

CHAPTER 18

THE POST OFFICE

IT is a far cry from the year 1512 when, according to the available records, the first postmaster was appointed, and in none of the public services has there been such tremendous development. The original sole object of the postal service was to convey the king's mails and the conveyance of private or commercial correspondence was for some time only a side-line. Naturally, therefore, there was every temptation for the private trader to set up in competition with the state and there were, in fact, all the possibilities of a big privately run mail service until a stop was put to it in 1609 by the creation of what was virtually a state monopoly. For years after this, however, attempts were made to organize private services on a cut-price basis and we find that it was not until 1840 that the attempts were given up and the state could claim that it had ousted all competitors.

For some time it appears the services were poor and the postage rates high, until in 1635 the first reforms were introduced and steps were taken to make the postal service a self-supporting institution with fixed charges and regular deliveries. For some unaccountable reason, however, London was not included in these reforms and it was left to a private individual, by name William Dockwra, to challenge the state monopoly and to organize a service on the basis of a penny post. From all accounts this became so profitable that the state could hardly afford to overlook its existence and Dockwra was, therefore, put out of business and his service, together with the penny post, taken over as a going concern by the Postmaster General.

The revenue-raising possibilities of the postal service were given further recognition by an act of 1711 which imposed increased rates and then for a considerable period the service was farmed out to an enterprising person, one Ralph Allen,

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who brought about such improvements that in addition to bringing increased revenue to the state, he managed to net a fortune of half a million for himself. It is not at first sight easy to see why the Post Office should from its earliest days have been singled out as the revenue milch cow, but it is certainly true that whenever the state coffers stood in need of replenishment the postal services were compelled to show an ever-increasing credit balance. This was the case during the Napoleonic wars when rates again soared to unprecedented heights and the affairs of the Post Office were put on such a stable footing that by the year 1840 it was possible to show a revenue of £2,390,000 and a profit of £1,633,000.

At this stage Rowland Hill arrives on the scene and with him the uniform penny post. According also to some authorities, the Post Office for the first time became primarily an instrument of communication and only incidentally a medium of taxation, which perhaps is only another way of saying that a rising industrialism was demanding improved postal facilities and getting them.

The subsequent landmarks in the development of the state-controlled communications service were the purchase of the telegraphs in 1870, of the trunk telephone system in 1896, and of the local system in 1912.

Prior to 1870 the telegraph business was in the hands of a number of competing companies with the inevitable result in terms of indifferent service and a differential tariff. It cost the state £10,000,000 to acquire the telegraphs and of this sum over £7,000,000 went to the companies by way of compensation. To illustrate the rising demand for cheap and efficient transmission we learn that when in 1883 the sixpenny telegram was introduced, it brought about a fifty-per-cent increase in the number of telegrams.

The history of the telephone system followed a similar course. Thomas Bell brought his epoch-making invention to London in 1877 but the government would have none of it and it was left to a number of private concerns to perfect and exploit it. In 1880, however, the government did succeed in obtaining a High Court ruling to the effect that a telephone

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was a telegraph within the meaning of the act but it made no attempt to follow up this advantage and to take over the telephones as part of an ever-widening network of communications. It displayed here, as elsewhere, a notable reluctance to interfere unduly with the prerogatives of private enterprise and it was only when private enterprise itself clamoured for the more efficient service which only the state could provide that the trunk system was eventually taken over at a cost to the public of £459,000.

Fifteen years later, the taxpayers of the country paid out another £12,500,000 to enable the state to acquire the rest of the telephone system.

Another important service taken over from private enterprise was the savings-bank business. This, after a small beginning in Scotland had grown to such an extent that at the beginning of the nineteenth century more than 500 savings banks were opened during the course of a single year. All this business passed by law to the Post Office in 1861. The result was astounding. In 1870, for instance, the total deposits amounted to £6,000,000—by 1880 they had risen to £33,000,000, and in 1938 the amount deposited was little short of £500,000,000. The state, in short, had provided a further incentive for the thriftiness which had its roots in the insecurity and precariousness of private enterprise—a fact which the Tory party was not slow to recollect when many years later it defeated the Labour Party at a general election with the slogan “your savings are in danger”.

It would be reasonable to assume that a profit-making department fulfilling a social function of constantly growing importance and with ramifications spreading in every direction would have permitted its own employees to share in the general good—the more so since a committee of enquiry in 1933 placed on record its opinion that “on the whole, the Post Office performs the services for which it is responsible with remarkable efficiency”. But in one thing, at least, the state was determined to follow closely in the footsteps of the private concerns from which it had taken over. We shall not be surprised, therefore, to discover that in 1933 out of a total

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of 180,000 full-time employees of all grades nearly one third received pay (including bonus) not exceeding 50s. a week, and one half not more than 60s.

We shall also appreciate that, notwithstanding an increase of the Post Office surplus from £4,450,000 in 1922 to £10,632,000 in 1932, a London postman with years of service to his credit, was fortunate in the possession of 112s. 2d. a week including bonus, and that over 13,000 auxiliary part-time postmen would be unreasonable to expect more than an average of 26s. a week.

Nor were the telephone and telegraph staff any more generously treated, for the highest basic rate for skilled electricians did not in 1932 exceed a maximum of 58s., and out of a total staff of 30,000, only 4,000 received wages inclusive of bonus in excess of 66s., while at least one third of the 30,000 were occupying non-pensionable posts.

We find, too, that as a result of schemes of rationalization leading to increased output by fewer staff at reduced cost, approximately 4,000 Post Office workers were discharged or reduced to lower rank over a period of five years.

It would be useful to bring this story of a poor return for an indispensable social service up to date by reference to the scale of wages payable to some of the grades employed in the postal service immediately prior to the outbreak of war. The man who sold your stamps or issued your wireless licence, for instance, was on a scale rising from 30s. a week at 16, to a maximum of 108s., reached after eighteen years' service. His female counterpart stopped at 83s. 6d. Telegraphists, a highly skilled community, went no higher than 105s. for men and 79s. for women. Sorters started at 36s. and finished at 102s. Women telephonists employed in central London soared dizzily to 66s. at thirty years of age and stayed there. Paperkeepers in the Savings Bank and Money Order Department enjoyed a 79s. maximum. Indoor messengers in London were worse off to the extent of 4s., while doorkeepers and liftmen were well on the poverty line with 55s. 6d. after three years' service.

Cleaners were paid at hourly rates which for part-time

cleaners started at 1s. 0 $\frac{3}{4}$ d. and rose after three years' service to 1s. 2d. By comparison, the wireless telegraphists stand out as the aristocracy of the postal service. Commencing at 62s. 6d. and rising on passing the appropriate technical examinations to 76s. 0d., they finish up on a maximum of 120s. What of the man who actually delivers the goods? There are five grades of postmen according to area. The maximum of the lowest was 62s. 6d. and of the highest 75s. Auxiliaries of the highest grade were paid 1s. 4d. an hour after four years' service if they were men, 1s. 2 $\frac{1}{2}$ d. an hour if they were women.

It will be seen from these figures that the state in the person of the Postmaster General knows how to drive a hard bargain. They furnish, too, some part of the explanation for a surplus amounting to £11,000,000 in 1937-8, just over £10,000,000 in 1938-9 and £7,500,000 in 1939-40. They strike one as a very inadequate reward for the delivery of 7,990,000,000 letters and 179,540,000 parcels, the handling and transmission of 58,382,000 telegrams and of 2,059,300,000 local telephone calls, the issue of 399,331,000 postal orders or the transaction of savings-bank business to the tune of £244,779,000.

The figures quoted are for the year 1937-8, and represent only a part of the work of the Post Office for that year.

And how many people are employed in this vast organization? Here are some figures taken at random from the U.P.W. handbook—postmen (established) 61,945, postmen (part-time) 11,029, sorters 7,829, messengers 9,520, cleaners 4,018, porters 2,531, wireless operators 105, telegraphists 971 (men), 932 (women)—all part of an undertaking which by common consent works with such smooth efficiency that, apart from a few irresponsibles, no one has been found to suggest that it should be handed over to the tender mercies of private enterprise.

The further development of the Post Office is bound up, of course, with the general extension and development of systems of communication, including broadcasting and television, at present wholly, or in part, outside its jurisdiction. Its present ramifications are so widespread that they can be said to cover not one service but a dozen or more and each of them growing.

They touch and cross the boundaries of private enterprise at a number of points and the policy of the postal administration is made to conform very largely to the general pattern which private enterprise sets. It is even, as we have seen, itself a profit-making concern, so much so that a campaign before the war for the reintroduction of a penny post was brought to nothing, principally because it would have cost the Exchequer something like £7,000,000 in a full year. The significance of this victory for the Treasury will not be lost upon the reader. Here was a policy issue with a considerable bearing upon public convenience and commercial development which appears to have been decided by reference only to the revenue-producing capacity of the postal service.

It is this knowledge which has influenced the largest of the postal unions, the Union of Post Office Workers, to include in its programme "the joint management of the Post Office in conjunction with the State and the development of the Service on lines of increased public usefulness" or to quote from its printed objects: "The organization of Post Office workers into a comprehensive industrial union with a view to the service being ultimately conducted and managed as a guild." Now there is, as we have already made clear, no other Civil Service union which goes to these lengths in its attempt to claim for its members a share in the organization of the state apparatus. All the others have been content so far to exploit as fully as possible the facilities afforded by the various departmental Whitley Councils and some of them, as we have seen, with a fair measure of success. The postal unions, however, have a history which links them with the pioneers of industrial trade unionism and a membership which continues the analogy up to the present day. The U.P.W., therefore, has always been a convinced advocate of workers' control within its own industry. It has been unremitting in its propaganda for the creation of a Joint Administrative Council, seeing in this the logical development of the work of the Post Office Whitley Council and the best way of maximizing the contribution of the staff towards the better organization and continued development of the postal services.

A conference of staff-side constituents met recently to

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examine the whole question afresh and a report was made to the T.U.C. with a request that the support of the Labour Party should be invoked. The reply of the T.U.C. is not without interest. It makes it clear that the General Council of the T.U.C. is not prepared to endorse the proposals for workers' control of the Post Office as they stand, and Sir Walter Citrine goes on to say:

"The whole question of T.U.C. policy on Workers' Control is at present under review. Your Executive Council will, no doubt, be aware that the present policy of the T.U.C. is that workpeople should have the right to be represented through their trade unions on the boards of management of socialized undertakings and that this right should be secured by statute.

"So far, however, no decisions have been made as to the legislative provisions or the administrative machinery by which this principle should or could be enforced, nor as to the extent of proportion of representation of workpeople on boards of management. These are obviously matters of the utmost importance requiring very careful consideration, and it did not seem to the General Council that your own proposals were sufficiently explicit or detailed on these particular matters. From informal conversations with the Labour Party, I understand that their considerations are proceeding in the same direction as ours."

Actually there is a considerable amount of controversy within the U.P.W. itself, and a fairly strong body of opinion by no means convinced that in existing conditions, workers' control is to be commended as the best policy for advancing the interests of the postal workers themselves or of the undertaking in which they are employed.

The view has been expressed by politically advanced sections of the U.P.W. membership that joint management with a capitalist state can itself provide no solution to the workers' problems and that staff representatives on any sort of joint council approved by the administration would find themselves in an impossible position. It is argued that to suggest that the

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true nature of a capitalism which is reflected in every part of the state apparatus can be transformed by extending the objects of a trade union to embrace a measure of joint control is at best utopian, and at worst an attempt to contract out of the larger political questions of social ownership of the machinery of production as a whole.

Whatever the merits of this particular controversy, enough has been said to illustrate how urgent it is that the public should be well informed as to the inner workings of a department of state, the operations and development of which are found to be of such tremendous social significance.