

Conservative government, but the annual rate of money-wage increase has remained high—averaging over 6 percent a year since 1953.

One particularly interesting feature of British experience during this period has been the series of events which led to some feeling among the trade unions that the Government was attempting to implement a national wage policy via influence on the wage actions of various statutory bodies. The evidence that a “back-door approach” to wage policy (as Prof. Allan Flanders has labeled it) is only indirect and inconclusive. The structure of Government intervention in fixing conditions of employment in the United Kingdom provides three major avenues for possible exploitation of such an approach. First, in certain industries, lacking private collective bargaining arrangements, wages and employment conditions are set by tripartite wages councils. The recommendations of these councils have legal force upon being confirmed by the Minister of Labour, whose authority is confirmed to approval of the recommendations, or referring them back to the councils for reconsideration. The later course has been taken only rarely, but in 1952 the Labour Ministry sent the recommendations of some dozen wages councils back for reconsideration in light of the need for keeping advances in wage incomes in step with production. Amid the vigorous protests by the unions against the use of such a method of moderating the rate of wage advance, the councils’ reports were resubmitted without change and duly confirmed. Continuing complaints, however, forced the Labour Minister in 1954 to assure the general council of the TUC that the average delay between the receipt of a council recommendation and the issuance of Government confirmation had been reduced to a little over a week.

Public arbitration tribunals constituted a second possible avenue for the exercise of governmental influence over wage setting. Voluntary arbitration of disputes over changes in wage provisions of collective contracts is much more common in the United Kingdom than in the United States, and legislation makes available Government arbitration machinery to those industries where private arbitration arrangements have not been instituted. In addition, with the abandonment of compulsory arbitration in 1951 there was established an Industrial Disputes Tribunal to which the Minister of Labour could refer for arbitration disputes over the terms of national agreements. Increased employer resistance to wage claims during 1952 and 1953 and a substantial increase in the number of disputes going to arbitration coincided with the rejection of a number of important wage claims by arbitration. The similarity and small size of awards by the Industrial Disputes Tribunal in 1953 brought accusations by the unions that it was attempting to follow a wage policy. However, in the opinion of one informed observer, the 1953–54 pattern of arbitration awards was simply the result of the normal tendency for arbitration tribunals to follow trends established in voluntary settlements in a period when general economic conditions militated against large wage increases.²

It was in the third area of Government intervention in wage fixing—the determination of wages and salaries of Government employees and workers in nationalized industries—that some of the most acute prob-

² B. C. Roberts, “Trade Union Behavior and Wage Determination in Great Britain,” in J. T. Dunlop (ed.), “The Theory of Wage Determination” (London, 1957), pp. 119–120.