6	111.0
1950	103.0	190.2
1960	145.8	186.5
1962	164.2	176.8

(Monopolies Commission Report Appendix 3)

The Statement of the Chairman in 1952 seemed to suggest that the company could now take things easy. 'The peak of our post-war expansion plans is now well passed, and the rate of our investment in new buildings and plant has consequently been reduced'. The gentleman's club' atmosphere that pervaded the boardroom in those days is often referred to by modern directors. And in fact in the early fifties the only major investment project in the UK was for the manufacture of rayon at Grimsby. Mr. A.W. Knight, a director of Courtaulds, wrote in 1974, 'it is almost as if the absence of any clear strategic direction led those people to an excessive pre-occupation with dividing amongst the various members of the Board the responsibilities for administering that which already existed' (Knight p19).

In 1952 the demand for cellulosic fibres fell. The availability of cheap natural fibres, especially cotton, following the ending of the Korean war, edged the cellulose out of the dress trade. New techniques of treatment gave cotton crease resistant qualities. At the same time nylon, the new chemical fibre, squeezed rayon out of the stocking market.

Courtaulds had entered the nylon field, but only half-heartedly, in the 1940s in a jointly owned venture with ICI, but apart from receiving the dividends Courtaulds showed very little interest in the new 'synthetic' man-made fibres. In 1956, when the impact of nylon and other synthetic fibres was having an increasingly adverse impact on Courtaulds' profits, the Chairman defended the concentration on cellulosic man-made fibres: 'the average European is more conservative than his American counter-

part in trying something new — especially so when he continues to be well served by the use of fibres with a cellulose base'.

Courtaulds' reaction to this threat to its profits was further monopolisation within the traditional fibre industry. It took over British Celanese, its only major rival, and five other rayon companies. Most of these smaller plants were later closed down: 'factories were gradually closed, production being centred on those units which Courtaulds regarded as the most efficient, administrative and other overheads were centralised and the number of staff and operatives employed was substantially reduced' Monopolies Commission Report p14.

## Into the hands of ICI

But cellulosic fibres had passed their peak. Courtaulds' profit figures fell from £19m in 1954/5 to £13.5 in 1957/8 and its share of the textile yarn market fell from 76% to 63% over the same period. The man-made fibre producers in a joint memorandum to the Board of Trade confirmed this trend, saying 'the future indeed is dark'.

It was particularly dark for Courtaulds. Excluded from the now rapidly expanding synthetic fibre market the com-

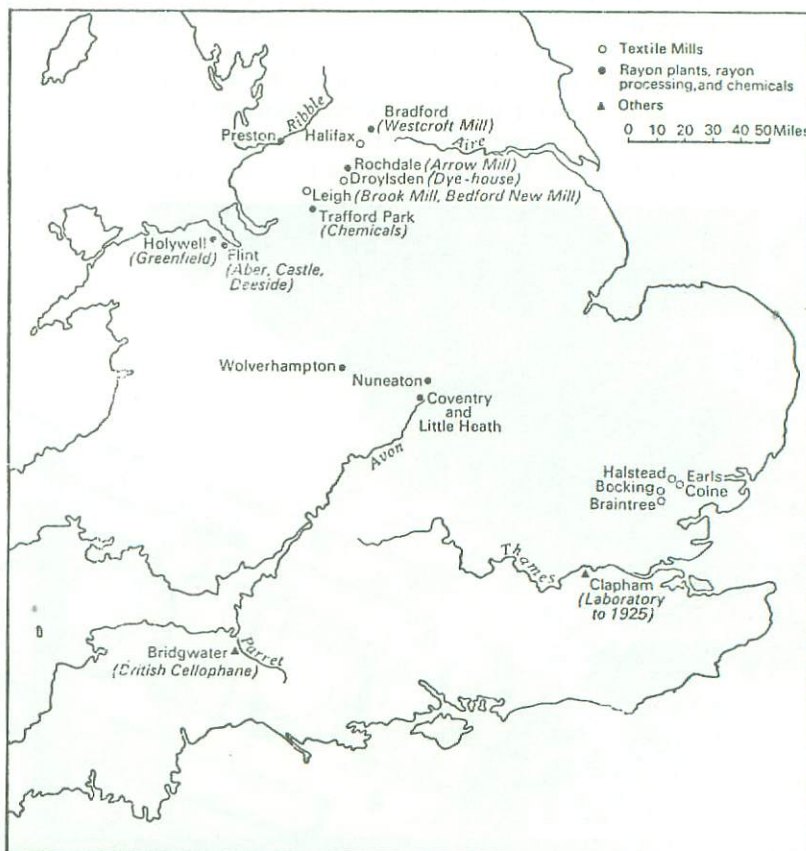
pany was presented with the picture of its major competitors regarding these fibres as the bulwark of their future expansion plans. Indeed DuPont, Courtaulds' main rival, abandoned rayon manufacture altogether.

The final blow came with the realisation that the Lancashire spinning industry, which took some 30% of the UK sales of cellulose (viscose staple) fibre and which contributed substantially to Courtaulds' profits, was not likely to survive the decade.

Courtaulds' cast round in some desperation for new areas of investment. Efforts to diversify into paint, packaging and plastics did not improve the position, although later Courtaulds was to become one of the world's leading paint producers. But these moves had the unintended effect of moving Courtaulds into areas competitive with ICI. Relations between the two chemical giants had never been good and their joint ownership of British Nylon Spinners was a source of friction as ICI expanded its nylon interests. And Courtaulds was in no position to compete with ICI.

In October 1960, the Chairman of Courtaulds said 'I believe that unless a satisfactory solution is found we should decide to negotiate on the basis of a complete merger'.

#### Courtaulds Inter-War Rayon Monopoly





# THE UPBLES IN RAYON

## THE GREENFIELDS DISPUTE

### COURTAULDS STRIKE — SHOCK STATEMENT

# 'LOOK ELSEWHERE FOR WORK' MEN ARE TOLD

#### ON OTHER PAGES

Leading Article	6
Ladies in the Evening	7
Sport	5, 9, 10
Weddings	14
Obituary	14
Women and Home	44
Look of the year	44
Cinema and Weekend TV	44

#### Man is critical

A HOLYWELL man was unconscious and said to be in a 'critical condition' at Rhyl War Memorial Hospital this week after being involved in a road accident near Brynford on Friday.

Mr. Clifford Hannaby (40), of 12 Abbotts Walk, Holywell, was seriously injured when the car he was driving turned over and went through a hedge on the B5121 near Brynford at about midnight on Friday. Mr. Hannaby was travelling alone and no other car was involved.

He said: "We have been told that we will be laid off indefinitely on Wednesday next week if the dispute between T.G.W.U. and management of pulp handling has not been solved. We have been advised by the management that the factory might close for good if the dispute is not solved. I am afraid

that I am inclined to agree with them — we have reached the point of no return."

He continued: "Apparently the last chance seems to be Friday (today) and I understand the meeting both sides have been seeking between their National officials has been arranged to take place at Greenfield. But I would not like to comment on the outcome of this meeting."

"Don't think that I am trying to put pressure on the T.G.W.U. leaders to solve this dispute because my men are getting laid off. I have seen this situation coming for a long time. Even before the dispute started the signs were there. This factory is being phased out. Even if the strike was

solved, my personal opinion is that unless there is some heavy capital expenditure this factory hasn't got more than five years to go."

Mr. Bird continued: "The management's attitude has been so inflexible throughout this strike. I think the time is now right for Mr. Barry Jones, M.P. for East Flintshire, and under Secretary of State for Wales, to intervene and sort things out. Mr. Jones should start taking an interest in this as it has now become a similar situation to Shotton Steelworks where men's jobs are at stake."

Although it looks like Mr. Bird is painting a gloomy picture for the future of the factory, that employs 380 people, his words can certainly be substantiated by what Dr. Hector Mackenzie, works manager, has been blating all along. Three weeks ago Dr. Mackenzie was quoted as saying that the works was not a viable proposition as it stood and that the work could be transferred elsewhere if the strike was not solved soon.

Shop stewards from the works lobbied transport workers' union Welsh Secretary, Mr. George Wright, when he arrived in Mold on Wednesday for the first Welsh Wales meeting of the Wales TUC General Council.

A group of 15 shopstewards spent nearly half an hour discussing their dispute with Mr. Wright outside the Shire Hall complex.

With 1,400 textile workers in the eighth week of their dispute without strike pay, they were pressing their regional officer both for the dispute to be made official by the union, and for a sense of urgency to talks to resolve the dispute.

ing throughout the eight-week-old dispute at the factory — are to be laid off "indefinitely" next Wednesday if there is no solution to the strike by the weekend.

Mr. Bird, the A.E.U. leader of the factory, revealed to "The Chronicle" his reasons for this unprecedented advice to his 400 union colleagues.

at the Works Office, quickly replied by accusing Mr. Thomas of political hypocrisy.

He said: "He went crocodile tears over our dilemma at Shotton steelworks, promising another look if the B.S.C. figures proved wrong. Why did he not ensure just that when he was in office?"

Mr. Peniston leapt to Mr. Thomas' defence when speaking to supporters on Monday. He accused Mr. Jones of a "spurious publicity stunt" over Shotton.

He said, "The irony and truth is that for years Jones has produced empty words about Shotton. Given office he had fiddled and produced only the fudge of a visit from a member of the House of Lords. It is either fudge or a spurious publicity stunt." He added, "The biscuit for political hypocrisy goes to Barry."

Then in a further speech on Wednesday, Mr. Peniston renewed his attack on Mr. Jones — this time over the Courtaulds 8-week-old strike at Greenfield.

He said, "Why hasn't Barry Jones done something to try and resolve the dispute at Courtaulds? He is the Labour M.P. and part of the Government that claims a magical influence over labour relations. They sometimes call it a social contract. He has done nothing to try to bring a week's work and pay back to the families of the workers at Courtaulds. Tested, they have failed. The workers remember the price of this failure. The situation needs moderation and mediation. It needs intervention at top level."

"Barry Jones boasted of his activities in the constituency, and even of meetings with Lord Kearton (chairman of

THE hardship and boredom caused by the Courtaulds Greenfield strike was said to be one reason why a Greenfield man assaulted a woman last week, Flint Magistrates heard on Tuesday.

Jan Stanley Nalez, of 10 Chwyd Avenue, Greenfield, pleaded "Guilty" to assault causing actual bodily harm at his home at 8 p.m. on Wednesday, September 11. Nalez was placed on probation for two years and ordered to pay a doctor's fee of £4.

Inspector Glyn Hughes, of Holywell, said that an argument arose between the defendant and Miss Lyn Denise Marsden, who along with a six and a half month old child out of their association, lived with Nalez.

Inspector Hughes said: "Miss Marsden would have told the court that the defendant started to hit her and she

tell on the floor still clutching the baby. He kicked her whilst on the floor and made her nose bleed. She went upstairs and he followed still pushing and hitting her. She was extremely frightened.

She placed the baby, who was screaming, in its cot. She ran downstairs and out of the house to fetch a neighbour. When the neighbour went to the house the defendant was brandishing a knife when he answered the door."

Lot to drink

Inspector Hughes continued: "The Police were called and when they finally got in the house and interviewed Nalez his speech was incoherent. He had obviously had a lot to drink. He could not recall any of the incident. Miss Marsden was examined by a doctor and was found to have bruises on her eyes, nose, spine and shins. The baby was unharmed."

Mr. Edith Roberts (defending), said that Nalez's action was completely out of character.

He said: "Nalez and Miss Marsden had been living together for two years and were waiting to get married, but he was not able to get a divorce from his first wife."

Nalez had a regular job at Courtaulds Greenfield until the strike started. This caused a lot of hardship and boredom which led to depression. Since the strike started the couple started quarrelling and it was during such a quarrel that the offence took place."

Mr. Roberts said: "Although Miss Marsden has now left him and gone to live with her parents, Nalez was planning to try and re-establish the relationship. It is not punishment he requires, but help," he added.

Nalez was in breach of a probation order and had previous convictions for taking a motor car without consent and causing criminal damage.



### Pupils want a youth

SCHOOL pupils living in the Penryn district of Holywell have organised a petition calling for a youth centre to be provided in their area, where hundreds of houses have been built in recent times on land sloping down to the coast road. And many more are planned. In fact, what is virtually a new township is springing up in Penryn.

The large number of youngsters in Penryn says there is a great need for a youth centre there. So far the petition organisers have collected over 750 names by calling from house to house and asking people to sign, and the plan to present the petition to the Debyn Borough Council with a plea that their request is given urgent consideration. They are fully supported by their parents.

There is a youth centre in Holywell itself, but the youngsters, mainly between the ages of 12 to 15 and mostly pupils of Holywell High School, say they do not like going there. It is a long way from

Penryn and the relish the walk he darts. They want somewhere their own doorsteps point out that the Council own land in where a youth centre would be a desirable them to gather. The petition is supported by Mr. P. Griffiths, a member Debyn Council, who

### A Police warning after men rob widow

POLICE have warned householders to be on their guard against two men who robbed an 83-year-old Ewloe Green widow.

They say that while one man kept Mrs. Beatrice Eleanor Upon talking at the front door, the other sneaked through the back door and stole a clock, a barometer, a silver cigarette case, some commemorative 5p coins and a George VI stamp.

Mrs. Upon, of Rose Cottage, Green Lane, Ewloe Green, was visited at about 4 p.m. on Thursday last week by a man who questioned her about a burglary on sale further along the lane.

When the man left he was joined by another man, and Mrs. Upon later discovered the articles missing from her home.

She said she was particularly grieved at the loss of the clock which she believes to be about 200 years old and which she has had in her possession for 40 years.

The police are warning householders, particularly elderly people living alone, to be on their guard against similar risks employed by daylight thieves.

### Councillor

THE Holywell and District Choral Society were severely criticised by a town councillor on Tuesday when it was revealed at the Town Council meeting that they made a loss of £700 on the recent Holywell Music Festival.

The Choral Society were asking the Town Council for a donation, and in the letter revealed they had made a loss of £700. After a lengthy discussion it was decided to donate £250 towards the society's costs providing the Council could see a copy of their balance sheet and representatives from the Council could sit on the next music festival committee.

Mr. Philip German-Lloyd said he was astonished at the loss they had made and put it down to bad organisation.

He said: "How can they expect to make a profit when they do not cater for the majority of people. I would like to donate £500 to the society if I knew they would make an effort to provide more popular

type of music townspeople."

Mr. W. E. Williams, who thinks the Holywell Festival is a great town but I would like to see them widen the of entertainment. I should ask for representation on the committee."

Mrs. M. R. R. def. choral society, saying a lot of bad luck will festival. "This is festival of this kind in North Wales and

A complete check-list of local county and district councillors' expenses and allowances appears on Page 4.

The line-up of the General Election candidates on Page 6.

We are delighted to introduce "International Wetherill-Wec" which features our complete fashion collection for the season.

### Good Looking...

Our Sound and Vision Studio has the best of today's television. Portable or consoleblack and white or colour, backed by excellent service.



### or Good Listening...

If you prefer listening, come and hear our new Toshiba stereo unit audio systems, priced in the popular £120 to £200 range with FM-Stereo as well as MW, LW and FM wavebands.

Here's one of the three units in the range which looks as good as it sounds.

Toshiba SM-270, integrated stereo radio-amplifier-recorder player, plus two speakers. Full-size, belt-driven record turntable with auto return/auto cut. Outstanding sound for the money.

£117.75 inc. VAT. TOSHIBA

More good listening with LP records, cassettes and cartridges all reduced by 25%. We, all of them—and there are thousands—at 25% off marked prices. Now.

BROWNS OF CHESTER



When the Greenfield viscose factory was opened in Holywell in 1936 low wages and high unemployment were the order of the day, an ideal situation from the Courtaulds management point of view. With the workforce unorganised and competition for jobs desperate, the firm did not have to bother about paying for such niceties as adequate ventilation and safety precautions, and the temporary blindness caused by working in an atmosphere heavy with acid fumes was a daily occurrence. Sufferers often spent all evening and all night at home bathing their eyes in water or cold tea, so that they could work the next day. If they failed to make it, the formen would replace them from the pool of unemployed men constantly waiting outside the gates for just such a lucky break.

Viscose rayon is no longer Courtaulds' biggest money earner, and is steadily losing its importance within the group, compared with the growth of the newer chemical fibres. However it is a safe bet that the firm will continue to run its viscose plants as long as there is a profit to be made. It is an equally safe bet that the firm will continue to exploit the redundancy fears of a workforce in a declining industry. The 1970-71 Chairman's Statement spelt this out, 'the product will always be vulnerable because it demands a relatively labour intensive process, and is easily and badly upset by labour troubles'. The implied threat to the workforce is the old Courtaulds favourite, 'Don't rock the boat or you're out of a job'.

## Work Study

Productivity and 'viability' are the main sticks now in use at Greenfields to intimidate workers and fracture shop-floor unity. Shortly before Christmas 1971, on the management's own admission, the Greenfield plant achieved an all-time record output with a greatly reduced workforce. The previous October the workers had been told that their jobs were in jeopardy because of low productivity. The work-study programme accepted by the workers as a result of the October threat led to a work stoppage early in January 1972. Men in one department were dissatisfied with the way the work study programme was being implemented. Management claimed the men had walked out, but the T & GWU claimed that as management had switched off the machinery in the department, the men had in effect been locked out. The dispute quickly spread to the rest of the factory, invol-

ving 1,600 T & GWU members. Despite the Christmas record output, the general manager of the viscose division stated that production could not restart until the company was satisfied that there would be no similar 'walk-off' in the future, and went on to give a rendition of the familiar Courtaulds refrain: 'it is now up to the people at Greenfield to decide how best they can convince the company of the wisdom of restarting the plant at all' (*Guardian* 8.1.72).

## Job Reduction

The 1972 Greenfield dispute demonstrated a much used Courtaulds' technique — what could be called the reverse-strike. A dispute arises, the plant closes down — either through the withdrawal by the workers of their labour or through the management turning off the machines — and then the management dictates terms for the recommencement of operations. In this case the price set for a re-start by the management was a seven point 'charter' including a week's notice of strike clause and, significantly, a reduction in numbers of 120 men, 'surplus' labour to be carried until reduced by 'natural wastage'. The men rejected the deal unanimously, but by January 28th the strike was over and the men were returning to work. Management had won agreement from the union's National Secretary though the union did win the right to negotiate on the reduction of 120 men. The new agreement, produced by the union's General Secretary and Courtaulds' Deputy Group Industrial Manager at a meeting in London, allowed for a reduction of 87 men. Paltry though this union 'victory' might seem, Courtaulds' head office was obviously still unhappy about the way things had turned out, and in October 1973 a new general manager appeared on the scene.

## Trouble Shooter

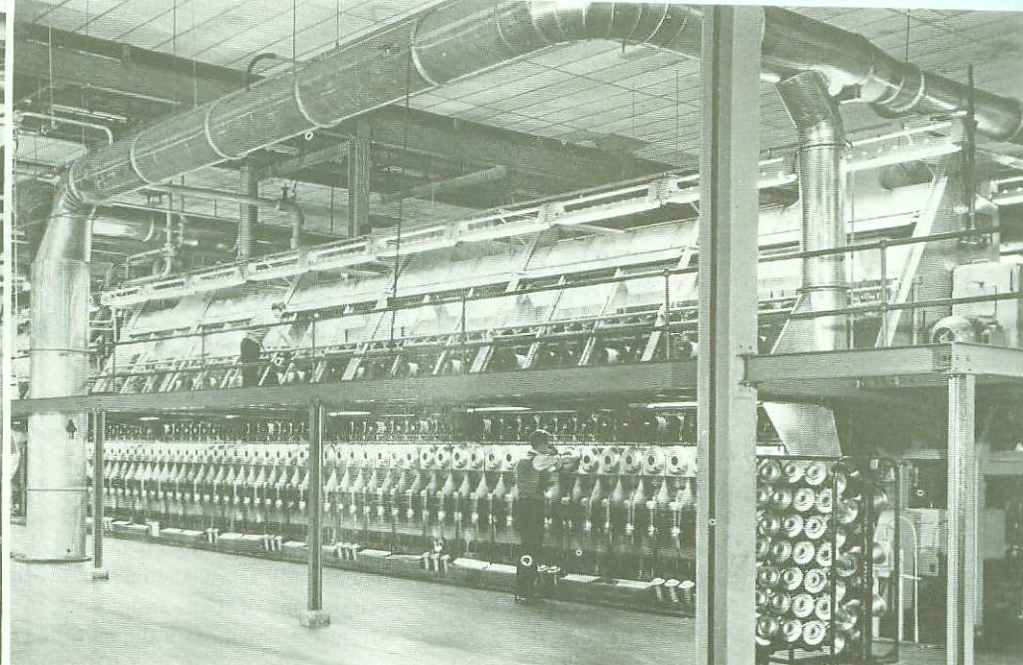
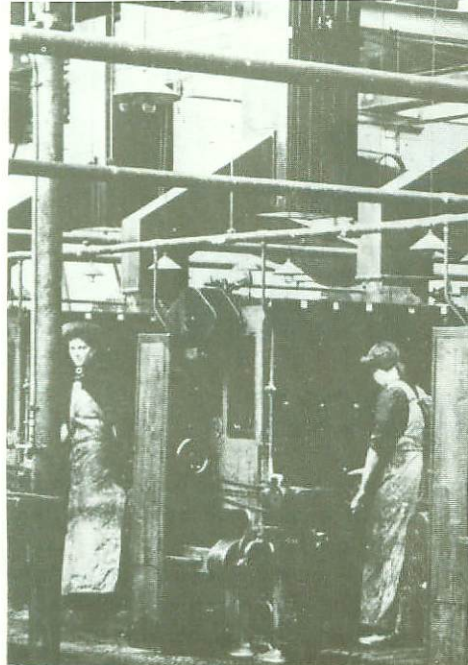
Doctor Hector MacKenzie has worked for Courtaulds in Swaziland, the USA and the UK. His special skills are as a 'streamliner' i.e. he is used to cut down the workforce and force up productivity. At a press conference in August, during the 1974 T & GWU dispute at Greenfield, he stated that he had been sent to streamline the factory. He warned 'the factory has got to be made more efficient if it is to remain viable. The factory's days are numbered, unless we get a better balance of manning and greater efficiency'. After referring to the 1972 dispute, he went on 'history

is now repeating itself, except that a downturn in the economic situation makes it even more imperative than in 1972, that the process manning levels are reduced, if Greenfield is to remain viable. The management therefore insist that the factory will not operate until written and signed agreements are reached on outstanding matters' (*Chester Chronicle* Clwyd Edition 23.8.74).

On Wednesday 26th June 1974, 400 members of the AUEW walked out of Greenfield, after a row over clocking on and off during the lunch-break. Engineers with 10 years service had previously been exempt from the clocking off and on procedure at lunch-time — not much of a concession — but it meant they could take a little extra time. One of MacKenzie's first acts was to investigate this procedure and to publish a report claiming that so many man-hours were being lost, and that the concession for ten-year men was dissolved. As a consequence, three men were suspended for failing to clock on and off, and were told that there was no work for them unless they were prepared to obey the new rules. Four hundred men walked out, and the union convenor said that the ultimatum amounted to a lockout.

At the same time as the engineers' clocking off dispute, production at the factory was being cut back to 50% owing to a shortage of caustic soda — an aftermath of a dispute at the ICI plant which provides it. If management — as Greenfield workers are convinced — was actively seeking a confrontation with the workforce, then the time and the circumstances were just right. With production cutbacks inevitable anyway, Courtaulds had nothing to lose. With management claiming that proper clocking procedures were laid down in the work's rules, and the AUEW claiming that the new procedures were in dispute with no official agreement in existence, the strike dragged on until July 19th. Then the men went back, after senior management and a union negotiator hammered out an agreement overnight in Aintree. From the workers' point of view the strike was a failure, as the clock-on procedure was retained. Far more serious was the effect on inter-union cohesion at the factory. After failing to persuade their membership to support the engineers, the entire shop stewards committee of the 1,600 strong T & GWU at Greenfield resigned.





Then . . .

Now — Rayon Spinning

## No Stewards

Courtaulds could not have wished for anything better. T & GWU officials at the nearby Deeside Mill in Flint were already discussing plans to set up an action committee to prevent jobs being lost. Whilst the Greenfield T & GWU members were still without stewards to represent them, MacKenzie began a process of lay-offs, 25% of the work force at a time, on a four-week rotation basis. Production was now down to 30% of normal.

On Tuesday 30th July, MacKenzie introduced a new system of handling pulp with new machinery, involving a cut-back of two men per shift. The men involved refused to work the new system, claiming that there had been no full negotiations with the union concerning manning levels and bonus payments. They felt that management was taking advantage of the union's temporary disarray, and the rotating lay-off system, to foist the new process onto them; 1,600 T & GWU workers went on strike.

## Factory Run-down on the Cheap

The strike achieved in 'natural wastage' what management could not achieve through negotiation, a substantial reduction in the workforce. During normal working, the 2,400 strong factory loses about 30 men in every four week period. In four weeks of strike this number was multiplied to 140, as men with families to support were forced to find other jobs. As the strike was unofficial the men got no strike pay to help them through. Another bonus to management was, of course, that no redundancy payments needed to be made, nor any negotiations entered into.

Every extra day of strike weakened the workers' position and strengthened the management's hand. Courtaulds must have been hoping for a long drawn out dispute at this time. They certainly prepared for one. As soon as the 1,600 men walked out the foreman drained the viscose pipes (viscose sets hard in 25 hours of inactivity). More significantly, they then filled the drained and flushed pipes with oil. Men at the factory claim that this is only done if a stoppage of many weeks is envisaged.

Negotiations at a local level never got off the ground, as MacKenzie insisted on negotiations covering everything from the 1972 seven point charter to the cutback of 140 men, before work could be resumed. The regional secretary of the T & GWU asserted 'We don't bend to that sort of blackmail under any circumstances . . . We are not opposed to change but it will be negotiated not imposed. There is no doubt that the manager does not want negotiations, but capitulation' (*Flintshire Leader* 23.8.74).

The union's call for a top-level Department of Employment enquiry into labour relations at the factory was rejected by MacKenzie, who stated that they had a few problems at the plant, but that he was sure he could sort them out.

## No Future at Courtaulds

In the eighth week of the strike, the management told the engineers and tradesmen's mates who had been working throughout the dispute, that they would be laid off indefinitely if the strike was not settled by the following weekend. This shock statement led the Engineer's convenor to tell his men

'There is no future at Courtaulds, Greenfield, look elsewhere for work'. He added in a press interview, 'don't think that I am trying to put pressure on the T & GWU leaders to solve this dispute because my men are getting laid off. I have seen this situation coming for a long time. Even before the dispute started the signs were there. This factory is being phased out. Even if the strike was solved, my personal opinion is that unless there is some heavy capital expenditure this factory hasn't got more than five years to go' (*Chester Chronicle* Clwyd Edition 20.9.74).

The fears expressed by the AUEW convenor are of course exactly the sort of fears MacKenzie and Courtaulds' head office want to be felt among Greenfield workers. With viscose rayon's relative importance diminishing and sales virtually static, it would suit their purpose admirably for the workers to accept the 'inevitability' of increased capital intensiveness and a greatly reduced labour force. First, though, they have to thoroughly demoralise the workers and reduce their militancy.

The hardships involved in a long drawn-out strike are an efficient way of achieving this. T & GWU officials have openly stated to us their conviction that this is why MacKenzie was brought in, that the strike was deliberately engineered by management, who expanded the area of dispute severalfold beyond the original pulp-handling question, in order to prolong it, and that MacKenzie, an adamant man to whom the idea of compromise is repugnant, had intended all along to break the workers' organisation and dictate his own terms.



# VERTICAL INTEGRATION

## BUILDING THE MONOPOLY

The early 1960's were a watershed in UK textiles. Old mills were closed and new men and new fortunes arrived. But at the beginning of the 60s Courtaulds had to ward off the biggest threat to its existence - ICI. The ICI bid for Courtaulds provided the next galvanising factor in the company's expansion. Manipulating the good cash position of the company, the new group overcame the defeatist attitude of the old board, and outmanoeuvred the ICI bid. The battle in the boardroom brought forward a new generation of directors led by C.F. Kearton. 'With the early departure of their more senior colleagues, and with the prestige accompanying the success of the battle, C.F. Kearton was and remained the dominant individual in this situation'. (Knight p35).

One thing was clear, Courtaulds could no longer rely on its monopoly of rayon fibres to secure its profits. Equally clear a future based wholly on fibres was ruled out, because of the company's exclusion from nylon and terylene. 'It was obvious at this late stage that it would be expensive to break into markets held by competitors'.

### Onto a Winner

The plan that was formulated to re-establish the declining fortunes of the company derived from the simple desire to protect their monopoly of cellulosic fibres from the harsh competition of the synthetics. The monopoly that had been established in the 20s and 30s could only be protected by further monopoly. The company had to buy its way into the textile industry.

This plan had a number of other added advantages. A protected market environment would leave Courtaulds free to develop its own synthetic fibres, as well as break into those areas, notably nylon, from which it was excluded. Guaranteed outlets avoided the competition of the other chemical companies.

It was already apparent that the declining financially weak textile industry, where the fibres were converted into

fabrics — mainly in Lancashire, was not going to provide the strong outlets that the fibre producers needed. ICI had already established a 'big brother' programme of loans and grants, in an attempt to invigorate the spinning and weaving plants that used ICI's fibres. But the very weakness that so concerned ICI, Courtaulds turned to its own advantage. The textile industry was composed of scores of scattered mills and factories, badly demoralised by the setbacks of the last decade.



Courtaulds was sure to meet with no resistance in its attempts to buy its way into the industry. In fact it was clear from very early on that far from meeting with resistance, they would get positive encouragement from the government. Government incentives were increasingly available which provided any manufacturer with powerful reasons for expanding capacity and buying new equipment. Looking back, Kearton remarked in 1968, 'we depend as we did when we started on our ambitious and far-reaching Lancashire plans, on a continuing and constructive attitude from Her Majesty's Government'.

Courtaulds spent £403m establishing itself in the textile industry. It took seven years. Thirty or more companies were swallowed up and four new plants established, 'with maximum group profitability as the touchstone by which all proposals and actions must be judged'. (Knight p78)

#### Acquisitions 1962-1969

	£m cost
Fibre Making	9.3
Fibre Using	145.9
Other	20.7
Total	175.0

#### Re-equipment and Expansion 1962-1969

Fibre Making	136.7
Fibre Using	56.7
Other	33.7
Total	227.1

The first move was part of the plan to consolidate Courtaulds rayon monopoly, the 'Northern Plan'. It was an attempt to buy up all Courtaulds largest customers for rayon: Lancashire Cotton Corporation, Fine Spinners and Doublers, English Sewing Cotton and Tootals. In fact two of the companies resisted



the takeover, but Courtaulds acquired LCC and FSD. But these two, together with Hayeshaws, which had been acquired earlier, gave Courtaulds a 35% share of the Lancashire spinning industry at a cost of £40m.

Immediate plans were made to reduce the number of mills from 50 to 30, and another £40m was spent on a major re-equipment programme. The closures had a severe effect on an already demoralised industry, particularly as much of the grants that Courtaulds had received from the Government depended on the fact that jobs in the textile industry would be saved. But in fact the insecurity and uncertainty in the industry suited the company and it continued to exploit them. The lack of any social consideration is starkly illustrated by the way the new men of Courtaulds carried out their plans for the weaving industry. This again was part of the overall plan of dominating strategic outlets in the industry. Unlike the spinning industry, the many existing outlets were not considered susceptible to takeover, and it was decided to build on virgin sites, well cut off from the traditional Lancashire weaving areas. The jobs, the plant and the families dependent on them were forced to go to the wall. The company, taking full advantage of the government development area grants and other financial help built capital intensive plants at Carlisle, Lillyhall and Skelmersdale, in spite of the fact that demand for woven fabrics was limited, and was already being met by existing capacity. The new government subsidised plant of Courtaulds could only continue to exist if the traditional industry continued to decline. And as Knight points out, Courtaulds were confident of 'the elimination of existing weaving capacity'

(Knight p55).

## Fail Safe Outlets

Courtaulds monopoly in fibres had, ever since the takeover of British Celanese, extended to acetate. Knitted or woven, it was used as a dress fabric as well as for underwear. Given some protection Courtaulds realised it might continue to compete with nylon. Expansion plans were thus closely tied in with the buying up of the most important manufacturing outlets. The expansion programme, which accounted for 25% of the money spent during this period and provided protected outlets for their acetate fibre included:

		£m
James Nelson	Dec 63	5.6
George Brettle	Jan 64	0.6
Fras Hinde	Mar 64	0.9
Derby and Midland Mills	Oct 65	2.3
Kayser Bondor	Jan 66	2.5
Aristoc	Jun 66	5.5
Ballito	Oct 66	0.7
Symington	Aug 67	1.8
Clutson Penn	Feb 68	17.7
Northgate	Mar 68	10.5
Contour Hosiery	Mar 68	2.5

Courtaulds increasing ownership of the manufacturing side of textiles had in addition provided the company with a safe and sure way into synthetics. By owning outlets for its fibres, any new synthetic could be marketed without meeting the competitive pressures of ICI, Monsanto and DuPont. Courtaulds was quick to take advantage of this fact in developing and marketing a new synthetic fibre — acrylic, brand name Courtelle. A high technology plant was built at Spennymore where the wool-like fibre was spun; but more important the company secured a protected market by buying Foster, Clay and Wards, Bairnsweat, and Exquisite Knitwear. These were already well established clothing manufacturers.

Some indication of the security that these textile developments provided for Courtaulds is to be found in the fact that although the company had been excluded from the production and marketing of nylon in 1963, by 1965 it was producing its own nylon fabric 'Celon'. This was only viable because Courtaulds had guaranteed markets; in the open market it could never have withstood competition from ICI. It was the acquisition of companies like Clutson Penn and Northgate, as well as major companies such as Kayser Bondor, Aristoc and Ballito that provided these guaranteed outlets. How important they were can be seen from the fact that by 1970, 80% of all company nylon deliveries were to group users. And by 1973 Lord Kearton claimed (Chairman's Statement) that 'we have operated more vertically with our 'Celon' than with any other of our fibres. To some extent we had to do this, coming into the market as we did some twenty years after other brands of nylon had become widely accepted and established. The close relationship between producer and user enabled us to produce a fully competitive nylon in a relatively short time'.

Only one area was excluded from the broad base of the Courtaulds monopoly, and in 1967-68 seven wholesaling companies were acquired for about £13m. It had been clear to Kearton, Knight and Mathys early in the 1960s that purchasing power for their products was ultimately in the hands of the large retailers downstream — Marks and Spencers, British Home Stores, etc. 'It was consideration on how to engage the increasing purchasing power of the retailers which dominated Courtaulds' deliberations along this period'. (Knight p41) Distribution through wholesale channels, it was claimed, added 25% to the cost of textile products between the manufacturing stage and their arrival in the hands of the retailers. By buying its way into the wholesale distribution trade Courtaulds could make money, at the same time confronting the big retailers on their terms. Control of wholesaling also afforded protection to some of the prestigious brand-names which the group had already acquired, and whose future growth was prejudiced by the growth of the retail chains, at the expense of the smaller shops. These and related considerations brought into the group:

		£m
Morton Sundour	Oct 63	0.3
Fabrics		
Susan Small	Nov 63	2.2
Victor Marks	Oct 63	0.2
Meridian	Dec 63	4.1
Barracks Printing	Mar 64	0.2
Premier Dyeing	Jun 64	0.5
Spray and Burgass	Dec 64	1.2
Joseph Sunderland	Jan 65	0.2
Samuel Heap	Jan 65	0.2
Wolsey	Jun 67	8.5
Morley	Jan 68	1.5
Thomas and Arthur Wardle	Mar 68	2.3
R. Rowley	Jly 68	0.7
Moygashel	Nov 68	6.1
Fletcher	Sep 71	0.8

These purchases not only 'rationalised and facilitated bulk buying within the group, they gave to Courtaulds a much firmer grip on the consumer market.

In less than a decade Courtaulds had moved from a simple monopoly in cellulosic fibres directed at a declining textile industry, to a multi-million pound complex with a substantial holding not only in fibres, but more important, in textile manufacture and marketing. In 1970 the Chairman, Lord Kearton, announced that for the first time textile sales had exceeded fibre sales, and had contributed almost three-quarters to total pre-tax profits.





In order to fulfil its plans to establish a vertically integrated monopoly firm, Courtaulds required government support. It needed that support to exclude competition from the poor Commonwealth countries in cotton goods; and to provide financial incentives to expand its production of man-made fibres and re-equip the cotton factories it had bought.

The policies of successive governments were particularly concerned with maintaining employment in the Lancashire cotton industry. The Conservatives' policy was much weaker than Labour's and was complicated by their historical concern for Imperial preference. Before the early 60s the former colonies were still important to the British economy. With the failure of the Conservative Government's effort to enter the Common Market, it decided to create the European Free Trade Association (a sort of alternative Common Market). This led to a greater pre-occupation with European trade than previously. Just before the 1959 General Election, the Conservative Government began taking an active interest in the problems of Lancashire, despite the fact that between 1951 and 1959 100,000 jobs

had disappeared. Firstly, it obtained voluntary undertakings to limit the supplies of imported textiles from Hong Kong, Pakistan and India, and then introduced the Cotton Industry Act to reduce the size of the UK industry. The combination led to an immediate jump in imports from developed countries from 7.8% of UK domestic consumption in 1959 to 14.7% in 1960. Almost all of this was a result of reduced UK production.

With the election of a Labour Government in 1964 the emphasis turned to the maintenance of employment in Lancashire. It was during this period that Courtaulds became more interested in maintaining the viability of the cotton industry as an outlet for its man-made fibres. The aims of the government and Courtaulds were apparently in accord.

## Contradiction

On the one hand the company argued that tariffs were important to safeguard jobs. On the other it was arguing that the textile industry needed to be capital intensive in order to compete. The government accepted both arguments,

in spite of the fact that in terms of jobs they were mutually contradictory.

Courtaulds' aim was, of course, simply to secure higher profits. The government's contradictory policies and aims were convenient for the company.

The support that the government gave to Courtaulds fell into two major areas. Firstly it protected the profits of the company through tariffs and quotas.

In 1966 the Labour Government gave in to pressure from the industry and took over complete administration of import quotas. Cotton textiles from poor countries were officially and openly discriminated against by the UK government.

In 1969, following on a report from the Textile Council, the same Government introduced tariffs on imports from Commonwealth countries, with a promise that quotas would be lifted at the end of 1972. For a country like India the tariffs meant a loss in valuable foreign exchange of £17m a year. In 1971 the Conservative Government re-imposed the quotas that Labour had promised to phase out. Hence the poor countries faced a double barrier, of both quotas and tariffs in the UK market.



## Setting up Europe

While the British textile industry pressured the government for restrictions on imports from poor countries, the same government was negotiating the removal of trade barriers between certain rich West European countries, eventually called the European Free Trade Association. By the end of 1966 all duties were removed between Britain and the EFTA countries of Switzerland, Sweden, Norway, Austria and Finland. This policy coincided with Courtaulds' plans to export man-made textiles to developed countries.

The second major area where government support was important to the company was in the allocation of investment and regional grants. The 1959 Cotton Act gave to the industry approximately £50m under the scrapping and re-equipment programme. The Labour Government set up, in 1966, the Industrial Reorganisation Corporation to 'rationalise' British industry in the face of competition from developed countries. The grant receivable in the initial programme of the Corporation totalled £10m.

## State Handouts

From 1966 the government spent £400m a year to develop the regions where unemployment was at its highest. In addition the 1972 Industry Act enabled the government to allocate up to £550m over the following five years, to improve 'efficiency and employment'. This is in addition to the normal regional assistance, which is provided in the form of investment grants, rent-free factories, etc. The Act also offered 100% first year depreciation to any employer who invested in the same area the following year.

Courtaulds was a major beneficiary of government grants. The company's deputy director admitted that the Industrial Development Act of 1966 was most significant, having regard to the

timing of Courtaulds' own expansion. 'Its provisions were encouraging — 40% grants towards machining expansion in development areas as compared to 20% elsewhere; loans and training grants. And the Special Development Area arrangements announced in 1967 gave additional incentives' (Knight p 175).

## Buck-passing

The company was, however, somewhat reticent about the contribution of government grants to its profitability. In February 1973 Lord Kearton was requested to give evidence to the House of Commons Expenditure Committee inquiring into the use of public money in the private sector. He refused to appear on two separate occasions. It was felt that Lord Kearton, as head of a firm which had received large government investment grants, could have made a useful contribution to the Committee's inquiries into how these grants were spent. At the time there was even talk of compelling him to appear. However, it was discovered that a peer of the realm could not be compelled to do so by a mere Commons committee. But a Courtaulds' spokesman explained his reluctance thus: 'the Chairman is an extremely busy man. It was thought that a properly briefed executive, who had all the facts at his fingertips, would be of more use to the sub-committee'.

The evidence submitted to the Committee by the company, however sparse, was of considerable interest. It disclosed that of its 400 manufacturing units in the UK, 250 were established in areas where government assistance was available. Of the 122,000 UK workers in the company, 80,000 worked in these assisted areas. In the six years from January 1966 to March 1972, investment grants received accounted for £62m of the company's total expenditure in assisted areas of £150m. 'The total investment grants receivable in assisted areas is about £50m. Three

projects in the Northern Weaving Division, at Carlisle, Skelmersdale and Lillyhall, were eligible for investment grants of the order of £6.5m and operational grants of £0.5m . . . At Spennymoor the grants receivable on plant and buildings amounted to £3.5m. In addition there was an operational grant of £1.5m. In the same period loans totalling £6.75m were received by the company.'

According to these figures the government gave Courtaulds one-third of its investment expenditure free, and made loans of about another 5%.

On average each job created by the company cost the state about £3,500. The company received in Regional Employment Premium some £1.54m a year. In the two years between 1968-70 training grants totalled £48,000.

## Generous Hosts

Apart from the direct assistance from the state, the company also benefits from the facilities provided by local government and the subsidised cost of services from the state corporations. For example the company submitted, in the case of Spennymoor, that the 'local authority had been remarkably helpful in housing key workers. Also facilities provided for transport, the roads and so on, again have been very useful. The local authority built for our arrival a new pumping station to take care of our effluent, which can cope with a doubling of our present production'.

## Behind the Figures

In September 1974 the Department of Trade and Industry, announced that Courtaulds had received some £28m in grants during the period 1970-73. The company replied that it had increased its fixed assets by £243m in the same period, implying that the state aid was of no major significance. The figures quoted in the company reports suggest a different story.

Members of the Labour Government's Advisory Council on Technology — Kearton on right





Sources of Finance	1970	1971	1972	1973	Total
Profits retained	8.0	5.1	17.9	36.6	67.6
Depreciation	28.2	31.9	35.0	37.0	132.1
Sales of fixed assets	10.8		8.3		19.1
Grants	14.6	15.4	7.2	0.9	38.1
Increase in loan capital	35.1	33.7	3.2	35.2	107.2
					364.1
Uses of Finance					
Fixed assets	68.5	67.6	41.7	38.8	216.6
Acquisitions	5.7			4.2	9.9
Working capital	19.3	13.8	8.8	1.0	42.9
Increase in cash resources	3.2	4.7	21.1	65.7	94.7
					364.1

According to these figures, the company's total expenditure on fixed assets (including acquisitions) over the period was £226.5m. Of this £151.2m was simply replacement of depreciated or disposed of assets, leaving a balance of £75.3m required for new investment. Over one-half of this, £38.1m, was provided by the state, a far different picture from that given by the company.

Moreover, it was not necessary for the company to feed any profits back into investment in fixed assets, for the other half of the money required for new investment could have been provided from the loans raised during the periods. These were such that, even after making provision for a substantial increase in working capital, Courtaulds apparently still had all the retained profits, plus some £27m borrowed at mainly fixed interest rates, with which to invest profitably in the money market until such time as dividend restraints were lifted.

Courtaulds is, in fact, expert at tax avoidance. In the 1971-2 accounts the group pointed out that no UK tax was payable, and in 1972-3 the charge was a tiny £313,000. Thus on total profits of £113.6m, the Group paid only £13.8m in tax, and almost all this was paid abroad. For 1973-4, on pretax profits of £116.3m, the group paid total tax of £26.9m, of which £12.2m was foreign tax and of the UK figure of £14.7m no less than £9.1m was available against future tax liabilities. This tax avoidance came from two main sources, one being the ordinary capital allowances given by the government, the other being a clever method of shuffling industrial buildings between subsidiaries. 'The device used . . . involves getting all the Industrial Building Allowances, normally 4% a year, into one year . . . (this) essentially involves turning all freehold properties in the Group into long leaseholds and these passing almost valueless reversionary interest

(or the right to occupy at the end of the lease) on to a subsidiary thereby establishing a capital loss.' (*Sunday Times* 28.5.72) The overall cost to the government of these two items exceeded £80m over the three years. While giving evidence to the Parliamentary Committee, the Deputy Chairman of the company also revealed that the company had something like 800 applications outstanding in grant aid, though no indication was given as to the amount of money involved. He did, however, announce that 'Courtaulds was to take legal action to challenge the Department of Trade and Industry's interpretation of regional development policy in relation to the payment of investment grants.' (*Times* 1.3.73)

## Friends on the Board

Courtaulds, under Lord Kearton, has been remarkably successful in its relationship with politicians and civil servants. As the *Evening News* (17.11.72) put it, 'Lord Kearton's skill as a lobbyist has long earned him the irritated admiration of his competitors. When Harold Lever ran his enquiry into whether fibre makers should buy their customers, among the very terms of reference was that Courtaulds' ownership of its outlets wasn't in question'. In fact, since the 1960s, when government support was crucial to its plans, Courtaulds was active in establishing close relations with the government. The company attracted to its Board of Directors prominent politicians, who were influential in government circles.

The Labour government made Lord Kearton the first Chairman of the Industrial Reorganisation Corporation, the 'government merchant bank', in 1966. On the Conservative side, Lord Butler and Viscount Eccles were on the Board before 1970. However it was on the Labour leadership that the company made the most significant impression. To the Labour leaders

Courtaulds appeared as a saviour of Lancashire, and they saw in its plans a way of salvaging a declining textile industry.

There were also instances when government decisions affecting the profitability of Courtaulds were taken on the basis of recommendations made by company men. For example, the crucial 1969 report by the Textile Council, which led to tariffs being imposed on Commonwealth cotton goods, was drafted by a sub-committee chaired by a Courtaulds director, Mr. W.T. Winterbottom. The sub-committee included the company's chief economist, Mr. A.M. Alfred. Mr. Douglas Jay was President of the Board of Trade when in 1968-69 it was making decisions that directly affected the company. Subsequently Mr. Jay became a non-executive director of Courtaulds. At the same time the company was being investigated by the Monopolies Commission. While the Commission was sitting the company continued to take over firms in Lancashire. The clearances for these acquisitions were being delayed by up to three weeks at the Board of Trade, in view of the Commission's hearings. 'This led to some irritation because Courtaulds were being encouraged to get on with integration, by both the Prime Minister (Mr. Harold Wilson), in private conversation, and the President of the Board of Trade, and the punctiliousness of the Board's officials contrasted oddly with this pressure.' Knight p 153)

During this period the Prices and Incomes Board also investigated the price increases proposed by the company. The PIB, in 1969, were asked to investigate the prices of viscose yarns, acetate yarns and cotton and man-made fibre yarns. The secretary of the team that investigated the viscose yarn prices eventually joined Courtaulds. However, the proposed prices increase was cut from 9 to 5%. In the case of acetate yarn, in spite of the PIB recommendation to reduce the price immediately to three-quarter pence a pound, Courtaulds discovered that 'there was no power which would enable a government department, or anyone else, to compel the company to comply' (Knight p 160).

In July 1960 price increases were implemented on all acetate yarns. The Minister of Technology confirmed that no objection was to be raised, either on these or on viscose staple or tyre yarn price increases announced at the same time. That most prominent member of the Labour administration, Lord George Brown, joined the firm as 'productivity counsellor' after retiring from politics.





# LORD KEARTON

Of the industrialists to emerge in the white heat of technological revolution, none has lasted better than C.F. Kearton. Before joining Courtaulds he worked both for ICI and the atomic bomb project. He was made Chairman of British Celanese (see Spondon) when they joined Courtaulds and also worked on the South African pulp interests (see South Africa).

At the time of the ICI bid he 'suddenly emerged as a strong public personality, voluble, intense and extremely well-informed' (*Financial Times* 15.11.69). In 1964 the prestige he gained in leading the fight to repel ICI enabled him to become Chairman of Courtaulds. 'It is impossible to consider the development of Courtaulds within the period except in the light of the extraordinary achievement of one man', writes Arthur Knight of Kearton's activities in the post 1962 period.

## Ambition

The reasoning behind these activities is also explained by Knight, one of Kearton's closest colleagues: 'the impetus to it all sprang from the urge to see Courtaulds survive as an independent entity and from the more personal strivings of senior management towards fulfilment or self-justification which found their convenient focus in the struggle to make a success for Courtaulds'.

Kearton has always born in mind the value of politics to the company, and has never been retiring as a public figure. In 1966 he became founding chairman of the Industrial Reorganisation Cor-

poration. 'In two years which dramatically changed the shape of British industry his corporation backed GEC in its struggle to take over AEI, and pushed the British Motor Corporation into the arms of Leyland. It was controversial stuff but it got the IRC off the ground.' (*Daily Mail* 6.1.70) We have already discussed the results of these activities in previous Anti-Reports.

In political terms his image is somewhat ambiguous. Ever equating socialism with state intervention the *Daily* and *Sunday Express* generally refer to him as 'Socialist Lord Kearton' and the *Scotsman* says 'he is a man who in the past has tended to favour socialist policies, and who found it easier to harmonise with the Labour government than many company chairmen' (16.11.72). On the other hand the *Daily Mail* sees him as 'big business, red in tooth and claw, a dynamo of a man who looks more like an academic than a tycoon and is kindness itself to anybody not in his way' (6.1.70). The socialist image contrast also with the fact that the group has made contributions to the Economic League. Of this body the *Guardian* reported: 'they provide a unique service to industry by compiling data on individual workers who may be politically active, which is passed on to interested managements by way of an unlisted telephone number and a company code number' (18.5.74).

## Reins of Power

Kearton's methods have been clearly described by Knight. 'Since only a few

senior people at the top have the full information about the changing situation, a major part of their effort must be devoted to those monitoring and control activities of finding out what is happening, interviewing, cajoling, preaching and bullying, sometimes deliberately creating stress situations without which many otherwise able people cannot be induced to modify their behaviour.'

These techniques were certainly all used at Skelmersdale. The stress situation was induced by the company's 'shock decision' (*Financial Times* 10.11.72) to close the factory before talking to the unions. At first Kearton was adamant: 'there is no question of a second chance', he told the *Daily Mail* (10.11.72). His argument was that the unions were not to blame, only the shop stewards. This wedge-driving effort rapidly had its effect. The union secretary flew to London to beg for a reprieve and three days later the 'irrevocable' decision to close Skelmersdale was rescinded, a triumph for his methods.

The dilemma of 'Socialist Lord Kearton' was described in an article in the *Sunday Express* (30.12.73), where it points out that 'Lord Kearton, who has publicly backed the miners and railmen in their current pay disputes, authorised the letters to be distributed at a number of the group's companies'. The letters 'told many of its (Courtaulds) salaried staff that because of the energy crisis they must either leave the group or work reduced hours and get less pay'. The article was headlined 'Take a Pay Cut, or Its the Sack'.



# LANCASHIRE

## THE COURTAULDS CURE

The intervention of Courtaulds in the Lancashire textile industry assured the company of a market for its man-made fibres. Thus that intervention was essential for its profitability, though periodically it was necessary for the company to appear to be primarily interested in the maintenance of employment in the area. It was this justification that enabled it to influence government policy and union attitudes.

As we have seen, through its acquisitions the company controlled 35% of the spinning capacity in Lancashire by 1970. In the weaving sector it was a little more hesitant though, as a by-product of further acquisitions, it owned weaving mills in Frostholve, Burnley and Colne. The company had considered this sector to be more fragmented, and had found the private companies involved in weaving to be less 'susceptible to acquisition'.

Lord Kearton had declared the importance of Lancashire to the company in his 1965 Statement, adding that 'it is our firm belief that the present state of technical knowledge allows cotton-type spinning, weaving and finishing to become capital-intensive rather than labour-intensive'. Thus the technical and commercial compulsion ruled out the so-called social aim of maintaining employment.

As a result, through the various re-equipment plans, the company reduced the number of its mills from 50 to 31, to 'eliminate excess capacity'. In weaving, it built three new plants in Carlisle, Lillyhall and Skelmersdale, taking advantage of government finance. The plants were built away from the traditional areas in Lancashire, where unemployment in the industry was rising as a direct result of the company's activities.

Apart from these measures it was also necessary for Courtaulds to eliminate existing competition from firms still operating. In July 1970 the Ministry of Technology was informed that price cutting was causing havoc in the industry. The General Secretary of the

Weavers' Amalgamation, Mr. Kershaw, said 'there was widespread reports of disruption and the closure of mills due to price-slashing by Courtaulds of the fabrics produced by the group' (*Guardian* 25.7.70). Two Carrington and Dewhurst mills in Burnley were to close as a result. 'The mills — Primrose and Ashfield — were weaving linings in an area where Courtaulds has been particularly aggressive. One manufacturer claimed that Courtaulds was selling linings for as little as 14p a yard, when the yarn alone would cost the rest of the trade 10½p to 11p a yard.' (*Guardian* 25.7.70)

In addition it also emerged that the company was restricting supplies of its fibres. 'Many manufacturers are finding it extremely difficult to get the right supplies from Courtaulds at a reasonable price at the right time . . . It seems likely that Courtaulds is using the current depression in the textile industry, when competitors are at their weakest, to increase its market share substantially.' (*Guardian* 25.7.70) Price cutting was not confined to woven cloth. Only six months previously the company had cut the prices of warp knitted fabrics by up to 6p a yard, plunging the rest of that industry into unprofitability.

The full extent of the impact on employment in Lancashire of these policies was reported by the Textile Council in 1972. In the fifteen months between August 1970 and November 1971 a total of 15,000 jobs disappeared in Lancashire textiles. It was acknowledged that this was an underestimate, since the textile trade always employs a large number of married women, 'who paid only Industrial Injuries Insurance contributions and therefore did not register at employment exchanges'. The North-West Industrial Development Association reported in fact that between March 1971 and March 1972 jobs overall in the area disappeared at the rate of 1,250 per week, and that operatives were finding great difficulties in finding alternative work.

The situation was even more serious in the 'textile towns'. For instance Nelson, which had 60% of its working population employed in the textile industry in 1960, had only 30% in the industry by 1972. 'Bolton's traditional 20-25% had declined to 11% and Rochdale's 40% to 21% . . . A large proportion of the job loss was not due to retrenchment of staff but to textile firms going out of business — some of them the most heavily modernised in the industry.' (*Social Consequences* p2)

Apart from the difficulty of finding other jobs, a large minority of the unemployed found that they did not qualify for redundancy payments. 'In a situation of rapid mill closures they had not been able to build up the required two years service to that mill, although some had a life-time's service to the industry.' (*Social Consequences* p4) Further, since the textile industry employed large numbers of people over fifty, the effect of the closures on them was much harsher. The older workers experienced longer periods of unemployment and decreased chances of new jobs.

In short, because the textile industry traditionally employed the weak and vulnerable sections of the workforce, the impact of unemployment was that much greater. Apart from women and older workers, it also employed substantial numbers of immigrant workers who found it difficult to find or adjust to other jobs as a result of cultural or social factors. Similarly, early school leavers (juveniles) were also hit hard. It meant that in many cases boys and girls had to leave their communities to work in the larger, and unfamiliar, conurbations. The industry also employed mentally and physically handicapped workers, especially in the warp preparation departments, and alternative employment for them was non-existent.

Above all, the social disruption of very close communities in Lancashire textile towns caused a great deal of hardship and dislocation.



# MONOPOLY



An attempted check by the state on the programme of expansion by Courtaulds came in 1968 by its reference to the Monopolies Commission. The report itself took two years to prepare, during which time the company continued with its expansion through acquisitions.

The Commission was charged with the responsibility of enquiring into the supply of man-made cellulosic fibres – in effect into Courtaulds.

## Rigging the Market

'In March 1968 it reported that Courtaulds certainly came under its terms of reference, as it supplied 98% of British production. But it agreed that Courtaulds was selling in a competitive market to the extent that other fibres could be substituted for cellulose. However, it considered that Courtaulds had exploited its monopoly position by charging higher prices for markets with a lower elasticity of demand, e.g. higher prices for viscose staple for flax spinning than for cotton spinning, and that by aiming to achieve maximum possible plant utilisation with no spare capacity the company in effect restricted supply during a boom. At such time the supply of fibre to customers had to be retained, which was generally done by giving preference to its own subsidiaries!' (Briscoe p138)

The Commission concluded that 'Courtaulds exemplifies one of the classic disadvantages of monopoly, the limitation of supply to the level most advantageous to the producer, which is below the level which would be met with in the competitive situation'. Their remedy was to propose an even greater reduction in import duties than that which was proposed by the Kennedy Round of negotiations (an international effort in the early 1960s to liberalise trade).

The Commission also found that Courtaulds' acquisition of firms in the textile industry was much greater than required 'to develop and promote the use of its fibres and keep in touch with users' problems'.

## Cutting out Competition

'Courtaulds' statement implied that the acquisitions made it easier to regulate demand for its fibres so as to maintain maximum capacity working, and were a means of meeting the competition of other major fibre producers by securing outlets for its own fibres and thus denying them to competitors' fibres. Although at present its subsidiaries did not buy such fibres exclusively from Courtaulds, they were expected to do so if the fibres were available and other things e.g. price, quality, being equal.' (Briscoe p139)

The Commission took a different view, and regarded the company's move to vertical integration as a tightening of its monopoly position by helping the company 'to limit the effect of any growth in imports following reduction in import duties, and it might also act as a deterrent to potential new producers in the United Kingdom'. They recommended that 'Courtaulds should not be allowed, without the permission of the Board of Trade, to make further acquisitions in any sector of the textile and clothing industries . . . if its share of capacity or of sales exceeds 25%. Thus the recommendation would take effect immediately in relation to cotton-type spinning and warp knitting, in which Courtaulds' share already exceeds 25%.' (Monopolies Commission Report p87)

The Commission also reported on the devices Courtaulds used to limit competition from the European Free Trade Association. 'Since 1963 onwards Courtaulds entered into a series of agreements with certain producers in EFTA countries. There is no producer of acetate fibres in EFTA other than Courtaulds itself, but viscose fibres are made in Switzerland (by Societe de la Viscose

Suisse), Sweden (by Svenska AB and Svenskt Konstsilke), Norway (by AS Borregaard), Austria (by Lenzing AG and Erste Osterreichische Glanzstoff-Fabrik [EOGF]) and Finland (by Sateri Oy). Three of the manufacturers concerned (Vizcosuisse, Svenskt Konstsilke and EOGF) are subsidiaries of producers in the EEC; the other four have become Courtaulds' 'partners'. In July 1963 concern was expressed within the Courtaulds group regarding increased competition in the UK market from Svenska, Lenzing and other EFTA producers, as duties on EFTA imports were reduced. Imports from Sweden were said to be costing Courtaulds £200,000 a year in profits and, if Svenska were to direct all its exports to this market, the loss of profit to Courtaulds might rise to £1-1½m. In November 1963 Courtaulds acquired a 49% shareholding in Svenska . . . and entered into arrangements . . . to sell a specified annual quantity of Svenska staple fibres on the UK market. Following the agreement with Svenska, arrangements were concluded with Lenzing, Borregaard and Sateri.' (MCR p21)

The Commission recommended that Courtaulds terminate arrangements with EFTA producers which restrict competition in the supply of cellulosic fibres in the UK, 'notably the agency arrangements and the arrangements for the integration of production'.

## Full House

But when the report appeared the Labour government of the day was by no means predisposed to implement it in full. Mergers were the order of the day, to help British industry rationalise in the face of international competition. Thus when Courtaulds bid for Ashton Brothers, the spinners, the government did nothing to prevent the merger. The Commission had reported that in cellulosic fibres the only competitor to Courtaulds in the UK was Lansil Ltd., a member of the US Monsanto Group. In October 1973 Courtaulds acquired Lansil Ltd.



# NEW TECHNOLOGY OLD TACTICS

## SKELMERSDALE

An important feature of the development grants handed out by the British government to firms like Courtaulds is that they apply to areas of high unemployment, either where there has never been any large-scale local industry or else where a major industry, such as coal mining, has died. The grants, of course, are designed to create local jobs. The fact remains that firms receiving the grants get a double bargain — money and land from the government, plus a workforce which, because of high unemployment in the area, is very vulnerable to management threats.

The Skelmersdale Development Corporation recently put an advertisement in the *Financial Times* which read: 'In the 1960s an ... obscure village called Skelmersdale began to attract industrialists from all over the country ... They found the growing pains of industrial expansion eased to a remarkable degree with government finance, low rentals, ready communications, medium-priced executive houses, willing labour and civilised rural living ... Here at last was a place where the frustrations of the past could be forgotten.'

In 1968 Courtaulds built and equipped a £7m woven fabrics plant at Skelmersdale. Forty per cent of the capital cost came from government grants. The most modern machinery was installed — 400 Kovo air-jet looms and 600 Ruti automatic looms. The plant 'was one of three built by Courtaulds in the belief that modern mills, equipped with the latest looms, and worked intensively, could be viable in the face of cheap Asian imports'. (*Financial Times* 10.11.72).

### Too many Scousers

Medium-priced executive houses and civilised rural living there may have been, but Courtaulds were to discover that labour — over 1,000 operatives — was less than willing to knuckle under in the submissive style of the 'traditional' textile worker. The bulk of the workers were as new to Skelmersdale as Courtaulds itself, attracted by the promises

of the local development council of good, immediately available housing and high-paid jobs in modern factories. They came from a background of industrial employment, building work and the docks, with none of the textile industry's mentality and traditions that 'the show must go on', and that looms must be kept running whatever happens. This new green labour force, fresh from its crash courses in loom operation, had a self-confidence not bargained for by Courtaulds. If they had a grievance and management would not satisfy it, they downed tools. As one of them put it, 'the trouble is, there are too many Scousers. The Liverpool working man knows how to stick up for his rights, and Courtaulds is not used to it'. (*Financial Times* 11.11.72)

### Closure Threat

The firm's answer to a down-tools threat was to send the men involved home until they should come round to management's way of thinking. Several such lock-outs occurred in the first four years after the opening of the plant, but overall very few days were lost owing to disputes.

All the more surprising, therefore, were reports that began to appear on November 9th 1972 that Courtaulds were planning to close down the Skelmersdale plant and put 1,000 workers on the dole.

Management gave as its reasons the alleged low productivity at the factory, said to be 'half the level of the other mills' (*Daily Telegraph* 10.11.72), and the fact that it had only been running at a little over two-thirds capacity. Losses of £1m a year were claimed as a result, and the blame was put on the workforce. 'The cumulative effect of continued labour difficulties has meant that the closure of the factory is an inevitable consequence', said an official company statement.

Many of the workers interviewed by the press were genuinely amazed at the company's allegations of labour troubles. 'This is the quietest factory I've ever

worked in' said one, and his mate added, 'in three years I have only lost seven days basic pay. Now that is not much these days, is it?' (*Financial Times* 11.11.72)

### Poor Management

Union officials alleged that poor management was to blame, pointing out that there had only been one strike at the factory since it opened, whereas there had been several lock-outs by management and a rapid turnover of senior staff. Lord Kearton attempted to placate the full-time union officials whilst still attacking the workers. He blamed the shop stewards. 'The unions have not been unreasonable at national level,' he said, 'but when we come to negotiate with the shop stewards, the whole thing collapses. This thing has not arisen suddenly, there is no question of a second chance.'

Various MPs expressed alarm and despondency at the prospect of 1,000 new unemployed in a development area where Courtaulds had been paid some £2m towards providing new jobs. The government would not even get the money back, as the probationary period, after which no repayment was necessary, had already expired. Courtaulds themselves could not only keep the money, but could also redeploy all the new machinery elsewhere throughout their empire. The workers and the taxpayer were on a hiding to nothing.

The closure threat came as no surprise to the rest of the textile industry, who had looked on with awe tempered with cynicism when Courtaulds opened the largest weaving shed in Europe at a time when cheap imports were eroding the home industry. 'It never had a chance', the head of one Lancashire group commented, 'the whole plant was completely and utterly wrong.' (*Guardian* 10.11.72)

Courtaulds' aim had been to build up its weaving capacity to close to the 300m square yards per annum mark by the end of 1972, which would have given them a capacity equivalent to a



third of the home market. Others in the industry felt that the main problem was the sheer task of selling all that cloth, especially in the light of competitive imports.

A Skelmersdale customer said that the firm started with competitive prices and then, once its markets were established, raised its prices in order to make money. However, as the new prices were 20% higher than the price of comparable imports, the group was forced to cut prices to low and unprofitable levels. This price cutting annoyed the unions as well as domestic competitors.

Courtaulds, then, had landed itself in an unprofitable position through its own miscalculations. 'Even given the benefits of its own vertical structure, with ready made customers in other group companies, Courtaulds must have found it difficult to unload such enormous quantities of output onto a virtually stagnant market, with rising imports.' (*Guardian* 10.11.72)

## Miscalculation

Technically, also, the looms did not come up to scratch. 'Particular batches of looms, according to employees, have been consistently troublesome' at Skelmersdale, and are rated at only half their designed productivity, whereas others have been hitting 80 to 90%. At least 60 of the 1,000 or so looms, I understand, have never been brought into service.' (*Sunday Times* 12.11.72) The shop stewards claimed that these faults were explained to the management two and a half years earlier, but nothing had been done.

The miscalculations had not been limited to production and marketing. The 'labour problems' blamed during the dispute were the normal manifestations and responses of a young, modern workforce in a capital intensive industry, treated by management in the peremptory style of the old labour intensive textile industry. They had been given six-week crash courses in loom operation, and put to work on an intensive shift system with all the social and family disruption that such a system produces. They could earn £32-£34 a week, whilst the same money could be earned in neighbouring factories without having to work a shift system that entailed working three weekends out of four. Unsurprisingly, labour turnover, especially amongst starters, was high. Whilst the rest of the industry nodded sagely and said 'I told you so', Courtaulds decided to make the workforce the scapegoat

for its own mistakes, bring the unions to heel and scare off militancy. Hence the threat to close down.

## Make an Example

The immediate cause of the closure announcement had been the decision of a mass meeting to impose an overtime ban in pursuit of a long-standing claim for a 12½% shift bonus. Skelmersdale's sister plants in Carlisle and Workington had similar claims in, and the talk at the main plant was that the timing of the closure threat was intended to intimidate the other plants from going ahead with the claim.

*The Times* (13.11.72) quoted Lord Kearton's earlier pronouncement, 'we have calculated that a modern, vertically integrated mill, covering the operations of spinning, weaving and finishing, would cost more than £6,000 per worker, and would enable each worker to add some £4,000 a year to the cost of the raw material purchased'. But, he added, 'the Far East producers have also invested substantially in capital-intensive plant and they, at the same time, still enjoy the benefits of a cheaper and more highly-productive labour force. The gamble all along depended on hair's-breadth calculations and on substantial government support'.

Such calculations would therefore also include a tight control on labour costs, the item of variable costs most easily controlled by management. Courtaulds claimed bad trading conditions as the background to the threatened closure, but the decision in fact came 'against the background of a market upturn that is now producing capacity shortages, and forecasts by Lord Kearton that Courtaulds first-half profits ... will be 10-15% up on last year' (*Daily Telegraph* 10.11.72).

In the event, the increase was more like 35%. With a consumer boom in the offing the time was right to give a severe fright to a section of the firm's workforce used to Liverpool wage-rates and militancy, and in a position, should they become too self-confident, to take effective industrial action.

However, despite their Liverpool experience, the workers still felt vulnerable and insecure in Skelmersdale. Unemployment was above average and the cost of living was higher than in Liverpool. Apart from anything else you needed a car, or access to one, in order to get to work.

Many of the men were the fathers of young families, and the move to the New Town had been expensive, involving HP loans for furnishings, etc. And, of course, the demands of the shift system meant that, for those with children it was virtually impossible for wives to supplement family incomes by taking jobs themselves.

## Unions Appease

The threat worked. On November 15th 1972 agreement was reached at a surprise meeting on measures to be taken by both sides to keep the plant open, despite the Chairman's uncompromising talk of only a few days earlier. These measures included an offer by shop stewards to guarantee six months peace on the shop floor, and the establishment of a joint committee of management, union and shop stewards to 'iron out grievances'.

The Unions said that they would go all out to make the plant a less troublesome and more productive proposition.

The Secretary of the local branch of the Textiles and Allied Trades Association said they would all work hand in hand with the management to ensure that the works became a worthwhile financial proposition. 'It may take six months or it may take a year, but we were able to convince Lord Kearton that we could do it! In fact Lord Kearton acted in an extremely reasonable manner and we are extremely grateful.' (*Times* 15.11.72)

According to the Assistant General Secretary of the Weavers Division of the National Textile Union there have been no disputes at Skelmersdale since November 1972. The plant is still in a 'build up' situation, and productivity in terms of capacity is still a problem, but the production levels are higher than they were at the time of the dispute. There are about 100 more workers than in 1972 and turnover is high, but the unions sees this as a problem of the Skelmersdale area rather than of the Courtaulds plant specifically. Problems, if they arise, are 'worked out between workers and management at plant level'. 'The Union' he said, 'has a deliberate policy of letting the factory sort itself out.'

After announcing the reprieve Lord Kearton flew back to London to announce to gratified shareholders half-yearly profit figures showing an increase of £5.1m to £21.3m.



# FACTS AND FIGURES

'So powerful a company, with control over its own fibre supplies at one end, and guaranteed outlets all the way down the line to the other end, is in a perfect position to call the tune if it wishes. And the old history of Courtaulds never revealed any abnormal reluctance about calling tunes.' (*Management Today* May 1970)

The Courtaulds group is a monopoly. In its short history it has absorbed more than 800 companies. Today (1974) it runs 500 manufacturing units in 230 different locations; it has 100 factories outside the UK; it has 21 major subsidiaries in Britain and another three in France, one in Canada, two in the USA, two in Australia and three in South Africa.

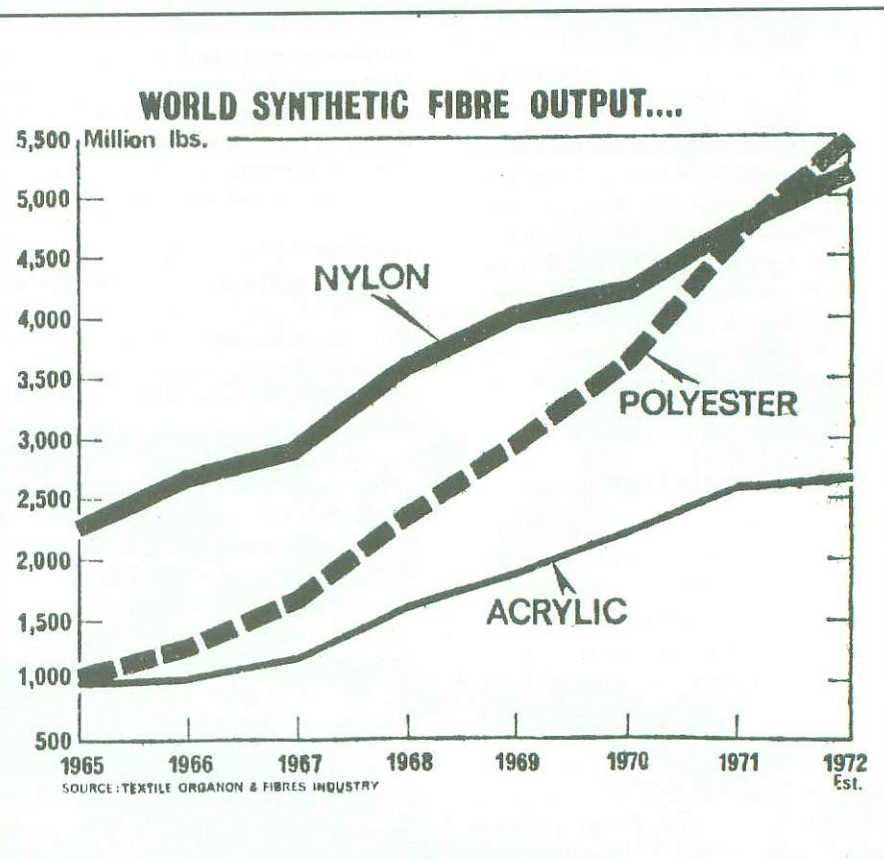
## Profit Bonanza

The sum of the company's investment represents extensive control of the textile industry, both in the UK and Europe. The total worth of all the companies in the group equals £688.7m. Each year Courtaulds sells its products throughout the world and in 1974 these sales were approaching £1,000m. Pre-tax Profits have increased rapidly in recent years. Last year they jumped over 40% to £182.9m (including income from investments). Some indication of the size of these profits can be found in the fact that profits are now only a little less than the company's total UK wage bill (see table).

## Rayon to Nylon

Today Courtaulds produces all the main lines of man-made fibres, both cellulosic and synthetic. The British Celanese subsidiary produces rayon, acetate, ('Dicel', 'Celafibre', 'Fibroseta'), triacetate ('Tricel', 'Springtuff'), olefin-polythene monofilament ('Courlene'). Courtaulds Ltd produces nylon ('Celon', 'Shareen'), polyester ('Lirelle'), acrylic ('Courtelle'), elasto-fibres ('Spanzelle').

The group's production of cellulose fibre of which it has a complete monopoly,



has in recent years remained static, and has consequently decreased in relative importance. This is reflected in the recent steady run-down of the industry. Cellulose production on a world scale has also been relatively stagnant. As has been seen, by the mid 1950s it was clear that chemical fibres, in which Courtaulds had only a small interest, would dominate the future in textiles. All other fibre producers shifted to chemicals and by 1972 world chemical fibre production was almost twice that of cellulose.

Courtaulds was at first only free to move into acrylics, which it began marketing at the end of the 1950s. But by 1965 it had entered nylon production, a move that was facilitated by the guaranteed outlets it had bought into the group. Not until 1970 did it begin its now substantial polyester production. Today rayon is produced only at Flint, Preston and Grimsby.

Overall Courtaulds has about 5% of

world man-made fibre production. This is divided roughly as follows: cellulose fibre 19%, chemical fibre 4% and cigarette tow (mostly cellulose) 7%. This imbalance has led to a recent change in emphasis. New investments, announced in 1973, are thus 'heavily oriented towards new chemical products' (Chairman's Statement 1973).

## Yarn Spinners

But the main drive in recent years has been towards textiles. The massive 'vertical integration' programme of the 1960s means that Courtaulds today are the biggest textile company in the UK and 'probably the biggest in Europe' (*ibid*).

Its manufacturing operations cover yarn spinning and processing, weaving, warp knitting, bonded fabrics dyeing, printing and finishing, and hosiery and garment manufacture. It also has a wholesale distributive network. The range of products include such well-



known brand names as Aristoc, Bairns-wear, Gossard, Kayser, Lyle and Scott, Meridian, Morley and Wolsey. The major plant concentrations are in the traditional textile and garment-making areas of Lancashire, Yorkshire and the Midlands. In Lancashire for example, one million spindles are operated by the group and the production of woven and knitted fabric approaches 600 million square yards a year.

## Low Wage Technology

Because of technological developments, textiles have recently become far more capital intensive than formerly, and the process is continuing. Figures released by the Textile Industry Support Campaign, show that today it costs about £2m to equip a modern spinning mill with over 5,000 spindles. The industry claims that spinning is almost three times as capital intensive as mechanical engineering, and more than twice as capital intensive as motor vehicle manufacture.

This represents a totally new departure for the traditionally labour intensive, low-wage textile industry. Capital intensity has not meant an end to low wages, for Courtaulds' employees are among the lowest paid in the UK. But capital intensity has meant the loss of jobs. In the three years 1970-73, Courtaulds reduced the number of its UK labour force by 17,000, a job loss of 12.3%.

'Job insecurity' has been a characteristic of the textile industry, and Courtaulds has in no way been exceptional. In fact the process of modernisation has been made easier because of it. But, as *Management Today* commented, 'the textile workers themselves are so accustomed to thinking of their industry as one in continuous decline, that it is difficult to recruit men to man the new machines' (May 1970).

## Future Growth

In 1973 Courtaulds' Chairman Lord Kearton announced that 'a new and very large capital programme in all our established fields has been initiated . . . the full programme will mean spending over £300m on capital account'.

The programme outlined by Courtaulds involved expansion of nylon, polyester and acrylic fibre capacity. Main plants to be affected are at Grimsby, Derby, Aintree and Durham. The N. Ireland plant at Carrickfergus would also be enlarged, with a complementary expansion at Maydown in Ulster. New

## FINANCE

	1969	1970	1971	1972	1973	1974
	£m	£m	£m	£m	£m	£m
Sales	576.4	626.5	659.6	681.5	777.1	956.8
Pretax Profit	85.9	95.2	91.7	99.6	125.3	182.9
Number of Employees	135,352	137,819	136,331	128,046	124,038	124,475

	£	£	£	£	£	£
Sales per Employee	4350	4550	4850	5300	6250	7700
Profit per Employee	635	695	670	780	1050	1460
Wages per Employee*	860	965	1009	1185	1345	1545
Chairman's Salary	22,525	30,025	36,732	36,732	36,732	36,732

\* These are averages, and include the high incomes of management.

\* The average obscures the low wages of women and trainees:

	1973	1974
	£	£
Adult women	895	1032
Other women inc. trainees	561	657

plant would be established at Campsie in Londonderry to take the polyester output from the planned factory at Letterkenny in Donegal. All this expansion would qualify for substantial government assistance.

In April 1973 the *Guardian* announced that £130m had already been commit-

ted in the UK and Ireland, on fibres, fabrics and certain spinning projects. But the disaster at Flixborough has in fact meant that the expansion of 'Celon', Courtaulds' nylon fibre, has had to be deferred, 'but I do mean deferred', said Lord Kearton, 'not abandoned'. (*Financial Times* 18.7.74)

## Courtaulds' Directors' other Directorships

Lord Kearton	Hill Samuel – Merchant Bank
A.W. Knight	Overseas Development Institute/Pye Holdings/Rolls Royce
Dr. W.J. Bushell	Reeds Ltd
Sir Richard Clarke	EMI/Orion Insurance/Guest, Keen & Nettlefolds/Guinness Peat Group/ Guinness Mahon
A.P. Field	Joseph Sunderland
C.A. Hogg	Cumberland Filter/Rocel Ltd/International Paint Co
J.R.S. Norris	British Nuclear Fuels/British Lego
M.R. Parker	Wilkinson & Riddell
C.H. Villiers	Banque Belge/Sunlife Assurance/Guinness Mahon/Capoco Ltd
Dr. N.S. Wooding	Wogan and Co/ Guinness Peat Group

## Previous Directors 1968-1974

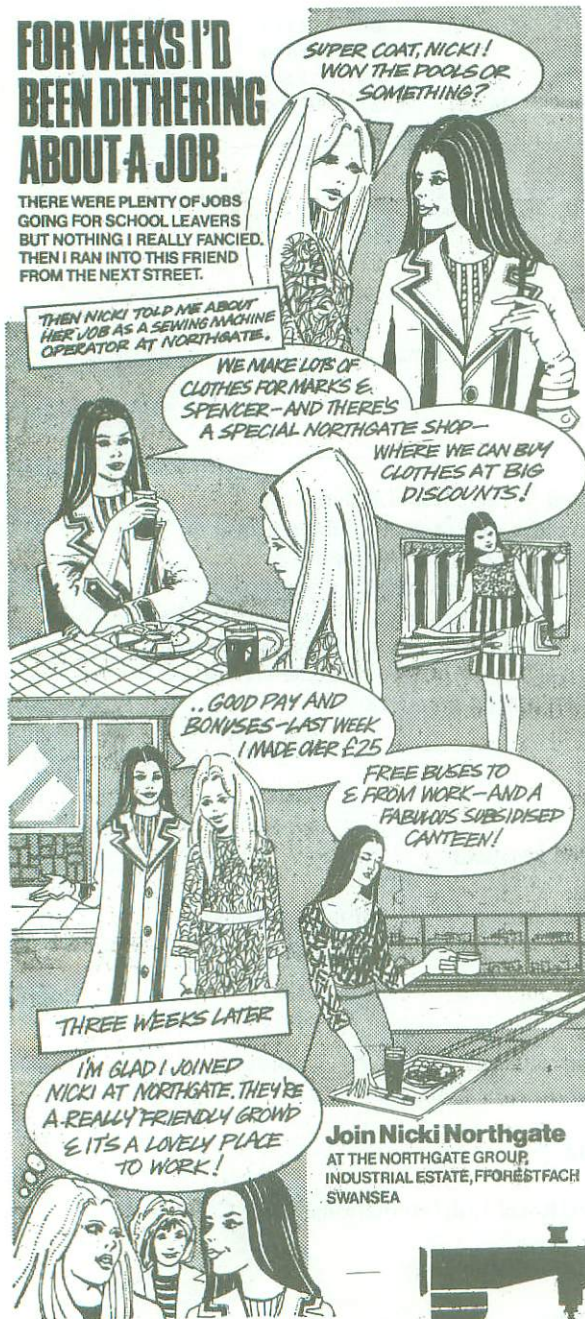
The Viscount Eccles, The Rt. Hon. D.P.T. Jay, R.J. Kerr-Muir, Lord Butler of Saffron Walden



# PROFITS ON THREE DAY WEEK

## FOR WEEKS I'D BEEN DITHERING ABOUT A JOB.

THERE WERE PLENTY OF JOBS GOING FOR SCHOOL LEAVERS BUT NOTHING I REALLY FANCIED. THEN I RAN INTO THIS FRIEND FROM THE NEXT STREET.



SUPER COAT, NICKI! WON THE POOLS OR SOMETHING?

THEN NICKI TOLD ME ABOUT HER JOB AS A SEWING MACHINE OPERATOR AT NORTHGATE.

WE MAKE LOTS OF CLOTHES FOR MARKS & SPENCER - AND THERE'S A SPECIAL NORTHGATE SHOP -

WHERE WE CAN BUY CLOTHES AT BIG DISCOUNTS!

...GOOD PAY AND BONUSES - LAST WEEK I MADE OVER £25

FREE BUSES TO & FROM WORK - AND A FABULOUS SUBSIDISED CANTEEN!

THREE WEEKS LATER

I'M GLAD I JOINED NICKI AT NORTHGATE. THEY'RE A REALLY FRIENDLY GROUP & IT'S A LOVELY PLACE TO WORK!

**Join Nicki Northgate**  
AT THE NORTHGATE GROUP,  
INDUSTRIAL ESTATE, FFORESTFACH  
SWANSEA

Ring KEITH JONES at SWANSEA 32521  
for further details of careers at NORTHGATE

**Make friends - and a career at NORTHGATE**

At the beginning of 1974 the Conservative Government introduced the three day week. Lord Kearton's fury at the possible erosion of profits was not confined to public denunciations on the television, and 600 of his Northern Textile Division staff received a letter with the following salient points: 'it will come as no surprise to you that the company has been severely hit by the Government's emergency measures . . . Due notice is hereby given to suspend the operation of your current contract by terminating it for the time being, but you are now offered continued employment . . . on the same terms except that payment will be on a daily basis . . . we are sure you will agree that the temporary change in the terms of employment is justified in the long term interest of all concerned to secure the continuing viable operation of your company'.

## Company Break Contracts

The words 'on the same terms except that payment will be on a daily basis' effectively meant that nothing was being guaranteed at all, not even three days paid work a week. The staff who received the letter had been singled out because their contracts, unlike those of the majority of Courtauld's workforce, guaranteed them a full weekly wage. The thought of actually having to honour such a contract was more than the management of Courtaulds could bear; moreover, they were even prepared to fight in the courts any suggestion that those members of staff who refused the alternative 'contract' should be entitled to redundancy payments. The letter also asked the salaried staff 'to take as much holiday entitlement as possible (both accrued and prospective for 1974) on the days when work is not available'.

A test case was fought by Mr. Hafiz Khan of Blackburn on June 5th before the Industrial Tribunal, which found that Courtaulds alternative offer was

in no way acceptable as a guarantee, and that therefore the firm was bound in law to pay the redundancy payments. Mr. Khan received an agreed sum of £95.31. Four other claims were also paid as a result of the test case findings.

## Maintain Output or Else

Machine operatives, who in the absence of a contract like that of the staff had no option but to put up with Courtaulds' cutback, found themselves the object of a widespread campaign to maintain output at or near 100% despite a power cutback to some 60% of normal. Where 100% was achieved they received . . . congratulations. For instance the *Chester Chronicle* (Clwyd Edition) carried the following item on February 1st 1974:

'1,500 workers at Castle Works have achieved 100% normal production during the past week or two despite a 65% cutback in electricity. And their boss has given them a pat on the back and ten out of ten for effort. When the electricity cutback started, production looked doomed to fall; 150 part-timers were laid off while the situation was assessed and emergency arrangements made. Manager Hugh Evans said, 'The response by the shop floor has been splendid and it is primarily due to them that we have reached 100%.' He added 'It's the attitude of mind that's important in meeting an emergency of this kind and our workers have shown the right attitudes to surmount all difficulties.' The company is now restoring all its part-timers.

## Record Profits

The workers efforts duly resulted in maintaining the 'viability of the operation'. For the half-year period containing the three day week Courtaulds produced profits of £75m, a rise of 60% on the same period of the previous year and in fact higher than any previous full year profits.



# WORLD WIDE

'I mentioned last year that Courtaulds is a large company by British standards, and I will repeat that it is still very much a British company . . . Courtaulds is not a multi-national company, but a British company with considerable overseas interests.'

Courtaulds may prefer this 'all-British' image as portrayed by Kearton in the Chairman's Statement in 1973, but nevertheless the company clearly is multi-national. This is apparent from the geographical spread of its sales: in 1973-74, for example, almost one-half of total sales went to customers outside Britain.

In that year world wide sales rose by £178m to a new record level of £975m. The lion's share of the increase went to overseas markets, where sales rose by 36% as against 14% in Britain. Almost two-thirds of this extra overseas consumption was met by exports from Britain, which were up by £72m to £218m. At first sight this appeared to be yet another brilliant achievement, taking Courtaulds to the position of Britain's sixth largest exporter. In recognition of this fact it was awarded two further Queen's Awards to Industry in 1973, both for outstanding export achievements.

In a period of low domestic demand this would not have been so bad. But domestic demand was high, and as the *Daily Express* (24.5.74) put it, 'when shortages develop, who gets the goods – the British housewife or the export customer buying at a price which gives Courtaulds a much bigger profit?' Their answer was spelt out loud and clear in the profit figures.

The shortages were in fact met, but by imports selling at the higher and more profitable overseas market prices. That much is clear from the UK trade statistics. In the period April 1973 to March 1974 to which the Courtaulds figures relate, UK exports of textiles and man-made fibres were up to 37% over the previous year, whilst imports were up to 40%. It was a situation in which all concerned could revel, from Courtaulds and the overseas manufacturers through to the import-export agents and city discount houses and bankers. Only the workers suffered: although their incomes were controlled, they had to pay the higher prices anyway.

Courtaulds aims its overseas textiles sales at the lucrative markets of the developed world: Europe, America, Australia, white South Africa, etc. It is also in these areas that its main over-

seas manufacturing operations are found. In many cases these were relics of the past, from the time before the vertical integration policy was adopted, or were a by-product of the acquisitions that were made under that policy.

The expansion of manufacturing overseas is now concentrated in Europe, spearheaded by the group's Calais plant which produces rayon, nylon and acetate. This provides the base for other manufacturing units. In all Courtaulds has 14 fibre and textile plants in Europe, spread from Germany and Sweden in the north to Spain in the south. The main area of concentration though is in the north-east of France around Calais. Again, Courtaulds is making the most of public funds, for this is the French equivalent of a development area. Benefits available include cash grants, exemption from local business taxes, reduced rates of capital gains taxes, subsidies for training, etc. In itself this would be attractive to Courtaulds but in parallel with the British situation these are areas of high unemployment, ensuring that the company can keep wage costs down. An additional attraction is the pool of immigrant labour available to it — 3,100 'foreign' workers (i.e. from outside the EEC) came to the Pas de Calais and Nord areas in 1973 alone.

## A British Company?

In reality Courtaulds was exhibiting another feature typical of multi-nationals, the ability to transcend national boundaries in the constant search for greater profits. In Britain, 1973 was marked by the fact that prices were controlled to some extent under the Prices Code. There were no such limitations in overseas markets, and prices there were in many instances well above domestic levels. As a result, and despite high domestic demand, Courtaulds turned to exports to increase their profits. These shot up by over two-thirds, also helped by the fact that wage costs were held down under the Conservative's Incomes Policy.

**double  
your  
after-tax  
profits**

No tie whatever for 75 years or export profits. Grants (some repayable). Educated adaptable labour. Ready to accept factories. Duty-free access.

Modern transportation facilities. One man will operate the whole package.

**Industrial Development Authority & Ireland**

Phone our man in London, Eoin O'Sullivan 01-623 4214

How Price Location London Eoin O'Sullivan Tel: 01-623 4214

**no  
tax**  
and no red tape

[illegible]



## From the Republic to Derry

Ireland is another area of Courtaulds' European expansion. The Deputy Chairman of Courtaulds considered incentives in Eire 'very attractive indeed' in February 1973. Two weeks later Courtaulds announced a £25m expenditure plan for a new factory in the Irish Republic. The Letterkenny project carries a 50% development grant, which includes a grant of £5,000 per job created (as compared to £3,000 in the UK). The company will also pay no tax on export profits for 15 years.

The project is to be situated in Donegal, which has an overall unemployment rate of 10%. Other incentives for the company include non-repayable grants towards land, buildings and plant, training costs, ready to occupy factories and duty-free access to the UK market. Further, an hour of labour costs only 50p, compared to an average of 70p in the UK. In 1970 the rate of profit on foreign capital in the Republic averaged a little over 22%, compared to 13% in the UK.

The Letterkenny project is also significant in relation to the company's plans in Northern Ireland. At about the same time as it was announced Courtaulds also revealed plans to build a £25m plant in Londonderry, where the unemployment remains at a staggering rate of 15-20% of the male population. The plant, which will employ 1,500 people, will blend Lirell polyester staple from Letterkenny with Vincel viscose staple from the plant in Carrickfergus. This cross-border integration carries benefits with it; yarn from Letterkenny to Derry for blending and weaving will count as an export from the Republic, and will therefore not only be duty free but the profits from it will be tax-free.

Courtaulds, together with other textile interests, has historically a major interest in Northern Ireland. The area accounts for some 30% of the UK man-made textile output. Most of the investment since the 40's has been in capital intensive plant, though, like the UK, the incentives offered by the government are aimed at reducing the high rates of unemployment. The Northern Ireland incentives include a 40% capital grant, with £3,500 per job created, plus the usual tax-free allowances, free depreciation, regional employment premiums and other subsidies.

The announcement of the Derry project

was considered a major non-sectarian breakthrough, in the spirit of the Sunningdale agreement. The predominantly Catholic population in the area were to be given a major employment boost. The announcement itself was made by Mr. William Whitelaw, then Secretary of State for Northern Ireland. However, of the £250m handed out as capital grants since 1945, only £20m (less than 10%) has gone to projects west of the River Bann, in the counties of Fermanagh, Derry and Tyrone. These are not only the strongest non-unionist areas, but also the areas of highest unemployment.

Courtaulds has been in Northern Ireland since 1947. It has plants in Carrickfergus making viscose staple and industrial yarn, as well as polyester. Its Exquisite Knitwear jersey-knitting subsidiary has factories at Lurgan and Craigavon, while its sister company, A. Kirkland, has recently established a factory at Omagh for the production of knitting machinery. With Moygashel, Bairnswear, Northgate and other subsidiaries, the group can claim a local labour force of around 10,000.

## Worth the Trouble

The company was also the only major industrialist to have been hit by the strife in Ulster. Its Bairnswear factory was gutted by fire, and in May 1973 a bomb caused £1m damage to its new polyester plant. 'These experiences do not appear to have seriously affected Courtaulds attitude to the province' (*Financial Times* 23.3.73). This is not surprising. Apart from the generous grants that it receives from the government, wage rates in the area have been consistently 75% of those paid in the UK. Further, capital per worker in Northern Ireland is higher than in the UK. In 1970 the UK had approximately £2,000 per worker, compared to Northern Ireland's £2,500 per worker in manufacturing industries.

## Not so Profitable in the States

Clearly Europe will remain the company's major area of overseas expansion for the foreseeable future. Here, it is in a strong position in the market, sufficient to enable it to weather the ups and downs of the textile cycle. The company has suffered from this in the USA. There, its activities are concentrated in the Deep South, yet again an area of high unemployment, this time particularly for the black population. One

subsidiary, the Delta Pine and Land Company, has extensive estates in Mississippi and is one of the largest cotton growing organisations in the USA. Its other farming activities stretch from timber to beef and soya beans. The latter will ensure Courtaulds has a secure supply of raw materials for one of its newer products, KESP. This is a vegetable protein which is textured to look like meat. With this subsidiary Courtaulds has been able to participate fully in the recent boom in food, timber and cotton prices.

Courtaulds North America Inc. has a large plant producing rayon staple and nylon, located in Mobile, Alabama, which is also in the Deep South. This has had a chequered history. Indicative, was a seventeen week strike in 1967, which was only settled when the workers came back on what were practically the company's original terms. The strike had been effectively broken by the staff who were later congratulated by Kearton for their 'tremendous and dedicated effort' in keeping part of the plant operating.

The plant subsequently suffered from a major fire in the newest section in 1970, indicating that fire risks are a serious problem in Courtaulds' plants worldwide, not just in Britain. Although it was later rebuilt, the American textile operations will never again be the important source of profit to the group that they were in the inter-war period for the simple reason that it is not possible to re-establish the former monopoly position. Without the compensating benefits of vertical integration, the company has been fully exposed to competition from the large American producers. In 1970 this resulted in a near 50% cutback in production, a situation that could easily recur in the event of another recession.

A similar situation applies in Canada, though lessened slightly by the fact that there Courtaulds has carpet and elastic fabric manufacturing operations in addition to a rayon staple and nylon plant. In Australia and New Zealand though, the problem is basically that of proximity to the south-east Asian fibre and textile producers. The result has been continual difficulties, despite the widespread of operations from rayon and acetate through to weaving, knitting and hosiery, with a total of 22 companies in the two countries.

There is one area of the world in which the company is noticeable by its absence. This is the under-developed world, at first sight an extremely attractive area



for textile manufacture by a company such as Courtaulds.

But Courtaulds has not moved into these areas, for the simple reason that it relishes a situation in which the man-made fibre giants monopolise the lucrative textile markets of the developed countries, operating with a high degree of capital intensity behind protective barriers. This could cause immense hardship in the countries of the less developed world, in terms of both direct and indirect employment. These countries have historically been dependent on textile exports to earn foreign exchange, which in turn finances their development.

## 'Satisfied' with South Africa

Certainly, Courtaulds has no qualms

whatsoever in exploiting 'low-cost' labour, as their Southern African activities demonstrate. Quite the contrary apparently, for in reply to a question at the House of Commons Sub-Committee on South African employment in April 1973, Lord Kearton described himself as 'very satisfied' with those activities when he visited South Africa in 1972.

Courtaulds' operations there fall mainly into two sections, the forestry and pulp mill interests, and the garment companies. Kearton himself had particular knowledge of the pulp mills. Writing about him in 1962, the *Investors Chronicle* said 'when he joined the board he worked on the technical side of the pulp project in South Africa. 'And we made it pay handsomely; it must be the most profitable pulp project in the world', he boasted.

At the time of the evidence to the sub-committee the return on capital employed was some 20% and comparing wage rates with pulp mills in Scandinavia, for example, the reasons are not hard to find. In December 1972, the average gross weekly earnings of a labourer at the Courtaulds mill was £9.35 and for the next grade £10.90. Interestingly the company did not, in this case, provide the number of hours of overtime necessary to earn these wages, but it would appear to have been available for about a 55 hour week (i.e. over 9 hours a day, 6 days a week).

Following the *Guardian* revelations concerning African wages, and the strike movement of black workers, a rapid raise of just over £2 per week was handed out all round. Together with other improvements this raised the





labourers to £12.30 a week and the next grade to £13.40 a week. However, the effects of these rises were largely cancelled out by inflation, the price of food alone rising 17% over the period of 1972-3.

In his evidence to the sub-committee, Lord Kearton made much of the 'enormous' extra costs involved in these pay rises. In fact the annual cost of the 'special' increase for Africans was about £100,000 which compares with 1972 profits for the pulp interests of over £3.5m. At least the Africans could be assured that they were better off than when Lord Kearton was directly involved, for he pointed out that over the period 1962-73 wages had risen twice as fast as inflation. This means, presumably, that in 1962 wages of the lowest paid workers were just over half of the comparable Poverty Datum Level, (a level calculated for an African family of two adults and three children which in 1972 allowed just over £1 per head per week for food and 3p per head per week for 'amusement and sport').

Conditions on the forestry division's timber farms were selected for special comment in the *Guardian* (28.3.73). At one of them, a University of Natal lecturer claimed that 'the houses were filthy . . . the lavatories were infested with maggots and rat droppings, there was no furniture or beds in the houses, and the compound itself was a sea of mud. No sick pay, maternity leave, paid holidays or rations were provided by the company to most of the workers, who earned, according to the wages commission, as little as £10 a month'. Once more Courtaulds leaped into the breach. As from April 1st 1973 new wage rates were produced, which gave juveniles (16-20 years) cash wages of no less than 30p a day, women 45p a day and a man at least 75p a day, and rations were also resumed.

Despite Lord Kearton's satisfaction with conditions in late 1972, the *Guardian* articles and the strikes had a similar galvanising effect on wage rates in the various garment factories. In March 1973 most workers seem to have been earning around £11 per week for a 46 hour week, although in certain sectors, particularly S.A. Gossard, R. & H.W. Symington and FCW Knitwear, many workers were taking home £6 or £7 for a 44 hour week. This in a country where prices are similar to, if not higher than, those in the UK. Particular improvements were concentrated on male employees who, in this industry,

form a small minority of the labour force.

The minimum weekly wage for a male worker over 18 was set at just over £11. With that regard for equal pay which characterises Courtaulds' operations everywhere, the minimum female wage was set at just over £7 a week. Amongst the other gems of the settlement was: 'The firms shall buy school books for resale to their African employees on easy terms of repayment.' Obviously, it was benefits of this kind to which Lord Kearton was referring when, in an impressive display of footwork, he welcomed the *Guardian* revelations, saying that the 'publicity has helped us to accelerate along the path on which we were already going'.

## Militant Black Union

But even as the company was making these token handouts it was attempting to defuse the Africans' militancy, as a story in the *Guardian* in May 1973 explained:

'A struggle is also in progress at the Courtaulds subsidiary, FCW Knitwear, in Johannesburg, where African workers belong to the largest African union in the country, the 17,000 strong National Union of Clothing Workers. Although enjoying good relations with the management, which announced a string of new benefits prior to Lord Kearton's appearance before the Commons sub-committee earlier this month, the union has been alarmed to discover that the company now intends to form a works committee.'

'The secretary, Mrs. Lucy Mvubelo, said her members were adamant that works committees were a tool of the government and they wanted nothing to do with them. Although union members would be able to take up positions on the committee, she felt that it could only make the union itself less effective, whereas it was preferable to have grievances handled by union officials who could not be subjected to victimisation.'

'To Mrs. Mvubelo, and to many others in the republic concerned with African employment conditions, the development of trade unions, and the reaction of government and employers to them, seem much more important issues than immediate wage rises.'

Fortunately the workers in this case were sufficiently militant to head off the threat, and the end result was that Courtaulds was eventually forced in 1974 to sign one of the first, tech-

nically illegal, agreements with an African union. In this case the company failed in its aims, but nevertheless the identity of interest between the company and government is clear.

## Partnership with Apartheid

In the case of the pulp mills, this identity of interests goes much further, for here Courtaulds is in direct partnership with the South African government itself. Through the Industrial Development Corporation (IDC), the government owns one-third of the shares of the operating company SAICCOR, and the relationship is such that, despite this minority shareholding, it also appoints the Chairman and half the Directors of the company.

Further, emphasising Courtaulds' support for the white racist elite that rules South Africa, many of the directors of its subsidiaries are South African. The Chairman of SAICCOR is J.J. Kitshoff, one of the most powerful men in the country. His other chairmanships include the IDC, the Armaments Development and Production Corporation of SA, ISCOR (the state-run iron and steel monopoly) and ALUSAF. When a strike occurred at one of the latter company's plants in March 1973, those Africans that dared join in were summarily fired and troops brought in to maintain production, the demonstrating strikers being 'dispersed' by police using tear-gas. While refusing to recognise the African's right to free collective bargaining, Kitshoff does recognise that 'Foreign capital (such as Courtaulds) has made an invaluable contribution to the development of our country'.

A.J. Van den Bert is another of SAICCOR's directors, and is also a director of ALUSAF. Amongst the other directorships he holds are the Bantu Mining Corporation, the Bantu Investment Corporation and South African Nylon Spinners, an ICI subsidiary. The S.A. Fabrics Board includes an opposition member of parliament, R.W. Vause. His opposition does not go far though, for in August 1974 he was among those backing a massive increase in arms expenditure, whose sole purpose was to ensure continued white supremacy. With him on the Board of S.A. Fabrics is F.J.C. Cronje, who is also a Director of another Courtaulds' South African subsidiary, S.A. Gossard, and is Chairman of South African Breweries.



# WORKERS ON THE LINE



'The most important feature of the textile and clothing industry in respect to employment is their labour intensity. Management's aim has therefore always been to obtain the cheapest possible form of labour — at first children and juveniles, then women and immigrants — the price reflecting the ease with which these categories can obtain alternative employment.' (Briscoe p174)

Courtaulds has always followed the above pattern. In the early nineteenth century East Anglia silk mills were using workforces of which 96% were female, and of these 53% were under 16 years old, and 14% were under 11. Wages in the area, for a twelve hour day, were lower than in other areas. The top women's rate (age 31-36) was 4s4d per week (half the Lancashire cotton rate). Girls under 11 years old got 1s5d per week. In the later nineteenth century probably about 70-80% of Courtaulds entire labour force was female.

The differential between men's and women's wages was particularly significant. In the silk industry generally in 1886 the average weekly wage for women was 10s4d while men got 23s. At Courtaulds women's wages were below this national average, while men's were probably about the same.

## Laying down the Law

The Courtaulds technique of reverse-strike — using closedown as a threat —

made an early appearance in 1860 when power loom weavers at Halstead attempted to strike for more pay. Samuel Courtauld wrote to the manager to get up steam on Monday morning and then: 'if they come in, well and good, and let me have the names of the first 50 who do so come in. If by the breakfast hour they do not come, close all the Factories for the whole week. And if by the end of that week they still chose to be idle, we shall then take instant and vigorous measures to get a large portion of our goods at all events permanently made in other parts of England . . . Meanwhile, report to me the names of the 20 or 50 of those who have been foremost in this shameful disorder, for immediate and absolute discharge' (Coleman vol I p253). Shades of things to come.

Between 1919 and 1938 as the production of rayon became Courtaulds major operation, employees in this division rose from 3,000 to 18,700. The percentage of women employed on rayon production increased from 49% in 1919 to 60% in 1929, falling back to 42% in 1938. The fallback paralleled the growth in the more capital intensive staple fibre production. On the textile side, however, the fall in proportions of women employees was only from about 76% to 73% during the thirties.

Women were still a cheap form of labour. At Wolverhampton, for instance, in June 1928 men were averaging

78s10d per week, while women only made 20s0¼d. Short-time working introduced because of the depression cut this by February 1930 to 53s6½d for

## Women

In the year 1973-74 Courtaulds employed an average of 53,284 women, 4,529 of them juniors or trainees — 42% of the workforce as a whole. Adult women received an average weekly wage of £19.85, while adult men averaged £38.37. Trainee women averaged £12.63 pw while trainee men averaged £22.08. Fully trained adult women, then were paid more than £2 a week less than junior or trainee men. The differentials have narrowed since the thirties, but are still considerable.

At Courtaulds Mars Mill in Rochdale there are about 200 men and 175 women. Work on the Mettler Assembly machines there is particularly hard, involving repeated bending down and stretching up to load the machine. Men and women work on Mettler Assembly, and the men have complained that the work is too heavy for them. Women on these machines have to be at least 5'6" tall in order to reach the necessary height when loading. The noise is deafening, and women complain of constant headaches, and that on reaching home they are too numbed by a combination of heavy work and noise to do housework, or indeed anything except sit down, their heads still aching and ringing. To make things worse the





Kayser Bondor lingerie factory — South Wales

temperature is constantly between 80 and 95 degrees fahrenheit, and in summer has reached as high as 102 degrees. The women on Mettler Assembly get £25 a week while the men, doing the same job, earn between £35 and £40. There is not even parity between mills in the same group, and women at nearby Arrow, considered a 'show' mill, with a much larger workforce, get £2 a week more basic pay than the women at Mars. Women at Mars complain that they never see anyone from the union (Amalgamated Textile Workers Union) which goes to see management much more readily than it consults its own members.

Women have traditionally been employed in the textile industry — and in industry in general — because they can do the jobs as well as men, and can be paid a lower wage owing to the lower level of their militancy and organisation. The working wife takes a job in order to supplement her husband's wage, but has been conditioned by social practice and tradition to consider her wage an 'extra' to the family budget. The money she earns gives her a small measure of independence in a male dominated society, and she is unwilling to forego this or place it at risk by taking action on her griev-

ances. This attitude has tended to be encouraged by the stance of unions towards women. Although many unions are now appointing women to full time positions and including equal pay amongst their demands, they have a long way to go before true equality of opportunity is given to women unionists, and the die-hard old timers in the union bureaucracies continue to treat women in a patronising fashion, as indeed do many male stewards and convenors in the factories themselves. Women are accused of lack of militancy, while no measures are taken to stimulate that militancy and to encourage women to consider themselves as equal in importance to men in union matters and plant disputes.

## Sweat Shops

As a result there are probably many times more factories, sweat shops, etc., using non-union women workers than there are using non-union men. Thus, with no sort of corporate strength, women put up with conditions and pay levels that unionised men would not dream of accepting.

Hargill Ltd. is a small factory in Cheltenham which produces transparent

boxes and cartons from acetate, and expanded polystyrene containers. It is part of the Courtaulds Packaging Division, employing a workforce of about 60 women and 20 men. There are no union members amongst the workers, and any negotiations are done through a factory committee which, according to the people working there, is very inactive and under the thumb of the supervisor.

The factory is small and cramped, and every inch of available space is crammed with stacks of cartons. These build up to such a level that gangways almost disappear and the canteen, a small room in one corner of the factory, is sometimes used for assembly work. The acetate and PVC used to make the boxes is extremely inflammable, and fire officers have estimated that a fire could race through the factory in two minutes.

Fire drills are held irregularly, and, according to one worker, everyone tends to head for the same exit when one is held. Early in August 1974 someone accidentally knocked the alarm with a trolley and set off the bell. Everyone just stood still, and looked around, waiting for a lead, and apparently no-one actually headed for an exit. Never-



theless a fire drill was long overdue, so the incident was duly logged in the fire book as a successful drill.

The fumes from the acetone and PVC are strong, and there are many complaints of headaches and depression. A fume measuring gauge was only bought by the safety officer recently after new regulations concerning factory atmospheres became law.

Since the women at Hargill are not in a union they have nobody to which they can refer their complaints about the dangers of fire and chemical fumes, and no organisation which can complain to the relevant authority if safety laws are being ignored.

## Immigrant Workers

As successive Factory and Education Acts eroded the numbers of children available as cheap labour to Courtaulds, so have further Acts diminished the type of shift working available to women. Echoing the trend of the textile industry as a whole Courtaulds has made good the deficiency by turning to that most recently available pool of cheap labour, the black immigrant population. Harwood Cash is a case in point.

Courtaulds bought Harwood Cash Yarn

Doublers in Mansfield near Nottingham in December 1972 for £950,000 in cash, £1,054,000 in loan stock and 373,000 ordinary shares. It had previously been owned by the Linney family, an old established employer in the area. Courtaulds inherited a situation which came to a head in February 1973.

A pattern of immigrant employment had already established itself in the Mansfield area as shift working was introduced to maximise productivity, and jobs which had once been the exclusive preserve of women came to be filled more and more by immigrant men who were available to work longer hours and more shifts than women were prepared or able to accept. By the beginning of 1973 10% of the workforce at Harwood Cash were Asian men. By working seven 12-hour shifts £35 gross could be earned, against an average gross pay for the area of only £25 per week.

However, 'while white workers signed a contract of employment that gave a standard 40 hour working week, the Asians were required to sign for a 60 hour week basic. Many in fact put in a 72 hour or even 80 hour working week' (*Race Today* February 74).

Some workers could not stand the strain of such work pressures and left. Feeling built up among the others. The average working week for Asians at Harwood was 72 hours, bringing in £27, while white workers worked a 40 hour week plus eight hours overtime for the same amount. Further grievances were that white workers were brought in from Nottingham in free company transport, while Asians had to pay 43p return daily on public transport.

There was racial abuse from company foremen who refused to learn the Asian's names and just shouted 'Oy' or 'You'. There was also a lack of promotion facilities. Only one Asian was employed as a beamer, and he was paid less than white workers who did the same job. Also, although supposedly employed as operatives, Asians were expected to clean the machines while other workers went to eat.

Through 1972 a number of disputes around similar grievances had taken place in the area. The most publicised of these had been the strike at Mansfield Hosiery in Loughborough. The situation at Harwood Cash was explained to the strike committee at Loughborough who offered their sup-





port to Harwood workers. It was decided firstly to make an appeal to the Race Relations Board and secondly to build a union. All the Asian workers at Harwood put in to join the Transport and General Workers Union.

Previous attempts by the National Union of Hosiery and Knitwear Workers to get recognition at Harwood had failed. The factory manager said that the factories did not recognise unions because there was no demand for representation, but that he personally would rather deal with the NUHKW as a 'reasonable, progressive union' (*Observer* 1.4.73) than with the T&GWU.

## Shaping up

In March 1973 the 30 Asian workers demanded, in a letter to management, a new deal comprising: a 40 hour week; a new shift allowance; a grant for travelling expenses; a say in job classification. Management said it could do nothing until the Race Relations Board had completed its report. Union organisation at the factory met resistance from white workers. From the beginning the Asians had stressed that what they wanted was a union for everyone, black, white, men and women. But there was hostility from some of the whites towards black workers generally, plus a great deal of simple apathy and a desire not to be 'mixed up in unions'. However, the union wrote to management in March asking for negotiating facilities and by mid-April 1969 white workers had joined the union as well as Asians.

By mid-May the T&GWU full time official was negotiating with management, but the Asians were not satisfied with the way things were going. There was not enough consultation with the shop floor, and one of the stewards agreed on by the union official and the management was not felt to be a full union supporter.

By June the Race Relations Board had been investigating for four months and still no report was in sight. On June 14th the management came up with a scheme based on 'the Government's recommendations' of a wage increase of £1 plus 4%. The Asians were furious, as much with the union's lack of dynamism as with the management's tactics. By the end of July the Asian workers had lost all confidence in either Board or Union. Many of them left to work elsewhere, disheartened by the time being taken, every day of which defused the energy and staying power of those involved.

On October 24th the Board published its findings. It ruled that racial discrimination had not caused unsatisfactory working conditions. By this time there was no faith remaining in Union or Board and the leading group of workers had split up.

Courtaulds for their part complained that they had been investigated by a Board 'which seemed to assume that allegations were true until proved otherwise'. They even sent their Vice-Chairman to see the Board's Chairman for a personal assurance that the investigation had been impartial.

Any sense of urgency had finally been killed off by the delays of the management, the Board and the Union. The Asians ended up demoralised and split up. There are now only a handful of Asians at Hardwood Cash. Most of the original workers involved in the dispute have left, and Courtaulds have taken on more women again to do much of the labour.

**What the Harwood Cash dispute proved beyond all doubt is that the black immigrant workforce in this country is not the passive pool of easily exploitable labour it is sometimes feared to be by white workers. The immigrant worker is becoming aware of his rights and is increasingly ready to fight for them.** The effectiveness of his struggles is sometimes undermined by a lack of solidarity from his fellow workers, although, paradoxically, one of the foundations of the whites' prejudice is the fear that the employment of black workers will somehow 'lower standards' by defusing white militancy with cheap alternative labour. At Harwood the opposite was the case, and what ultimately defeated the Asians there was the lack of any real support from their fellow workers (in some cases at Harwood Asians even paid the union dues of white workers who said they would join the union if it was recognised but refused to pay dues until it was so recognised).

## Growing Expectations

A Runnymede Industrial Unit publication, 'Employment Policies in the Hosiery Industry, with particular reference to the position of immigrant workers (December 1972), found cases where immigrant workers pressed the union for action on disputes, saying they were prepared to take industrial action, only to have the union come to distinctly unfavourable agreements with management over their heads. The report stated: 'although the stereotype Indian immigrant is seen as placid and

easy-going, this research reveals certain trends which are at odds with this traditional view. The most significant points to emerge are the growing expectations of Indian workers. While British workers are inclined to accept the status quo, the majority of Indians do not want to stay in a rut. They are ambitious, and increasingly aware of their social rights'.

Courtaulds survives on immigrant labour at its Red Scar Mill near Preston. It is a rayon mill producing industrial textiles and yarn by chemical, continuous spinning processes. Immigrant workers first came to Red Scar in large numbers in 1956, and by May 1965 there were 610 Asians and 120 West Indians there. Almost all the black workers were employed in the Tyre Cord Spinning Department or the Box Spinning Department. Pay for a 42 hour week was £18. In May 1965 Red Scar had its first strike ever. Since the summer of 1964 management had been seeking union agreement for an increase in the number of spindles manned by each worker, and they were concentrating on the Tyre Cord Spinning Department.

The Red Scar production workers (unlike their counterparts in most other Lancashire and Yorkshire mills who were in the smaller weaving and spinning unions) were in T&GWU. In April management, the union official and four shop stewards agreed that each man in the department should work one and a half machines instead of one, for a bonus increase of ten shillings a week.

When the workers heard what had been done they were outraged. For most of them this was the first indication that such an agreement was in the offing, reflecting the lack of contact between the stewards (only one of whom was black), and the Asians and West Indians on the shop floor.

At a meeting on April 26th held by special request of the Asians, the Preston organiser of the T&GWU and the Vice Chairman of the factory's shop steward organisation were greeted with prolonged jeers. The workers argued that the extra work load was considerable, and that they were being railroaded into a 50% increase in work effort for a ridiculously low 3% increase in bonus. Their spokesmen insisted that the 'agreement' was an insult to the workers' intelligence.

All workers, white and black, voted unanimously against the new terms and left the meeting with the impres-





Hosiery workers strike against union and company racism.

sion that the whole matter would be renegotiated. Management agreed with the Preston organiser to suspend the new arrangements for the time being 'for technical reasons'.

At 3 pm on Monday May 24th (whilst the Asians' main spokesman was away on holiday) management, with no warning to the shift which had just started, brought in buckets of red paint and marked the machines half way down. The men were ordered to begin working one and a half machines immediately. The men refused and sat down. After 17 hours sit-in almost all the black workers in Tyre Cord walked out, leaving the department manned only by white workers (mainly European immigrants) and supervisors.

A three week strike ensued, during which the department was kept working at 85% of full capacity by the non-strikers via long hours of overtime and working at breakneck speed. The vice-chairman of the shop stewards organisation declared the action unofficial, and that he could do nothing without a return to work.

He stated to the press that in his opinion 'the issues involved in the Courtaulds

strike appear to be entirely racial' (*Lancashire Evening Post* 25.5.65) and later added in an interview 'I could have said 'tribal' but that might have been a bit unfair'.

The union backed him up. A shop steward in another department told the press that 'several hotheads are stirring up trouble in their own selfish interests' (*Ibid* 4.6.65).

Management said 'this is a show of power against the union, and as a company we believe in cooperating with the unions' (*Ibid* 26.5.65). Without the support of the union the strike eventually foundered. It was not helped by a pep-talk about 'responsible behaviour' by representatives of the West Indian High Commission, after which the West Indian workers - 120 of them - went back to work en bloc. At a mass meeting on June 12th the rest of the men decided to return on management's terms, provided there was no victimisation. The plant was soon back to full production.

As at Harwood the men were ultimately defeated by lack of support by fellow workers and the union. Again, as at Harwood, immigrant workers had demonstrated that they were prepared to fight for their rights, and had taken an initiative that put the white workers and the union officials to shame. The union's patronising attitudes were summed up by one official who described the immigrants as 'these gentle, simple, grievously misled people'.

An article which appeared in *Tribune* (25.6.65) stated that the immigrant workers had by their action disproved the fear that they would accept lower standards, be used as cheap labour and thereby constitute a threat to white workers. They had conducted a struggle in the finest tradition of trade unionism.

The recurring theme of Courtaulds' labour relations also made its due appearance in the course of the dispute. The chairman of the Courtaulds T&GWU branch was reported by the *Sunday Times* (6.6.65) as saying that the shop stewards had decided not to support the strikers because of a management threat to shut down the whole factory for six months.

## Chemical Menace

The Red Scar plant is the largest of its type in Europe. It operates 24 hours a day and on full production produces about a million pounds weight of viscose rayon per week. All of the 1,500

process workers are in the T&GWU. High humidity, heat and chemical fumes are all a regular feature of the Box Spinning and CSPT (Tyre Cord) sections where the bulk of the immigrants work. White workers mainly staff the viscose plant and boiler house, and the 300 maintenance men are mainly white too.

Chemicals in use in the processes include sulphuric acid, caustic soda and ammonium sulphate. Carbon Disulphide (CS<sub>2</sub>) and Hydrogen Sulphide (H<sub>2</sub>S) are both found extensively in this industry, and the atmosphere is supposed to be tested frequently for dangerous levels. CS<sub>2</sub> is highly inflammable, irritates eyes, nose and throat and is narcotic. The vapour may cause dizziness, nausea and headaches. It interferes with the nervous system, can cause unconsciousness and paralysis, and more than doubles the chances of contracting heart disease. It may also cause sterility. H<sub>2</sub>S has similar effects.

The yarn is sprayed with water as it is spun, carrying the chemicals into the air. It is dried in big driers, and if the fumes escape workers can get headaches and sore eyes, mainly from the ammonia.

In August 1973 a fire started at Red Scar. A welder was working in the fume scrubber and a spark got into the extraction system. The press were not told the cause of the fire for three or four days, and the welder was instructed not to talk to the press. Much of the ventilation system installed in 1966 was burnt out, as was the roof of Box Spinning and part of the CSPT roof. Maintenance men worked night and day to clear up (viscose goes solid in 24 hours), clean the pipes and bleed the machines.

## Burnt Out

Production restarted within a week, using the old pre-1966 ventilation system, which is underground, whereas the one replacing it was overhead. The old system had only half the capacity for extraction of the burnt-out system, and if in good condition could only deal with half the number of machines. There was not time to overhaul it, and it was probably choked and dirty to some extent. Fumes leaked out at the joints, and yet, in the year after the fire, production was stepped up to a point where 44 out of 66 machines in CSPT were spinning, well over the maximum capacity of the old system. Fans were



put into the ceiling of CSPT but these did not extract, and merely circulated the fumes. After complaints windows were opened – only to be closed again when it started raining.

The fumes fill the air and also condense on the ceiling and drip onto the workers below, burning holes in their shirts. Even the foreman of CSPT admitted that he would not be prepared to work there.

For about a month after the fire spinning went on in the Box Spinning section which was without a roof. There were no strong complaints until the weather broke in October and one cold night the shift refused to work. Their example was followed by the morning shift.

A complicated succession of offers of 'conditions money' followed, with maintenance men and the T&GWU negotiating separately, and a series of different deals emerging. Throughout the dispute the maintenance stewards never reported back to their members, who called the stewards' behaviour 'an absolute disgrace'.

But even with the roof on again conditions are still bad, the extraction system continues to work at well over its capacity, and it is very hot. The conditions-money negotiated with varying success by the different groupings involved has now ceased, the sole reason being that the roof is back on. The atmosphere is as bad as ever.

The methods and results of taking atmospheric tests at Red Scar bear some looking at. The following information came from a laboratory technician, one of whose job was atmospheric testing at Red Scar.

The main tests are for CS<sub>2</sub> and H<sub>2</sub>S. They test for a maximum 'safe' level of 30ppm (parts per million) for CS<sub>2</sub> and 10ppm for H<sub>2</sub>S. The test pump in use at the time of investigation had a capacity of 126mls. Results achieved were therefore about 25% too low.

#### Levels Measured

**CSPT** general atmosphere, 20ppm  
doffers head level, 25-30ppm  
above hot stretch tanks, 30-40ppm

The machines are all enclosed by hinged glass panes. Tests are taken inside the frame, but only after the air has been allowed to clear. Workers however open the frame and stick shoulders and arms in to work without any waiting. The distance between the machines is as little as three feet.

#### **CSPT Solution Section**

general atmosphere, 20-30 ppm  
above tanks Nos. 3+4 as high  
as 100ppm (sometimes  
150ppm+)  
above finish tanks, 30-40pp.

The level above the tanks is very high, but some people have actually to work inside the tanks when cleaning them. The highest recording ever made over 3 and 4 tanks was 228ppm.

#### **Box Spinning**

general atmosphere 15ppm  
doffers' head level 20ppm  
when doffing cakes 40+ppm

The CSPT and Box Spinning sections are mainly staffed by black workers.

#### **Zinc Recovery Plant**

operator's cabin 50ppm

The operator spend 5-6 hours a day in this tiny cabin in this high CS<sub>2</sub> level.

#### **Churn Room**

general atmosphere 23-35 ppm  
at churn drop 50-60  
(sometimes  
as high as 150ppm)

#### **Mixing Room**

general atmosphere 25-30ppm  
(sometimes as high  
as 60ppm when  
the tanks are open)

#### **CS<sub>2</sub> Measuring Room**

General atmosphere constantly over 30ppm.  
CS<sub>2</sub> is constantly being added in this room, constituting a bad fire risk, as the chemical is spontaneously inflammable above 55 degrees centigrade.



These recorded levels are bad enough when we consider the lethal or debilitating qualities of the chemicals involved. According to our informant, however, when a laboratory chemist gets a particularly high result such as those quoted over tanks 3 and 4 in CSPT, the laboratory supervisors have on occasion told those doing the measuring to go back and take a fresh reading – sometimes several times – until they produce a result that looks OK. There have even been cases of the job being handed over to someone else to do if the 'correct' reading is not forthcoming.

Sore eyes are a very common complaint all over the factory, as are sore throats and headaches – especially in the laboratories. The workers seem to think that these symptoms are to do with colds or 'flu.

The major problem faced by labour in its dealings with management at Red Scar is undoubtedly disunity, both of the unions and of racial groups. Although there were no layoffs after the fire (Lord Kearton guaranteed this, though the guarantee was later used as an argument against conditions payments: 'we're giving you work so you must accept the conditions'), there have been extensive layoffs and redundancies in the past.

In 1971 CSPT was shut down for 11 weeks, the company claiming that they had no customers for tyre-cord yarn. The men were laid off without pay. In the autumn of 1972 the Viscose Plant was closed, causing several hundred redundancies, until March 1973, when about the same number of men were taken on.

The company will continue to get away with the unhealthy conditions and history of redundancies that typify Red Scar as long as the workers fail to support one another's grievances and the unions fail to back up their memberships.

*Arrow Mill, Rochdale* is one of a group of Courtaulds mills in the Rochdale and Shaw areas included in 1972 in an £8m scheme aimed at increasing production in the group's Northern Spinning Division.

There are some 2,800 local workers in this division, 1,000 of whom work at Arrow. About 75% of the multi-shift workers at Arrow are immigrants. There

**CS<sub>2</sub> production at Courtaulds in the 1940s.**



have been two recent disputes involving the Asian workforce.

On May 9th 1971 a two-hour sit-in was caused by the sacking of four men who were later reinstated. The police were used to break the strike, and a striker was arrested. The build-up to this situation is as follows:—

**January** — an assistant supervisor told a white worker that if he let the Pakistani workers elect him as a works councillor he would be out of a job. The manager told several of the Pakistanis that the management did not want this man on the works council.

**February** — a Pakistani speed frame operator, a militant, was made redundant after successfully getting management to reduce machinery speed. The union — the Textile and Allied Workers Union — took no action.

**April** — the works councillor on B shift was told not to talk to more than one person at a time or he would be accused of holding an unofficial meeting and sacked.

**May** — supervisors and a work study man moved around the department pressurising Pakistani spinners and doffers into working harder without wage increases. The doffers decided to have a strike if things did not improve. Works councillor Bamford, a white worker, contacted the Textile and Allied Worker's Union, and a meeting with management was fixed up for May 13th.

**May 9th:** 8 am. A supervisor on B shift, already instructed to get tough with the doffers, received a phone call.

8.40 am. All four doffers were sacked and the spinners had been organised to doff their own frames. The doffers had been in the toilets listening to a broadcast in Urdu on a transistor radio — something they did every day. There had also been some spinners in the toilets reading newspapers but they were not sacked.

9 am. By this time a sit-in strike had been organised by the spinners, doffers and labourers. The frames were stopped and the workers went into the rest room.

10 am. Two managers tried unsuccessfully to get them back to work. When they refused to leave the premises the manager sent for the police. Four policemen duly arrived, but could not persuade the men to leave either.

One of the managers said anyone not going back to work would be sacked. Four spinners and two labourers went back to work, leaving the four doffers

who had been sacked plus Bamford, the works councillor.

The two managers half-heartedly attempted to remove Bamford by physical force. The police intervened, dragged and kicked Bamford out and handcuffed him.

1 pm. Bamford was released by the police. The Pakistanis had already arranged a meeting at the house of Malik, a Pakistani councillor on D shift.

4 pm. Most of the workers on A, D and C shifts assembled, plus one or two other Pakistanis from other departments. B shift spinners and labourers still at work were telephoned and told of the meeting. At Malik's house an oath was sworn to stay on strike until the sacked five men were reinstated

**Next Morning:** There were no pickets, but no Pakistanis turned up for multi-shift. At the union office the Rochdale secretary of the TAWU refused to back the strike, and, without hearing Bamford's story, said that he was only interested in getting the doffers back to work. He had heard the management version of the story at 9.30 pm the previous night. Later in the morning Bamford, who had been approached by several Pakistanis willing to lose their jobs alongside him, recommended a full return to work if the doffers were reinstated. Management jumped at the offer.

After the strike, management and union were still worried that the workers might strike again if Bamford was not reinstated too. The Personnel Officer begged the local Community Relations Officer to call round and calm the Pakistanis, saying that Bamford was an anarchist who thrived on strikes. The CRO refused to get involved.

**May 13th:** There was a meeting between the union General Secretary and management. A Pakistani from A shift managed to stop management from forcing the spinners to work through their breaks. When some Pakistanis raised the question of Bamford's sacking the General Secretary stated that he did not want men like that in the union. No vote was taken after the meeting.

## Mill-owners' Court

Both managers and Hilton, a union official, assisted the prosecution case against Bamford. Six of Bamford's workmates testified for the defence. The manager of another local mill (Marcroft) was on the magistrates

bench, and Bamford lost the case.

While all this was going on at Arrow some young mill workers in Oldham had been campaigning to get shop stewards in the mills. In January 1971 they had their first public meeting. It was well attended, and Hilton was one of those present. The meeting agreed that supporters should put forward resolutions for shop stewards at Branch meetings on July 27th 1971.

At Shaw and at another Oldham branch this was easily done. At Rochdale, however, Hilton prevented Bamford from putting the resolution on a procedural point, after which the police were called in to stop the resolution being put.

Six days later Bamford was expelled from the union, a move which was kept secret from him for two months. The expulsion was illegal, and he was reinstated much later after a legal battle. The most significant quote attributed to Hilton was 'we don't want to get like the car industry with strikes and shop stewards and all that'.

On July 17th 1972 Jawaid Khan, a winder on the night shift at Arrow for four years, was sacked. Two hours later the rest of the shop came out on strike in support of him. Most of them have since left the firm. Although acknowledged by the firm as a good worker, Khan's good English had often made him the spokesman for his shift. He had helped to recruit men into the union, and had complained to the Race Relations Board about what, at the mill, was widely regarded as an unfair promotion. According to his workmates he was sacked on a trumped up charge. The 14 others on his shift came out partly because of his dismissal, and partly because of the attitude of the supervisor who 'expected us to work in prison conditions'.

Khan got no support from the union. The Secretary of the local Weavers' Association accepted the management's version of the events and also tried to enlist the support of the local Community Relations Office. He claimed that they agreed with the facts as he interpreted them, but they had made no such statement and were incensed at the attempt to use them. Those who left along with Khan have been unable to get jobs at other Courtaulds mills, though industrial blacklisting is technically illegal, and the firm protests its innocence — supported by the Secretary of the local Weavers' Association.



# THE UNIONS

In the 1880s Samuel Courtauld made it quite clear that such things as unions were not to be tolerated. Since that time management has had to change its tune, and there are now 21 separate trade unions currently represented in the Courtaulds workforce. The largest of these by far is the Transport and General Workers' Union (T&GWU) with an estimated 38-40,000 members within the group. The National Union of Hosiery and Knitwear Workers (NUKHW) has 20,000 members at Courtaulds.

Other major unions at Courtaulds are the National Union of Dyers, Bleachers and Textile Workers, with an estimated 16,000 members in the group, the Amalgamated Union of Engineering Workers (AUEW); the National Union of Textile and Allied Workers (NUTAW) with an estimated 12,000 Courtaulds members, the National Union of General and Municipal Workers (GMWU), the Electrical Trades Union (ETU), and staff unions such as ASTMS and TASS. In addition to these there are a host of smaller unions, both craft and regional, many of which came into the Cour-

taulds group during its period of greatest expansion in the textile areas in the sixties.

In the disputes we have covered in the course of this report we have outlined the role played by unions as far as possible. In the case of disputes involving immigrant workers the union record has not been good, and perhaps the major area of agreement between black and white workers has been their criticism of union apathy. The NUHKW admitted to the compilers of the Runnymede Industrial Unit Publications (December 1972) that it believed immigrants needed paternalising, insisting that they knew nothing about the rules, benefits and obligations of union membership, and did not understand dispute procedures or committees. In as far as the above description of immigrants by the union might be true, then the unions seem to be listing its own shortcomings in not having taken the responsibility for educating its membership. Immigrants on the whole certainly wish to be active trade unionists, and inevitably often see this ambition as being thwarted by the unions themselves.

Women workers too have often complained that the union patronises them, and that they never get to see union representatives.

## Soft on Management

Courtaulds has benefited greatly from the conservatism of full time union officials and the parochial self-interest of the small, craft orientated, traditional textile unions. The tendency is always for management to encourage cosy relationships between full time officials and managers to the effective exclusion of the shop floor. The resulting rift between shop floor and union emphasises the lack of communication of which so many workers complain. The man on the shop floor does not trust the union official to have his interests at heart, and the official jealously protects the prerogatives of his office, resenting what he sees as rank and file interference.

A motion to ballot the membership of the Dyers and Bleachers Union on a wage settlement agreed at their annual conference in 1974 was defeated on the grounds that it meant 'a lack of confidence' in the Committee. At the same meeting a resolution urging the appointment of a full time Asian liaison officer was withdrawn, and another resolution, on the Race Relations Act, was remitted at the request of the platform on the grounds that it implied the union was racially biased. A request from one branch that news-sheets should be produced by branches was turned down as it was stated that only the Executive was qualified to talk on Union policy (*Textile Worker* June/July 1974).

While memberships are isolated from their union executives in this way workers will continue to fail to have their grievances properly negotiated, racial groups will continue to fail to understand each other's problems and support each other's struggles, non-union labour will continue to be used by management to undermine militancy, and Courtaulds will continue to maximise profits at workers' expense.

Greenfields picket line 1974.





# TRANSPORT & GENERAL WORKERS' UNION

(Incorporating the T. & G. W. U. and the Workers' Union)

## SILK WORKERS UNITE.

To All Workers at Messrs Courtaulds.

A SPECIAL BRANCH for Workers in the Artificial Silk Industry has been opened in Wolverhampton.

**MR. H. BAGLEY,**

Organiser, Wolverhampton.

will attend at the "GRAPES INN," Lowe St,  
**TO-NIGHT, and ON SATURDAY  
MORNING.**

to give all Information and ENROL MEMBERS.

A Committee will be formed with Representatives from every Department, and a JOINT GROUP with COVENTRY, FLINT, and other Artificial Silk Centres. WILL BE ESTABLISHED

**UNITY & LOYALTY IS NEEDED NOW**  
JOIN THE  
**TRANSPORT & GENERAL WORKERS UNION**

H. BAGLEY,  
3, Queen Street,  
Wolverhampton.

The Union have Branches at **COVENTRY, BRAINTREE, FLINT**, etc, and you are urged to join up with your fellow workers in the Industry.

Our Union have been able to amicably conduct negotiations with your firm at Flint.



# STOP PRESS

A sit-in by workers at Spennymoor, Co. Durham in the Worsted Spinning Division has resulted in a victory for the men. On August 13th 1974 management told the shop stewards that there was no danger of production cutbacks before November. Meetings called at management's request at the end of August even discussed possible productivity increases. On September 5th, however, management announced that 'due to a lack of orders' production was to be cut back by 14%. After rejecting several management alternatives, the 1,600 men, members of the Dyers and Bleachers Union, negotiated to reduce each fortnight's work by twelve hours, but only on the understanding that normal working would resume by the end of September. They began to lose an average of £12 per fortnight out of their pay packets.

At the end of September the men met management to take them up on the previously agreed condition that things would be back to normal by the end of the month. Management insisted that the cut-back should continue until October 24th, after which further cut-backs could be expected. The shop stewards demanded a return to normal working before any further negotiations about the future. Management refused. A mass meeting of the workers produced four resolutions: 1) that the men had no confidence in the management, and Lord Kerton was to be informed of this; 2) an overtime ban should be imposed until guarantees were forthcoming; 3) that there was to be no shifting of men from one job to another until normal working was established; 4) that the reduction in hours was to cease from October 4th, action to be taken on this unilaterally if necessary.

Management was still adamant, so the men asked them to delay further decisions until 10am, October 1st, when a meeting had been arranged between management and the district secretary of the Dyers and Bleachers.

At 7.20 am on October 1st seven men were instructed to move from one job to another. They refused, and were

immediately suspended. The 1,600 Dyers and Bleachers proceeded to occupy the factory on a full shift system, and production came to a standstill.

There can be little doubt that management, as at Greenfield, was hoping for a confrontation. They had already admitted in talks with workers in the factory that they had been planning a cut-back programme since May. Despite this they had made no attempt to control extensive overtime working throughout the summer, to build up stocks and fulfil standing orders before the clamp-down. When the confrontation came, management referred to it as a 'make or break situation'. The parallel with Greenfield is obvious. They wanted to soften up the workforce to prepare the ground for exten-

sive future cutbacks as and when it suited them. This time, however, they were not dealing with insecure workers in a declining sector, and had not reckoned on the militancy and determination of the Spennymoor workers, 90% of whom are ex-miners. The men organised a complete sit-in and occupation and began to build up contacts throughout the Courtaulds' empire with other workers.

After eight days management gave in. Full time working has been resumed, and the men are negotiating from a position of strength on their own terms for future guarantees. By taking the initiative on the shop-floor level (the sit-in was never made official by the union) the men at Spennymoor won a total victory.

**The remnants of Lacey's factory in Loughborough. This Courtaulds subsidiary was burnt out in October 1974: fortunately the fire did not reach the chemical store, and workers and residents of the surrounding area escaped serious injury.**





## Factory fire danger inquiry

A full investigation has been promised into an application to relax fire regulations at a factory at Aintree, Liverpool, which uses caprolactam, the chemical produced at the Nypro-plant at Flixborough, where the explosion killed 28 people on June 1.

Councillors first found out that the Courtaulds factory in Ormskirk Road, Aintree, used caprolactam when the application appeared in a local newspaper. The chief executive of Sefton District Council, Mr J. P. McElroy, has promised the investigation.

Mr Tom Lewis, vice-chairman of the planning committee, said: "One could perhaps applaud a company wanting to increase fire precautions at a chemical plant, but I can't understand why anyone should want to relax them."

The firm wants the fire resistance regulations governing the walls of a building extension relaxed. Its application was sent to the Department of the Environment, whose public notice gave objectors 21 days to outline their objections.

Mr Lewis said: "We want full assurance that there is no danger, and we will take a great deal of convincing. It seems crazy to want to relax fire precautions at a plant like this. Flixborough was in a rural area, but this plant is right in the middle of a residential area where 8,000 people live."

Mr John Kerr, chairman of Aintree Parish Council, said: "We wrote to the fire officer and the local council just after the Flixborough disaster in June. We wanted assurance that the chemical plant on our doorstep was safe."

# CONCLUSION

Today Courtaulds is one of the ten biggest companies in Britain. It has a complete monopoly of the supply of cellulosic fibres, and is dominant in the manufacture of textiles. In recent years it has consistently achieved record profits. How has it been able to do this?

The following conclusions come out of our researches into the history of the firm, the documentation of recent and current disputes, and our analysis of the company's overall structure.

Courtaulds' monopoly power and high profitability have been achieved by exploiting the fears of both workforce and government. It has consistently operated in areas of high unemployment where the workforce is most vulnerable. By arguing that it is the saviour of a declining industry and manipulating national fears of unemployment, the company has succeeded in benefiting from tariff protection and substantial financial support from the state.

Having been instrumental in restricting the growth of the textile industries in poor Commonwealth countries, it is ironic that the firm now benefits from the exploitation of immigrant workers from these same countries. It has been able to confront with its organised

monopoly power a workforce divided in terms of union disunity and diversity, race and sex. It has effectively used threats and redundancy fears to bend this divided workforce to its will and maintain low wage levels.

We see the fear of unemployment being used even more extensively in the future as the company moves towards even greater capital intensive-ness. For example, in order to improve the profitability of rayon, with its static sales situation, Courtaulds is likely to make this labour intensive division more capital intensive. The Greenfield dispute demonstrates the willingness of the firm to engineer strikes if necessary, to demoralise shop-floor organisation and achieve the requisite climate of fear for extensive future redundancies. There are also signs that lay-offs and redundancies will become more frequent as the current recession intensifies.

It has become apparent to us in the course of our investigations of the company, that to an increasing extent the initiatives taken to counteract the centralised monopoly power of Courtaulds are coming from the shop floor. It is also apparent that if such initiatives are to succeed, they will have to be made from a base of combine-wide organisation.



# WHO'S WHERE

## Man-Made Fibres UK

**British Celanese Ltd.**  
Coventry, Little Heath Works, *Acetate, triacetate, polyolefin yarns & fibres, cigarette tow*  
**Spondon (Derby) Acetate & triacetate yarns & fibres, cigarette tow**  
**Lancaster Acetate yarns**  
**Wrexham Acetate yarns**

**Courtaulds Ltd., Carbon Fibres Unit**  
Coventry *Carbon fibres & preimpregnated products*

**Courtaulds Ltd., Celon Division**  
**Aintree Nylon yarns**  
**Spondon (Derby) Nylon yarns**

**Courtaulds Ltd., Courteille Division**  
Coventry, Coventry Works *Modacrylic fibres*  
Coventry, Little Heath Works *Acrylic fibres*  
Grimshy, Great Coates Works *Acrylic fibres*

**Courtaulds Ltd., Polyester Division**  
Carrickfergus (N Ireland) *Polyester yarn*  
Coventry *Elastomeric yarns*

**Courtaulds Ltd., Viscose Division**  
Carrickfergus (N Ireland) *Rayon staple, rayon industrial yarns*  
Flint, Castle Works *Rayon textile yarns*  
Grimshy, Great Coates Works *Rayon staple*  
Holywell (Flints), Greenfield Works *Rayon staple*  
Preston, Red Scar Works *Rayon textile yarns, rayon industrial yarns*

**Cumberland Filter Co Ltd.**  
Cleaton Moor *Filter rods for cigarette tips*

**\*Marglass Ltd**  
Sherborne *Glass fibres*

**Steel Cords Ltd**  
Spondon (Derby) *Steel cords for tyres, hose armouring wire, brass-plated and galvanised cords for general reinforcement*

## Textiles - UK

**Argee Co Ltd**  
Earl Shilton *Lingerie*

**Aristoc (Children's Wear) Ltd**  
Ripley, Kirkby-in-Ashfield *Children's wear*

**Aristoc Hosiery Ltd**  
Langley Mill *Ladies' hosiery*

**Bairns-Wear Ltd**  
Cotgrave, Hucknall, Ibstock, Leicester, Nottingham, Worksop, Wicks-worth, Armagh & Newry (NI) *Ladies' knitwear, suits & dresses, children's wear, hand-knitting yarns, rug wool*

**Ballito Hosiery Mills Ltd**  
Baldoek, Dowlais *Ladies' hosiery*

**The Barracks Fabrics Printing Co Ltd**  
Macclesfield *Fabric printing*

**Beauvale Furnishings Ltd**  
Ilkeston *Upholstered furniture, caravan furnishings, foam converters, curtains*

**Berne Silk Manufacturing Co (England) Ltd**  
London *Merchant converters*

**BTB Prints**  
London *Merchant converters (Printed fashion fabrics)*

**Blount & Co Ltd**  
Belper, Chesterfield, Spondon *Stockings, tights, stretch briefs*

**Boarshaw Raising & Finishing Co Ltd**  
Middleton *Raising and finishing*

**Bonded Fibre Fabric Ltd**  
Bridgwater *Non-woven fabrics for interlinings 'Solena', industria 'Viscotex', medical & disposable uses*

**Bonshawe Ltd**  
Spondon *Fabric printing*

**George Brettle & Co Ltd**  
Belper, Matlock, Skelmersdale, Beeston, Carnmoney & Carrickfergus (NI) *Stockings, tights, pantie hose, briefs*

**Hartwood Hosiery**  
Skelmersdale *Hosiery*

**Playgirl Nylons Ltd**  
Belper *Hosiery*

**F W Sellers**  
Beeston, nr Nottingham *Hosiery*

**Tor Hosiery Mills**  
Matlock *Ladies underwear*

**Stuart Broughton & Co Ltd**  
Derby *Lingerie*

**Carisfield Successors Ltd**  
Leicester *Sales of R Rowley & Co Ltd products*

**J F Carnall & Co Ltd**  
Leicester *Men's & children's socks*

**\*Charles Early & Marriott (Witney) Ltd**  
Witney *Blankets*

**Clutsum-Penn International Ltd**  
Clutsum-Penn Overseas Ltd - see "Courtaulds Overseas"

**Clutsum-Penn UK Ltd**  
Coalville, Long Eaton, Swansea, Nottingham, Sandiacre, Ibstock, Wotton-under-Edge, London *Elastic yarns, braids & fabrics, weft knitted fabrics, laces & support hosiery*

**Power Net Division**  
Swansea *Elastomeric net*

**Lace Division**  
Long Eaton *Elastomeric, stretch & rigid laces*

**Weft Knitting Division**  
Long Eaton *Weft knitted fabric*

**Ibstock Knitting**  
Ibstock *Weft knitted fabric*

**Yarns Division**  
Nottingham *Elastomeric yarns*

**Lenton Products**  
Nottingham *Surgical & support hosiery*

**Tubbs Lewis - Narrow Fabrics Division**  
Wotton-under-Edge, Coalville *Elasticated braids, bindings & trimmings*

**R L Industrial Bindings Ltd**  
London *Narrow fabrics & elastics*

**Contour Hosiery Ltd**  
Nottingham *Hosiery*

**Samuel Courtauld & Co Ltd**  
Braintree *Yarn processing, synthetic apparel, household textiles*  
Halstead, Leigh, Norwich, Nelson, Braintree *Weaving of fashion & industrial fabrics*  
Bocking *Dyeing & finishing*

**Court Bonders Ltd**  
Stockport *Manufacturers of laminated fabrics, Coin bonding*

**Crepe Weavers Ltd**  
Newtownards (NI) *Weaving & merchant converting*

**Derby & Midlands Mills (1935) Ltd**  
London *Lingerie, garments & household textiles*

**Derby-Nyla Ltd**  
Nottingham, Long Eaton *Knitted fabrics, dyeing & finishing, polyurethane coatiers*

**Derwent Dyers**  
Spondon *Garment dyeing*

**Robert Dotland Ltd**  
London *Evening & cocktail dresses*

**Exquisite Knitwear Ltd**  
Ashington, Leicester, London, Craigavon & Lurgan (NI), Cramlington *Knitted fabrics*

**Finery Hosiery Co (Division of Percy Taylor Ltd)**  
Hinckley *Hosiery*

**C H Fletcher Ltd**  
Silden (nr Keighley), Steeton *Furnishing fabrics*

**Formdale Ltd**  
Liverpool, Runcorn, Bootle, Welshpool *Babywear, children's wear, foundation garments, women's dresses & blouses, men's & boy's trousers and suits*

**Formfit Foundations Ltd**  
Portlisle *Foundation garments*

**FURNISHING FABRICS DIVISION**  
W Birtwistle (Damask) Ltd  
Blackburn *Weaving*

**Edinburgh Weavers**  
Carlisle *Weaving*

**Gleneden Textiles Ltd**  
Carlisle *Converting*

**Kenwil Textiles Ltd**  
Spondon *Weaving*

**Marshall Lloyd Co Ltd**  
Manchester *Converting*

**Rydale Furnishings**  
Manchester *Converting*

**Scottish Folk Fabrics**  
Carlisle *Bath mats & bedspreads*

**Sundour Fabrics Ltd**  
Carlisle *Converting*

**Tulliallan Fabrics Ltd**  
Rutherglen (nr Glasgow) *Weaving - pile furnishing fabrics & chenille yarns*

**Furzebrook Knitting Co Ltd**  
Aintree, Carrickfergus (NI), Spondon, Wolverhampton, Wrexham *Knitting, dyeing & finishing*

**George Ginn & Co Ltd**  
Leicester *Children's socks & hosiery*

**Golden Valley Wear Ltd**  
Ripley *Outerwear*

**Gossard Ltd**  
Exeter, London, Leighton Buzzard, Blackwood (Mon.) *Foundation garments, lingerie*

**Granby Garments Ltd**  
Wrexham *Lingerie, nightwear*

**Samuel Heap & Son Ltd**  
Rochdale *Dyeing, raising & finishing*

**Heron Fabrics**  
Oldham *Stitch-bonded fabrics*

**Highfield Productions**  
Hucknall *Knitted outerwear*

**D S Howland Ltd**  
Calderstone *Manufacturing Co*  
Brierfield *Lingerie, nightwear, skirts*

**Congleton Garments**  
Congleton, *Lingerie, nightwear*

**Elgin Manufacturing Co**  
Burnley *Lingerie, nightwear*

**Garment Distributors**  
Burnley *Lingerie*

**Kirklees (Walkden)**  
Farnworth *Lingerie, stretch underwear, nightwear*

**Lornate**  
Congleton *Lingerie, nightwear*

**Rutland Garments**  
Ilkeston, Bakewell *Lingerie, nightwear, dresses*

**W G Underhill**  
Chorley *Dressing gowns*

**Walker Reid**  
Ilkeston, Llanidloes *Lingerie, nightwear*

**Wm Hutchinson (Yarns) Ltd**  
Bradford, Sutton-in-Craven *Fancy yarns, yarn dyers, processors of man-made fibres*

**William Hartley (Branch)**  
Sutton-in-Craven *Spinners of natural & man-made fibres*

**Charlotte Fabrics Ltd**  
Bradford *Jacquard woven & knitted fabrics*

**Holybrook Dyeing Co Ltd**  
Bradford *Yarn dyers*

**Sidgwick Silks Ltd**  
Bradford *Jacquard woven & knitted fabrics*

**The Irvine Knitters Ltd**  
Irvine *Women's knitwear*

**Jane & Jane Ltd**  
London *Day & evening wear*

**Kayser Bondor Ltd**  
Baldock, Biggleswade, Dowlais, Portsmouth, Portslade, Port Glasgow, St Neots, Worthing *Hosiery, underwear, foundation garments, dyeing & finishing*

**Kilsyth Hosiery Co (1970) Ltd**  
Kilsyth *Hosiery & knitwear*

**Lester & Cann Ltd**  
Mitcham *Knitted fabrics*

**The Long Eaton Fabric Co Ltd**  
Chilwell *Warp & Raschel knitting, Raschel fabrics*

**Luvisca (Manufacturing) Ltd**  
Bude, Exeter *Shirts, pyjamas, dressing gowns, swimwear*

**Lyle & Scott Ltd**  
Hawick, Gainsborough, Gateshead, Jedburgh, Dunfermline, Kelso *Knitwear, underwear*

**Harry Makin & Co Ltd**  
Wakefield *Men's shirts*

**\*Marglass Ltd**  
Sherborne *Woven glass fabrics*

**Joseph Maude & Co Ltd**  
Bolton *Coning & warping*

**The Mayfair Manufacturing Co Ltd**  
Portsmouth (NI) *Nightwear, lingerie, blouses, children's wear*

**Meridian Ltd**  
Nottingham, Ilkeston, Calverton, Kirkby-in-Ashfield, Carlton, Mansfield, Kegworth, New Olerton *Men's, women's & children's knitwear, knitted underwear, leisure wear, swimwear, nightwear, socks, Dyeing & finishing*

**Prew-Smith Division**  
Arnold, Bolsover, Clowne, Derby, Middlesbrough, Wishaw *Men's and women's outerwear, sportswear, nightwear, men's and women's knitted underwear, lingerie, children's knitted underwear*

**Knitcraft Hosiery Co Ltd**  
Nottingham *Knitted fabrics*

**William Lacey (Loughborough)**  
Loughborough *Fabric & garment dyeing*

**Albert S Yates Ltd**  
Leicester *Knitted outerwear*

**I & R Morley Ltd**  
Heanor, Sutton-in-Ashfield, Askern, Ashby de la Zouch, Swadlincote *Hosiery, knitwear, leisure wear, underwear*

**Morley St Joan Ltd**  
Nottingham *Children's outerwear*

**Morna Fabrics (1949) Ltd**  
Oadby *Knitted fabrics*

**Moygashel Ltd**  
Dungannon (NI) *Textiles & farming*

**The Braid Water Spinning Co Ltd**  
Ballymena (NI) *Spinning - linen & man-made fibres*

**Steehan Ltd**  
Belfast, London *Manufacturing & marketing of men's tailored clothes*

**Stevenson & Son Ltd**  
Dungannon & Rostrevor (NI) *Dress, furnishing fabrics, household textiles, canvas & interlinings*

**Strelitz Ltd**  
Dungannon (NI), London *Manufacturing & marketing of women's fashion wear*

**Divisions of Moygashel Ltd:-**  
Brown & Adam  
Dungannon (NI), Manchester *Dyeing & finishing*

**Smyth's Weaving**  
Banbridge (NI) *Weaving*

**H. Newland & Son Ltd**  
Sheerness, Aylesham, Sittingbourne *Men's shirts*

**NORTHERN HOUSEHOLD TEXTILES DIVISION**  
Ashton Bros & Co Ltd

**Hyde Weaving, dyeing, bleaching & making-up household textiles, furnishing fabrics, shirt & dress fabrics, industrial fabrics**

**Richard Barnes' Sons**  
Rochdale *Making-up & merchant converting flannelette blankets*

**Burgess Ledward Dyehouse**  
Worsley *Commission yarn dyeing*

**W M Christy & Sons**  
Droylesden *Household textiles*

**Davey, Kenyon**  
Rochdale *Cloth bleaching, dyeing, printing, raising & finishing*

**Fairlea Mill**  
Halifax *Condensor spinning & weaving, making-up (cleaning cloths)*

**Charles Kershaw**  
Littleborough *Cloth bleaching, dyeing, raising & finishing*

**Sunnybrook Spinning**  
Rochdale *Condensor spinners*

**Talbot Weaving Mill**  
Chorley *Cabinet towelling, industrial cloths, polypropylene fabrics*

## NORTHERN SPINNING DIVISION

**Carpet Yarns Group**  
Group Office - Victoria Mills, Leigh  
Units - Arkwright Mill, J & J Hayes, May Mill

**Bolton Group (Fine Counts & Doubling)**  
Group Office - Barnfield Mills, Tyldesley - Dee Mill  
Tyldesley, Units - Dee Mill, Richard Harwood & Son, Kent Mill, Mars Mill, Park Mill Spinning Co, Isaac Pearson & Co, Royd Mill, Talbot Spinning, Tutbury Mill Co, Caleb Wright & Co.

**Oldham Group (Medium & Coarse Counts)**  
Group Office - Maple Mill, Oldham  
Units - Asia Mill, Briar Mill, Cedar Mill, Coppull Ring Mill, Eagle Mill, Empress Mill, Imperial Mill, Lilac Mill, Manor Mill, Maple Mill, Premier Mill, Ray Mill, Throstle Bank Spinning Mill, Victor Mill

**Man-Made Fibre Yarns Group**  
Group Office - Arrow Mill, Rochdale  
Units - Arrow Mill, Atlas Mill, Fox Mill, Greenhalgh & Shaw, Moston Mill, Shaw Jardine & Co, Wolfenden & Son

**Ainsworth Mercerising Works, Bolton**

**NORTHERN WEAVING DIVISION**  
WEAVING -

**Burnley, Carlisle, Colne, Embsay, Lillyhall, Nelson, Skelmersdale**

**David & John Anderson Ltd**  
Glasgow, *Fine shirtings*

**MERCHANT CONVERTING -**  
Suncourt Fabrics  
Manchester  
Suitings, skirting, workwear, shirting

**David & John Anderson Ltd**  
Glasgow, Walkden, *Fine shirtings*

**Bentley Smith & Co**  
Manchester, *Cloth for binding & publishing trades*

**Bull Royd Mill**  
Bradford, Carlisle, *Lightweight men's wear fabrics*

**Burgess Ledward Fabrics**  
Walkden, *Dress, apparel*

**J H Greenhow & Co**  
Manchester, *Suppliers against public works contracts*

**Head & Rhodes**  
Manchester, *Rainwear*

**Lappet Manufacturing Co. Ltd.**  
Garstang (Nr. Preston) *Lappet weavers*

**Oakbank Worsteds**  
Nelson, *Worsted suitings*

**Joshua Smith Fabrics**  
Manchester, *Cotton & rayon fabrics*

**NORTHERN WOOLLENS DIVISION**  
William Pearson & Co (Leeds) Ltd  
Leeds, *Dress & coating weight woollens and Courteille for ladies' & childrens wear*

**H Rhodes & Bros Ltd**  
Delph (Nr Oldham) *Dress & coating weight woollens and Courteille for ladies' & childrens wear*

**Smith & Calverley Ltd**  
Huddersfield *Manufacturers of fashion fabrics for women's outerwear*

**Associated Interest, Henry Lister & Sons Ltd**  
Pudsey, Harrogate *Flannels, blazer cloths, overcoatings, duffle cloths, skirt cloths, uniform cloths*

**Northgate Group Ltd (Light Sewing Group)**

**St Helens, Macclesfield, Bradford, Colwyn Bay, Swansea, Llanelli, Bridgend, Durham, Treforest, Ladites' & children's outerwear, pyjamas, slacks, blouses & dressing gowns**

**Northgate Group Ltd (Lingerie Group)**

**Liverpool, Morecambe, Lancaster, Clitheroe, Stockport** *Dressing gowns, underwear, nightdresses, lingerie, blouses*

**Northgate Group Ltd (Foundation Garment Group)**

**Alfreton, Somercotes, Beeston, Huthwaite, Girvan, Ormskirk, Whitwick, Cookstown & Limavady (NI)** *Swimwear, leisurewear, nightdresses, foundation garments, slips, narrow bindings, bra straps & accessories*

**Penguin Stockings**  
(Division of Percy Taylor Ltd)

**Burbage Hosiery**

**Percy Taylor Ltd**  
Hinckley, Oadby *Hosiery*

**Premier Dyeing & Finishing Co Ltd**  
Leek *Woven fabric dyeing*

**Preston Mills**  
London *Merchant converters (Ladies' linings)*

**Wm Pretty & Sons (1930) Ltd**  
Ipswich *Lingerie, nightwear, corsetry, quilts, bedspreads*

**PROCESSING DYEING & FINISHING OF YARNS & FIBRES**

**Aintree, Droylesden, Kirklees, Little Heath (Coventry), Deeside Mill (Flint), Lancaster, Nuneaton, Carnmoney Lame, Londonderry and Maydown (NI)**

**George Swindells & Son**  
Bollington *Processing*

**Proper Pride Ltd**  
Bedford *Garments*

**Queen of Scots Knitwear Ltd**  
Irvine *Women's knitwear*



Ramsay Textiles Ltd  
Ramsay (IOM) Children's wear,  
ladies' hosiery

W T Reddell Ltd  
Sudbury (Suffolk) Foundations

Rob Roy (Children's Wear) Ltd  
London, Swindon, Enfield, Hadleigh  
Children's wear, baby linen

R Rowley & Co Ltd  
Derby, Leicester, Lincoln, Luton,  
Oadby Ladies' & children's knitted  
outerwear, children's hosiery &  
underwear

Susan Small Ltd  
London Dresses, suits & coats

Spray & Burgess Ltd  
Bulwell Warp & weft knitted fabrics  
dyeing & finishing  
Colwick Warp knitted fabric, dyeing  
& raising, lace curtain, dyeing &  
finishing

Standfast Dyers & Printers Ltd  
Lancaster Dyeing & printing

Steads Raywarp Ltd  
Nottingham, Corby, Keady (NI)  
Household textiles, sheets &  
haberdashery

Stephens Manufacturers Ltd  
Whitley Bay (Northumberland)  
Men's shirts

Stockleigh Hosiery Co  
(Division of Blount & Co Ltd)  
Belper Hosiery

R & W H Symington & Co Ltd  
Market Harborough, Peterborough,  
Rugby, Whittlesea, Foundation  
garments, lingerie & swimwear

Theta Dyeworks Ltd  
Heanor Dyeing

Toton Fabric Co Ltd  
Draycott Warp & Raschel knitting,  
Raschel fabrics

Treforest Silk Printers Ltd  
Pontypridd, London Bleaching,  
dyeing, printing & finishing, merchant  
converters (printed fashion fabrics)

Tubbs Lewis - The Narrow Fabrics  
Division of Clutson-Penn UK Ltd  
Wotton-under-Edge, Coalville  
Elastic braid & narrow fabric

Vietomatic Trims Ltd  
London Specialised stitching  
processes, lace & nylon trims, nailhea  
embroidery

Sir Thomas & Arthur Wardle Ltd  
Leek Dyeing, printing, finishing

Watsons (Newburgh) Ltd  
Newburgh  
Newburgh Coated fabrics, protective  
clothing, flexible mine ducting

\*Weitex Sales Ltd  
Twickenham Sole UK Distributor  
for Wetex cleaning cloths

Whitley Tate & Co Ltd  
Walsend-on-Tyne Men's shirts

WHOLESALE DIVISION  
TEXTILE WHOLESALING  
Arthur & Co Ltd  
Glasgow, London

Baker, Baker & Co Ltd  
Bristol

Batho, Taylor & Ogden Ltd  
Belfast, Cardiff, Glasgow, London,  
Manchester, Newcastle-upon-Tyne,  
Sheffield

Bell, Nicolson & Richard Lunt  
(Group) Ltd  
Birmingham, Bournemouth, Bristol,  
Cardiff, Darlington, Exeter, Hanley,  
Northampton, Plymouth, Swansea,  
Torquay

Bradbury, Greateorex & Co Ltd  
Cardiff, Hull, London

Hollington Bros (London)  
London Men's wear

Brettie Sales  
Belper

Cook & Watts Ltd  
London

M Duke & Sons Ltd  
London

Samuel Farmer & Co  
Leicester

Harringtons (London) Ltd  
Croydon, Turton

Holt & Co (Leeds) Ltd  
Leeds

Hunter, Barr & Co Ltd  
Glasgow

Lindsay Bell Ltd  
Belfast

J Porter & Co (Aldersgate) Ltd  
London

James Snook & Co Ltd  
Nottingham

S & J Watts  
Manchester

Wilkinson, Riddell & Larkins Ltd  
Warley

ASSOCIATED COMPANIES WITH  
MANUFACTURING ACTIVITIES

Brian Manufacturing Co Ltd  
London Blouses, slacks, skirts &  
dresses

Erica Products Ltd  
London Baby linen and  
children's wear

Claude Field & Co (Belfast) Ltd  
Belfast Men's shirts & pyjamas

Harringtons (London) Ltd  
Croydon, Turton Baby wear

Hollos & Vine  
(Mantle & Costume Manufacturers)  
Ltd  
Stockport Ladies' coats & costumes

S Levine & Co (Newcastle) Ltd  
Newcastle, Sunderland Dresses,  
blouses, skirts, overalls

Macanick Ltd  
London, Tilbury Plastic rainwear,  
swimwear, children's wear

Maxton of London  
London Blouses, tunics, slacks

CASH & CARRY DEPOTS  
These operate under the name  
Countrywide, except where indicated,  
and their locations are as follows:  
Tipton (Burnt Tree Cash and Carry),  
Saltney (Saltney Textiles), Acton,  
Slough, Cardiff, Glasgow, Edinburgh,  
Dundee, Barking, Belfast, Portsmouth  
Blackpool, Exeter, Hove, Paignton,  
Aberdeen, Inverness, Swansea and  
Yeovil

Wolsey Ltd  
Leicester, Ratby, Kimberley, Grantham,  
Dumfries, Shephed Underwear,  
hosiery, knitwear, ladies' suits &  
dresses

The Woodeaves Co Ltd  
Bolton Knitted fabrics

WORSTED SPINNING DIVISION  
Bradford, Westcroft Mill Man-made  
& synthetic top-making & worsted  
spinning

Spennymoor  
Worsted & woollen spinning

Bramley  
Worsted spinning

CHEMICALS

British Celanese Ltd  
Coventry, Little Heath Works  
Chemicals, acetate flake  
Spondon (Derby) Petrochemicals  
and other chemicals, acetate flake

British Sanitized Ltd  
Spondon (Derby) 'Actifresh'  
bacteriostatic compounds for  
finishing textiles, leather and plastic

Courtaulds Ltd  
Trafford Park (Manchester)  
Carbon disulphide, sulphuric acid  
Greenfield Works, Holywell (Flints)  
Sulphuric acid  
Carrickfergus (NI) Sulphuric acid  
Great Coates Works, Grimsby  
Sulphuric acid

Leek Chemicals Ltd  
Leek Glycerol acetates, ethylene  
glycol diacetate, acetate solvents,  
fatty acid esters, ethyl chloracetate,  
leucoquinizarine, polyglycol esters

\*Nelsons Acetate Ltd  
(Joint Company with Hercules  
Powder Co Ltd)  
Lancaster Acetate flake

Woodpulp - UK

\*Springwood Cellulose Co Ltd  
Coventry Sales of Woodpulp

Packaging - UK

†Betts & Co  
London, Colchester Metallic & other  
capsules, collapsible tubes, rigid  
tubes, aluminium aerosols, plastic  
closures, garment hangers

British Cellophane Ltd  
Bridgwater, Barrow-in-Furness  
'Cellophane' cellulose films, BCL  
polythene, polypropylene 'Propophane',  
polyester & PVC films

Walter E Cannings (Bristol) Ltd  
Bristol Merchanting company for sale  
of bags & sheets of cellulose &  
plastic films, and various paper  
products

Colodense Ltd  
Bristol Printed cellulose & plastic  
films & laminates in roll, sheet &  
bag form

Drums Ltd  
(an IPC Group Company)  
Grays (Essex), Felling-on-Tyne  
Steel containers

Formpak Ltd  
Wrexham Vacuum-formed plastic  
containers, packaging machinery

Hargill Ltd  
Cheltenham Printed & unprinted  
transparent, semi-rigid acetate  
containers & expanded polystyrene  
containers for packaging

D J Parry & Co Ltd  
London Printed & unprinted film  
& other flexible packaging materials  
in roll, sheet & bag form

H J B Plastics Ltd  
Coventry, Grangemouth Printed  
& unprinted plastic films in roll,  
sheet & bag form PVC welded prod-  
ucts for stationery & other uses

\*Reads Ltd  
Liverpool, Grantham, Rhymney,  
Milton Keynes, London W5 Metal  
cans, drums & boxes

\*Reads & Drums Ltd  
(an Associate Company of IPC Group)  
London SW, Liverpool, Grays (Essex)  
Felling-on-Tyne Steel & plastic  
containers

Scotcell (Glasgow) Ltd  
Glasgow Printed cellulose & plastic  
films & laminates in roll, sheet &  
bag form

Shorko Films Ltd  
Swindon 'Propophane'  
polypropylene films

Plastics - UK

Amico Ltd  
Coventry Vinyl floor and wall tiles

British Celanese Ltd  
Coventry, Little Heath Works  
Moulding powders and film  
Spondon Film, sheet, laminates  
Wrexham Extruded sheet, laminates

British Lego Ltd  
Wrexham Toy building systems

Formpak Ltd  
Wrexham Plastic products for  
catering and vending

National Plastics Ltd  
London, Spondon, Coventry  
Compression, injection and hard  
polyurethane, rubber mouldings and extrusions

Roberts Publicity (Gloucester) Ltd  
Gloucester Screen printing

Rocel Ltd  
Coventry, Little Heath Works  
Extruded coloured strip & sheet for  
the optical trade

†Series Ten  
Spondon Plastics plumbing products

Paints - UK

The International Paint Co Ltd  
London - Factories at: Birmingham  
Felling-on-Tyne, Kingston-on-Thames  
Silvertown E16

Principal UK Divisions  
International Pinchin Johnson  
London

Automotive Division  
Finishes for motor cars, production,

Automotive Division  
Finishes for motor cars, production  
line commercial vehicles

Industrial Division  
Finishes for agricultural machinery,  
domestic appliances, business  
equipment, metal furniture, pipeline  
coatings, General industrial finishes

Packaging and Coil Coatings Division  
Coatings for the packaging industries  
- metal caps and containers,  
collapsible tubes, decorated coil,  
flexible packaging

Special Products Division  
Wood finishes, structural resins,  
vacuum metallising, Screen inks,  
Board and paper coatings

Transport Division  
Motor cars & agricultural  
refinishing paints, finishes for road  
vehicles, railway rolling stock &  
aircraft

Export Division  
Exports automobile, industrial,  
transport & decorative paints  
throughout the world

International Red Hand Marine  
Coatings  
International Red Hand Marine Coatings  
London Decorative & protective  
paints for buildings - houses, offices,  
hospitals, public buildings, industrial  
plants, oil, gas, electricity installations  
Decorative materials for the retail  
paint trade

Engineering

Courtaulds Engineering Ltd, Coventry  
Provides a comprehensive service for  
the engineering design, procurement,  
production, installation & construction  
testing & commissioning of buildings  
& plant; design & manufacture of  
textile production & process machinery  
machinery components & spares;  
spinners in noble metals & stain-  
less steel; specialised instrument  
systems & control panels; air  
conditioning systems

Air Systems Ltd  
Radcliffe Air conditioning, heating,  
ventilation, humidifying & dust  
extraction systems

Mornington Engineering Ltd  
Bolton Design & manufacture of  
textile processing machinery

Prinex Ltd  
Coventry Export of complete  
plants for process industries

A Kirkland & Co Ltd  
Omagh (NI), Mountsorrel (Leics)  
Circular knitting machines for  
underwear, outerwear & piece goods

W E Booton Ltd  
Leicester Hosiery machine  
manufacturers

Northern Roller Engraving Co Ltd  
Manchester Roller manufacture &  
engraving

Other activities

The Accrington Brick & Tile Co Ltd  
Accrington Bricks & tiles

The John Hampden Press Ltd  
Langley Mill Printers & publishers

The Holywell-Halkyn Mining & Tunnel  
Co Ltd  
Mold (Flint) Supply of water to  
Group factories in N Wales, mining  
of lead concentrates

IPC Non-Paint Companies  
Scaling Hammers Ltd  
Barking Manufacturers of mechanical  
de-scaling equipment

Structural Painters Ltd  
Felling Industrial painting contractors

Volspray Ltd  
Barking Manufacturers of paint  
spraying equipment

Watts Fincham Group  
Andrew Lusk & Co Ltd  
Barking Ships' provision suppliers

Watts Fincham Ltd  
Barking Ships' chandlers

Lawrence Brothers  
Lawrence Bros Ltd  
Bristol, Birmingham Furniture, floor  
coverings, fancy goods, hardware  
merchants

T H Kenyon & Sons Ltd  
London, Spondon, Liverpool,  
Nottingham, Wirral, Wokingham  
Painting contractors & decorators

T H K Insulations  
Spondon, London Thermal  
insulations, suspended ceilings,  
sprayed polyurethane foam

T H K Flooring  
London Floor covering & carpeting

Moy Park Ltd  
Moira & Donaghmore (NI), Crewe  
Poultry processors, egg packers,  
distributors of chickens & eggs

Dungannon Par Divisi  
Dungannon & Moira (NI) General  
farmers & livestock breeders

Parnosa of London Ltd  
London Toiletries

T Rutherford Ltd  
Birmingham Floor covering,  
carpet & furniture, office furniture  
contractors

Sussex Laundry Ltd  
Croydon, Poplar Domestic &  
industrial laundering, dry cleaning

Charles Turner & Co Ltd  
Bolton Paper, cellulose wadding

† A division of National Plastics Ltd  
\*Associate Company

Courtaulds Overseas

Australia: Courtaulds Tomago, Sydney,  
Melbourne; Courtaulds Hilton, Hilton  
Fabrics Melbourne; Hilton Hosiery  
Brunswick West; James Nelson Laun-  
ceston; Kayser Richmond, Traralgon,  
Fernree Gully; E Lucas, I & R Morley  
Ballarat; W T Nunn Girraween; Peer-  
less Yarns Brunswick; Penn Elastic  
Brisbane; Security Knitting East  
Kew; Style Girl Melbourne, East Coburg;  
R & W Symington Dandenong; Taub-  
mans Industries Adelaide, Brisbane,  
Melbourne, Perth, Sydney, Belgium:

Solabel Brussels, Brazil: Tintas Inter-  
national Rio de Janeiro, Canada: Cour-  
taulds, Caravelle Carpets, TCF Plastics  
Cornwall; Penn Hafner Elastic Fabrics,  
International Paints Montreal, Channel  
Isles: Jersey Island Exquisite Knitting.  
Denmark: International Farvefabrik  
Copenhagen, Eire: Ballet Foundations  
Dublin; Dundalk Textiles Dundalk;  
Slane Manufacturing Navan; Robert  
Usher Drogheda, Loughrea, France:  
Courtaulds, Delysia Calais; Sodelat  
Meuse; Etabs Delebart-Mallet Hellemmes;  
Kayser Lomme-lez-Lille; Tricot-France  
Colmar; International Celomer Le  
Havre, W Germany: Penn Elastic  
Paderborn; Gossard Stuttgart; Inter-  
national Farbenwerke Hamburg,  
Greece: Neopak Athens, Holland:  
Engels-Nederlandse Verpakkingindust-  
rie Assen; International Verffabriek

Rotterdam, Hong Kong: International  
Red Hand Marine Coatings, India:  
Shalimar Paints Calcutta, Italy: Nova-  
ceta Milan; Vernici Italiane Standard  
Genoa, Milan, Japan: International  
Red Hand Tokyo, Lesotho: Plascon-  
Evans Paints Maseru, Mexico: Cia  
Mexicana de Pinturas International  
Mexico City, New Zealand: Peni Elasti-  
c Wellington; NZ Fabrics Auckland;  
R & W Symington Palmerston North;  
Wrightcel Fielding; Pinchin Johnson  
Auckland, Wellington, Nigeria: Inter-  
national Paints Ikeja; Pinchin Johnson  
Port Harcourt, Norway: International  
Farvefabrik Bergen, Portugal: Inter-  
national Paints Lisbon, Rhodesia:  
Plascon-Evans Paints Salisbury.  
Singapore: International Paints, South  
Africa: Bonded Fibre Fabric, Kayser,  
Mountview Fashions, SA Gossard,  
R & W Symington, Pretoria Paper  
Products Cape Town; FCW Knitwear,  
Naomi Beauty Form, Plascon-Evans  
Johannesburg; SA Fabrics, Plascon-  
Evans Durban, SAICCOR Umkomaas,  
Spain: Industrias del Acetato de Celu-  
losa, Lory Barcelona; Compania Espan-  
ola de Pinturas International Bilbao,  
Switzerland: Usutu Pulp Mbabane,  
Sweden: Svenska Rayon Valberg;  
A B Celloplast Norrkoping; Fargak-  
tiebolaget International Gothenburg,  
USA: Courtaulds NA Mobile; Delta  
& Pine Land Scott, Brawley; Inter-  
national Paint San Francisco, New  
Orleans, Union, Venezuela: Pinturas  
International Maracaibo, Zambia:  
Plascon-Evans Paints Ndola.



# GLOSSARY

## Man-Made Fibres Compared with Natural Fibres – Origin, Form, and Uses

Fibres	Cellulosic			Synthetic (Chief Groups only)			Cotton and Wool	
<i>Fibre type</i> (and some brand names – Courtaulds except where otherwise stated)	<i>Viscose rayon</i> (Fibro)	<i>Modified rayon</i>	<i>Acetate and tri-acetate</i> (Tricel, Dicel)	<i>Acrylic</i> (Courtelle, Orlon (Du Pont))	<i>Nylon</i> (Celon, Bri-nylon (ICI))	<i>Polyester</i> (Lirelle, Terylene) (Crimplene) (ICI)		
		<div> <div>crimped carpet fibre (Sarille)</div> <div>modal or polynosic (Vincel)</div> </div>						
<i>Origin</i>	Wood pulp and chemicals			Chemicals			Grown overseas (wholly for cotton mainly for wool)	
<i>Usual fibre form for further process</i>	Staple, filament	Staple	Largely filament; tow	Staple, tow and tops	Filament (and some staple)	Staple, filament	Staple	Staple

### Further Processes

*Spinning* – producing yarn by spinning together short fibre lengths obtained in the form of staple or tops.

*Weaving* – production of fabric from filament or spun yarn by combining weft threads (horizontal) with warp threads (vertical).

*Knitting* – (a) warp knitting – largely from filament yarn and typically for lingerie, furnishing, lining fabrics.  
(b) weft knitting – from filament or spun yarn, mainly of outerwear fabrics (very often known as ‘jersey’ fabrics).

*Making-up* – producing articles of clothing or other finished articles by cutting and assembly of fabrics.

### End Uses

All fibres referred to here are used for textiles production: garments, household textiles and furnishings, either alone or in blends, e.g. polyester/cotton, wool/nylon, polyester/viscose.

Acetate tow is used for cigarette filter tip production.

Viscose, nylon and polyester high tenacity filament are for industrial uses, such as tyre cord and belting.

### Notes

1. Staple – short lengths of fibre for spinning into yarn.
2. Filament – continuous fibre length; yarn composed of several filaments – multifilament yarn.
3. Tow – continuous fibre lengths in a loose strand.
4. Tops – short fibre lengths produced by stretch-breaking tow of synthetic fibre, or by carding and combing wool (m.m.f. staple) for spinning into yarn.

(Knight p216)



# BIBLIOGRAPHY

- L. Briscoe, *The Textile and Clothing Industries of the United Kingdom*, Manchester University Press, 1971.  
D.C. Coleman, *Courtaulds: An Economic and Social History*, 2 volumes, Oxford University Press, 1969.  
*Courtaulds Ltd., A Brief History of Courtaulds*  
P. Kenyon, *Textiles — A Protection Racket*, World Development Movement, 1972.  
P. Kinnersley, *The Hazards of Work; How to Fight Them*, Pluto Press, 1973.  
A.W. Knight, *Private Enterprise and Public Intervention*, George Allen and Unwin, 1974.  
C. Miles, *Lancashire Textiles, A Study in Industrial Change*, Cambridge University Press, 1968.  
*Monopolies Commission, Man-Made Cellulosic Fibres*, H.M.S.O., 1968.  
R. Naylor, *Social Consequences of Textile Industry Contraction*, Textile Industry Support Campaign, 1972.  
*Textile Council, Cotton and Allied Textiles*, 1969.  
L.M.C. Tippet, *A Portrait of the Lancashire Textile Industry*, Oxford University Press, 1969. Working Party  
Report, Cotton, H.M.S.O., 1946.

---

## PICTURE CREDITS

- Page 7 *Express and Star*, Wolverhampton  
9 *Chester Chronicle* Clwyd Edition 20.9.74  
14 Topix  
15 Mirrorpic  
17 Keystone  
19 Keystone  
27 Camera Press  
30 Keystone  
38 John Sturrock, Report.



## Subscribe to CIS

£2.50 for six issues (UK)

£3.00 (overseas)

Back issues still available:

'Your Money and Your Life': an essential investigation into Pension Funds and Insurance Companies; 30p + 10p postage and packing.

'The Recurrent Crisis of London' (reprint); 90p + 15p postage and packing.

'Consolidated Gold Fields'; an investigation of the profits and working conditions of this British-owned South African gold-mining company; 25p + 10p postage and packing.

'British Leyland: the beginning of the end'; 60p + 15p postage and packing.

'The Unacceptable Face: Special Report on the Conservative Government, 1970-74'; 15p + 10p postage and packing.

'The Oil Fix'; 60p + 10p postage and packing.

'Business as Usual'; 30p + 10p postage and packing.

*Available from CIS, 52 Shaftesbury Avenue, London W1.  
Tel: 01-734 8862.*

ISSN: 0305-1242