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# The Dunnes Strike & Managing Change

The two souls of Irish trade unionism

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1996

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*with the right solutions.*<sup>28</sup> At the end of that week it would seem to be confirmed that the (at least) moderate success of the Dunnes strike, and the methods it employed, militant, organised and imaginative, met the crisis, and highlighted that Congress is coming up not with solutions but with problems.

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<sup>28</sup> Irish Times, 4-7-95.

It might have been expected that in the aftermath of the strike the official trade union milieu arrived at some new conclusions on how to organise industrial struggle. This certainly didn't happen immediately. At the end of the same month, at another retail giant, the Marks and Spencer stores in Dublin, there was another three-week strike, this time by SIPTU warehouse workers centring on changes in shift patterns. On approaching the (Mary St) store it was evident that while the usual amount of shoppers was down there was still a good number inside. Where had the remarkable support of shoppers gone in three weeks? A large part of the answer was surely that the vast majority of the workers, including the shop assistants who are MANDATE members, were still working away! It seemed that the Dunnes strike had made little impact on the official world of SIPTU (who were absurdly asking shoppers not to patronise Marks and Spencer where their fellow trade unionists were quite clearly waiting to serve them). Neither had MANDATE been greatly effected as they seemed to have developed a sudden attack of forgetfulness, thereby enabling the very thing they'd feared a month earlier — the public passing the picket and a staff there to meet them.

A SIPTU picketer offered the information that they didn't want to ask the MANDATE members to come out at that stage. Some of the picketers did not maintain this relaxed view of the picketline throughout, expressing strong disagreement with large vehicles, insisting on a relaxed approach of their own. Part of the settlement of this strike was, incidentally, the establishment of a joint participative review of the warehouse operation which sounds awfully like an early application of Managing Change.

Padraig Yeates finished his thoughtful Irish Times commentary with: *The Dunnes Stores dispute highlights the crisis facing the trade union movement. It will be up to the delegates (to the ICTU Conference) this week to decide if Congress is coming up*

**For three weeks, in June-July, nearly 6,000 mostly young and part-time workers struck against Ireland's largest private sector employer, the firmly anti-union Dunnes Stores, over Sunday trading, zero-hours contracts, the proportion of full-time jobs and other issues. But the principal, and unstated, issues were probably union recognition and the organisation of the newly emergent semi-casual, part-time, young (and mainly female) section of the labour force. The result, while disappointing on the concrete 'economic' issues, was generally greeted as something of a breakthrough on the latter 'political' issues.**

## Power in the darkness

The Dunnes Stores strike came upon a sickly, scared and handcuffed trade union movement with the healing touch of restoration. It stood in sharp contrast to the grim series of industrial disputes that preceded it. Previous disputes at Packard, TEAM Aer Lingus, Irish Steel, Pat the Baker, Nolans resulted in demoralising defeats which seemed to deliver further body blows to a downwardly debilitating movement.

Everybody in the labour movement seems to agree on the positive significance of the Dunnes strike. The Biennial Conference of the Irish Congress of Trade Unions (ICTU) in Tralee, which overlapped last July with the final week of the strike, was reportedly overjoyed at the outcome. Peter Cassels, ICTU General Secretary, congratulated the Labour Court on its recommendation.

At the other end of the spectrum responses were even more enthusiastic if with a different focus. *The Dunnes strike was a turning point*, said Socialist Worker<sup>1</sup>. Militant declared: *The*

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<sup>1</sup> Socialist Worker, 8-21 Jul. '95.

*Dunnes strike can be the start of a general fight back by the working class and In many ways it has an historic significance.*<sup>2</sup>

The Dunnes strike revealed to all that not alone was there still fight left in the trade union movement, but it was present where it was widely unexpected, among young, unorganised, part-time workers. It provided almost the first example in the last three years of a successful strike. Furthermore the Dunnes workers received the almost universal support of the general public, the media, the political parties, the Church, the state (which paid them the dole!), celebrities (even Boyzone!) and the trade union leadership. What refreshment, after the pillorying of the Irish Steel and TEAM craftworkers, the isolation of the Pat the Baker and Nolans Transport strikers, the (varying) sympathy for, but apparent helplessness of the Packard Electric workers.

Preceding elation was relief, on all sides of the movement. The left dreaded another defeat.<sup>3</sup> Even the Congress leaders could see that a defeat for MANDATE<sup>4</sup> in Dunnes would be a devastating blow to trade union strength and what place have generals without an army? On top of that Dunnes would have scored this triumph outside of the carefully built-up industrial relations machinery to which officialdom is so committed.<sup>5</sup>

## Why the Dunnes strike won

Different sectors interpreted the victory in different ways. Two remarkable features of the strike were the professional

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<sup>2</sup> Militant, Jul.-Aug. '95.

<sup>3</sup> Sporadic victories such as Blooms Hotel (Dublin), the Eastern Health Board (IMPACT) and Knightingales (Dublin store) had been stars too remote to lighten the darkness.

<sup>4</sup> MANDATE, the main striking union, representing most Dunnes workers.

<sup>5</sup> The ICTU's public intervention emphasised Dunnes' refusal to cooperate with the Labour Relations Commission.

kind of mockery that European law and practice is continually used to get workers to take changes and comply with the norm while Ireland is the only state in the EU where Sunday trading is permitted without any regulation.

The elimination of 'zero-hour' (on-call) contracts was a major achievement. Under the settlement there's a minimum of fifteen hours a week work for part-timers and split shifts are abolished.

Although the Labour Court recommend time-and-a-half for Sunday working (as against Dunnes' demand for flat-rate working for new workers) this sets up two pay rates for the same work (senior workers keep double time) and is below rates enjoyed in some other union stores. On the ratio of full-time to part-time posts the settlement (two hundred extra full-time posts) makes no qualitative difference in a workforce of 6,000.

Our 'insider' reflects as follows:

*In drawing up a balance sheet of the strike it would be wrong to say that defeat was snatched from the jaws of victory, or even that the outcome was a draw. From where this dispute started, the gains won were greater than the concessions made. Dunnes set out to break the union, and achieved the opposite. The union is stronger than at any time in the past. The members are more confident and a new layer of militants will come into activity.*<sup>27</sup>

Perhaps the main achievement was the 'political' one of the moderately successful arrival of this large sector of atomised young workers — feared by some to be beyond the pale of trade unionism — on the stage of organised working class struggle. Plus, perhaps, the uplifting impact of the strike on the consciousness of workers in general.

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<sup>27</sup> Militant, op. cit.

that (more but not all — some real tactical head-scratching is needed, for example, in relation to struggle at mobile multinationals).

*The start of a general fightback* it could be, yet even its own resolution was a steadying reminder that the other soul (the consensus loving one) envelopes even the great Dunnes strike with its deadening presence. An outsider might conclude that MANDATE halted the march just when they had Dunnes on the run. One insider described it as,

*Let's not lose, rather than win.*<sup>24</sup>

Of course the recommendation to call off the strike after three weeks may have been prudent, rather than weak-kneed, leadership: avoiding a long industrial campaign with raw recruits. The same insider claims, however, that *the general feeling of the activist layer in MANDATE was against the Labour Court recommendation.*<sup>25</sup> The Sunday Tribune quotes one shop steward as saying, *we've been sold out.*<sup>26</sup> The recommendation was accepted by nearly four to one in MANDATE.

One way or the other, a great triumph of the strike was that a powerful and determinedly anti-union employer, employing a 'new' and casualised workforce, was forced to grant de facto recognition to the union. But the settlements on the particular issues upon which the strike was fought represent rather modest gains and, in some cases, could set unfavourable precedents in the retail industry.

## The settlement

Compulsory Sunday working was accepted and extended to the previously exempt pre-October 1994 workers. It seems a

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<sup>24</sup> A 'prominent Mandate activist' (anonymous), Militant op.cit.

<sup>25</sup> Ibid..

<sup>26</sup> Sunday Tribune, 9-7-95.

public relations campaign of MANDATE and the overwhelming support of shoppers in refusing to enter the stores. Michael Foley, the Media Correspondent of the Irish Times, under a sub-heading stating,

*the Dunnes Stores strike was fought and won on television, radio and in the newspapers, wrote: The picket line in the Dunnes Stores dispute was not a way of ensuring that the stores remained closed or a method of convincing others not to trade with the company, but a media event, a photo opportunity and an opportunity for sound bites.*<sup>6</sup>

On the same page it was reported, in relation to *the success of the strike*, that *senior members of the ICTU took the opportunity of the organisation's biennial conference in Tralee this week to hammer home repeatedly to members the importance of using industrial relations procedures to the maximum and the necessity of mobilising public support, as well as industrial muscle, if disputes were going to be fought and won.*<sup>6</sup>

Here the accidental is emphasised over the essential. The Dunnes strike revolved around two issues. The first is that MANDATE had the numbers and used them, not least in legally dodgy mass pickets. The second is that the refusal of the company to use the industrial relations procedures underlined the irrelevance of any mediating machinery to the workers without industrial action.

A more satisfying analysis was given by Dermot Connolly writing in Militant as follows:

*In contrast (to the half-hearted conduct of previous disputes by the unions) the Dunnes strike was superbly organised. They (MANDATE's officials and*

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<sup>6</sup> Ibid.

*executive) knew that Dunnes were out to break the union and worked non-stop for six weeks to prepare the membership and counter every attempt by management to sow confusion and split the ranks. A national shop stewards committee was formed along with strike committees in the shops, mass picketing was encouraged. ICTU was pressurised into calling for a boycott of Dunnes and urging workers with their suppliers not to pass pickets. They didn't hide behind the need to call ballots before doing this as they have claimed to be the case in other disputes. A glimpse of the real potential power of the trade union movement was shown, and at the same time the fact that all the weaknesses of the unions to-day, the so-called decline in solidarity,<sup>8</sup> the inability to organise serious struggles comes from the top.<sup>7</sup>*

The emphasis here is on shop floor organisation, militancy, industrial solidarity and the mass activity of the members themselves (rather than token picketlines) as the key essentials to the success of the strike.

## Managing Change

If the Dunnes strike was a 'turning point', there was also another turning point (or rather, another turn of the screw) at the same time. The Biennial Conference of the ICTU showed the second of the two souls of Irish trade unionism. The ICTU planted yet another milestone in the road of 'partnership' and 'consensus' with the adoption of the document *Managing Change and Motion 19*.

*Managing Change* is the latest development of what Peter Cassels, ICTU General Secretary, refers to as *the trade union*

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<sup>7</sup> Militant, op.cit.

try and Employment Correspondent of the Irish Times first appeared to acknowledge the differences between them:

*In many ways the Dunnes Stores strike is a very traditional one, about defending basic workers' rights rather than mediating change to meet the needs of 'global' competition. This perception notwithstanding he goes on, yet delegates are keenly aware that the Dunnes Stores dispute is just as relevant to the ICTU's modern agenda. By way of explanation for this relevance he continues: It is the first national strike involving a new generation of part-time workers who are only just beginning to join unions.<sup>22</sup>*

This was precisely the strike's significance, but not its relevance to the modern agenda.

Perhaps Pdraig Yeates was reflecting the connection which Congress thinkers make to justify the modern agenda, as an adaption to the emergent generation of casualised and unorganised young workers — through consensus rather than struggle! In *Towards A New Century*, a veritable manifesto of new unionism, Peter Cassels writes:

*Labour market changes are also producing a 'new' and growing workforce of part-time, temporary, casual, contract and home workers...The changing composition of the workforce is changing the content of the trade union agenda which in turn is changing how we process that agenda.<sup>23</sup>*

The Dunnes strike has demonstrated that the road ahead, in trade union terms, for this new generation is not the 'new agenda'. A good old fashioned strike has more claim to

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<sup>22</sup> Ibid., 4-7-95

<sup>23</sup> *Towards a new Century*, P.Cassels, op.cit. p.425.

will support similar plans in future situations. So Managing Change infers that the rejection of worsened conditions by an independent section is perceived, not as an opportunity upon which to build stronger opposition, but as a problem to be overcome by the majority votes of the already persuaded. This pseudodemocracy takes no account of valid craft demarcations or cases where one section are asked to take more odious changes than another.

## Two Souls

Overlapping as it was with the ICTU Conference, the Dunnes Stores strike (and its resolution) provided a special occasion to view the two souls of Irish trade unionism together. Connections between the two were real enough, and some others were made by Congress leaders adopting the Dunnes experience and by journalists juxtaposing two major industrial events.

The Dunnes dispute was used specifically by Phil Flynn as an example of the need for *mandatory third-party reference of disputes*.<sup>21</sup> Through Dunnes and their refusal to even attend the LRC — the ‘innovators’ have been able to portray mandatory mediation as a constraint upon the employers while overlooking its suffocating effect on workers’ action. This portrayal is easily achieved because third-party referral is now almost automatic on the union side, because of the unions’ own dispute procedures and because of the prevalent lack of confidence among workers about having a straight fight. It’s the employers who are perceived to be beyond this due process and who need to be tied into it through a tripartite commitment.

Commentators painted the strike as a watershed to which the ICTU’s Tralee agenda corresponded. Pdraig Yeates, Indus-

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<sup>21</sup> Irish Times, 3-7-95. Phil Flynn, ICTU President, in the same interview, says that Dunnes Stores is *not anti-union, but non-union*.

*agenda for a new century*.<sup>8</sup> It follows a long line of Congress documents including *New Forms of Work Organisation* from the 1993 Conference.

The 1993 paper advised a new co-operative or participatory approach to such things as human resource management, world class manufacturing and total quality control: precisely the kind of new management techniques that lay-activists had hitherto been warned about as undermining trade union organisation. Commenting on the paper Peter Cassels said,

*to innovate effectively... requires a high trust environment with workers and their unions accepted by companies as partners in the enterprises.*<sup>9</sup>

Local consensus was taken some steps further at this year’s conference, where 1995’s theme paper was Managing Change. The Irish Times précised its contents thus:

*Accepting that global markets and the speed of technological change now make company restructuring an almost constant process, Congress wants member-unions to become pro-active in this situation. Traditionally unions have resisted change and have focused on defending members’ rights. ICTU wants to reverse that role.*<sup>10</sup>

Plainly Congress has no problem with the logic of redundancies and worsened conditions. As the trade union leadership entered into a joint economic, social and (on many issues) political strategy with the government and the employers through the National Programmes, embracing austerity in the ‘80s, it

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<sup>8</sup> P. Cassels, *Towards A New Century in Trade Union Century*, ed. D.Nevin (Mercier Press, 1994) p.427.

<sup>9</sup> Sunday Tribune, 1-8-93 (my emphasis).

<sup>10</sup> Pdraig Yeates, *Industrial and Employment Corespondent*, Irish Times, 3-7-95.

has now accepted a consensus approach to new management techniques and 'rationalisation', in the individual firm, embracing competitiveness in the '90s. At both levels the same strategy is applied: accommodation rather than resistance. At both levels the same justification is given: let us get in on it, in order to influence it!

## Myth and Reality

The reality of the workplace is remote from the myth of cosy partnership. Relentlessly employers have continued to 'rationalise' and 'restructure' with redundancies, natural wastage, conversion to contract labour, new 'yellowpack' starting rates, flexibility and new work practices often gained by threats of closure. It's not just at Packard that things thought long-buried, like straight wage cuts or longer working weeks, have returned from labour history. The very unions themselves are being undermined by their 'social partners' through the dismantling of shop floor organisation, 'no-strike' clauses, generosity to non-union people and, of course, 'human resource' techniques.

Matt Merrigan, former President of Congress, says it in his own inimitable style: *Trade unionists in the workplace see no evidence of the shared duties, responsibilities and decision-making that are inferred in the texts of these programmes. Consensus and partnership are not in the lexicon of individual employers at plant level, rather it is: comply or else.*<sup>11</sup> Perhaps the current President of Congress might give us a lexicon of the companies with a *high trust environment*. Aer Lingus, Allied Irish Banks...Zoe Developments?

This year's model, Managing Change develops workplace partnership from the general operation and development of the firm into the specific area of 'change'. Thus Congress ad-

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<sup>11</sup> Matt Merrigan, Co-operation is a capitalist asset, Irish Reporter No.17 (1995).

would not rule out negotiation, at least, on any proposal from local employers. Then the matter would go to the Labour Relations Commission (as specified in Motion 19) after which workers would be expected to ballot (or the Editorials would want to know why not) on a 'compromise' third-party recommendation.

As the National Programmes have, since 1987, removed the (offensive) power of workers to put claims to their own employers, this new centralised departure would remove, or severely undermine, the (defensive) power of workers to reject adverse changes in their own employment. Any 'framework agreement' that emerges should go to a ballot and be campaigned against.

Furthermore Motion 19 calls for a measure that you might, if you were not up to speed with the charge to the right of the ICTU, have expected union leaders to denounce if IBEC, the employers' organisation, proposed it. This is the introduction of mandatory use of third party machinery in procedures and disputes<sup>24</sup>. The first consideration is the fatal delay and side-tracking that can be involved in processing urgently needed industrial action through the labyrinth. The second is the bias and the malleability of the Labour Relations Commission and the Labour Court.

Compulsory conciliation is, of course, well established in Irish industrial relations: in SIPTU (in practice), in the public service and legally for 'individual' disputes under the 1990 Industrial Relations Act. What Motion 19 would do is to extend and copperfasten it into (here it comes again) national arrangements with government and employer organisations.

Finally, the Motion establishes aggregate ballots where in certain situations Congress can insist on a single vote on a change package. This is Congress' response to the Irish Steel crisis in which the craftworkers rejected the company's 'survival' plan which the majority (mainly SIPTU) general workers accepted. Congress and SIPTU supported the plan and

In defending the proposal for ‘a pro-active approach to changes in work-practices’ he said:

*We have a choice, we can leave it to the employers to set the agenda and do what trade unionists have been doing in other countries and react. Or we can try and shape the future.* The Irish Times report continues: *He cited the fight to save jobs at Waterford Crystal and the Cost and Competitiveness Review in the ESB and Telecom Eireann as situations in which unions have seized the initiative in shaping change.*<sup>19</sup>

These citations were unfortunate and upon them any ‘traditionalist’ can rest his or her case. The instance at Waterford Crystal was a signal defeat, the breaking of arguably the strongest and most class conscious group of Irish workers at the time. The ESB and Telecom reviews are all about the loss of thousands of the best (and best-unionised) jobs in the country and the unions’ happy cooperation with same!

Motion 19 puts Managing Change into specific points of policy. And here alarm bells ring as Congress once again ties the hands of its members. Motion 19 proposed *the conclusion of a Framework Document with employer bodies on how change in the workplace should be negotiated.*<sup>20</sup> Congress not only want to *lead the charge for change* (Peter Cassels again) but it wants a centralised agreement to govern how it is approached. The local element as a feature of workplace partnership didn’t get very far, did it?

This codified procedure would, without doubt, lay down how, when and where to negotiate and, above all, what to negotiate. Any pre-cooked negotiation schedule would have to give an assurance to the employers that the unions

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<sup>19</sup> Ibid. 6-7-95.

<sup>20</sup> Ibid. 3-7-95.

dresses a current concern of the pundits of capital: the globalisation of capital and the consequent ‘need’ for rationalisation and ‘downsizing’ as general and constant features rather than just in the odd ailing company. It also addresses the continuing restructuring, part privatisation and exposure to competition of the semi-state sector — as seen in the past at An Post, Irish Steel, TEAM and in the coming year at the ESB<sup>12</sup> and Telecom Eireann.

## A new world?

The motif of ‘competitiveness’ running through workplace partnership and the current union-employer-government agreement (the Programme for Competitiveness and Work) does not make a good match with trade unionism, which one was led to believe arose as an antidote to competition between companies and between workers themselves.<sup>13</sup> It blends well though with a revamped world-view placing the trade union eggs in the basket of the EU, the Maastricht Treaty, a strong currency and the European Social Charter. A world view that sees itself getting behind the perceived dawn of new technology. A world views that seeks to sail with a restructuring capitalism and the ascendancy of new right ideology. One which compensates for the decline in labour militancy by seeking to place trade union relevance elsewhere than in the class struggle. This results in a half- belief in the end of the working class as an entity and the transformation of its members into consumers.

It is a political economy based on the OECD, the ESRI and the NES<sup>14</sup>. Once, and not so long ago, the economic policies

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<sup>12</sup> Electricity Supply Board.

<sup>13</sup> Peter Cassels was this year appointed to the Competitiveness Advisory Group of the European Union (EU).

<sup>14</sup> The last two are Irish economic think tanks.

of trade union leaders was based largely on state enterprise and the public sector. This underlying doctrine has been replaced without acknowledgement. A discredited statism has been replaced by a fatalistic adoption of the market; a loss of belief in any kind of 'socialist' alternative replaced with a 'new realism' that contends there is no basic alternative.

This creeping conversion has to some extent been fuelled latterly by the collapse of the 'Soviet' bloc, towards which many union leaders and backroom gurus sidewardly looked.<sup>15</sup>

Just how far into the business ethos things have gone is illustrated in the ICTU 1995 Pre-Budget Submission, which declares: *Improved competitiveness is crucial for economic growth and job creation and must be protected from upward pressure on pay and inflation.* Once it was the employers and government ministers who said that wage rises cause inflation and unemployment. John O'Dowd, General Secretary of the Civil and Public Services Union (CPSU), writing in the Sunday Tribune in August about the need for confidence in the *change process* in Telecom Eireann (i.e. the cutting of several thousand jobs) said, *competition is here to stay and Telecom staff depend on achieving, and sustaining competitive advantage within this new environment.*<sup>16</sup>

As with much of the unions' thinking over the past decade Managing Change is a legislation of existing practice. There is nothing new about union officials arguing for an employer's proposals — or a compromise version of them — on the job. Congress brought this to a high point in 1994, the centenary of its foundation, by becoming the 'persuader' in Irish Steel and TEAM Aer Lingus alongside employers, politicians and the me-

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<sup>15</sup> Democratic Left are ex-stalinists currently in the Irish governing coalition. An article in their magazine Times Change (don't they just) on The Future of Work by Sean Kelly ends: *In the global competitive trade wars that are now being witnessed it appears that the only source of job security for workers is satisfied customers.* (Times Change, Autumn/Winter 1994.).

<sup>16</sup> Sunday Tribune, 13-8-95.

dia. Actually, Managing Change and Motion 19 arose directly out of a review group established by Congress to investigate 'what went wrong' in these two cases (where some workers were hard to persuade).

Managing change — never had a policy a more apt title. The system requires regular change, to ensure competitiveness and profitability. There's a need for an apparatus — complete with apparatchiks — for its smooth operation. The rough edges of the employers' proposals may have to be trimmed. The workforce will be delivered up to accept the essence of the changes all systematised through a prepared procedure. No more cliff-side ballots, no more embarrassing blockades on the Airport Road, no more 'workers vote for suicide' newspaper articles, no (perish the thought) importation of Air France-type direct action resistance.

In the new schema, of course, it is the rank and file who live with the changes, while the leaders enter the corridors of power and increase their salaries. (The three General Officers of SIPTU receive £70,000 per annum, according to the Sunday Independent.<sup>17</sup> That's before car and expenses.)

## Bureaucrats as policemen

Managing Change extends the domain of the persuader and of the police officer within the industrial relations process. Peter Cassels, answering criticism<sup>20</sup> that the ICTU might

*whip the trade unions into line, said: And if that requires us telling a trade union they're off-side we'll say they're off-side. And if it requires telling union members they're off-side, then we'll tell them they're off-side.*<sup>18</sup>

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<sup>17</sup> Sunday Independent, 20-8-95. SIPTU (Services Industrial Professional Technical Union)

<sup>18</sup> Irish Times 6-7-95.