

# CALENDAR OF ECONOMIC EVENTS:

## JULY—SEPTEMBER 1971

- July 1** Trafalgar House Investments bids £24 million for Cunard.
- 1** Grand Metropolitan Hotels drops Cunard bid and launches a £34 million bid for the Truman Hanbury Buxton brewery group.
- 1** Price rises announced for three national morning papers: *Daily Mail*, *Sun*, and *Daily Telegraph*.
- 1** Time limit on deutschemark floating demanded by France.
- 3** Threat of strike call by 18,000-strong National Union of Blastfurnacemen.
- 5** Hearing opens on collapse of Vehicle and General Insurance Co.
- 5** £10 million offer by United Drapery Stores for John Myers.
- 5** Government makes 'final offer' of 8 per cent wage increase to 200,000 industrial workers.
- 6** Delegates representing Britain's 290,000 mine-workers decide to press for wage demands of 35-47 per cent and to back them with threats of industrial action.
- 6** Northern Ireland Government to take £4 million stake in Harland and Wolff, giving 47.6 per cent holding in the enlarged equity.
- 7** Prime rate rises from 5½-6 per cent announced by several United States banks (First National City, Chase Manhattan, Bank of America).
- 7** White Paper 'The United Kingdom and the European Communities' published (*Cmnd* 4715).
- 8** Over 7,000 workers employed in motor cycle division of Birmingham Small Arms Co. warned of inevitable redundancies.
- 9** Pay claim for 12,000 dock workers, estimated to add 20 per cent to London port employers' wage bill, put jointly by TGWU and NASD.
- 10** 14,000 London Transport tube workers to get pay rises in line with the 8½-11 per cent British Rail settlement, backdated to 3 May.
- 13** New £33 million public works programme, to ease unemployment in Scotland in coming months, announced by Government, as first instalment of national scheme for development areas involving about £100 million over next few years.
- 14** Grand Metropolitan Hotels and Watney Mann raise their bids for Truman Hanbury Buxton; Grand Metropolitan terms value Truman at £43 million and those of Watney at £47 million.
- 14** ICI's proposed \$164 million takeover of Atlas (see Calendar, NIESR no. 57, 15 April 1971) to go ahead.
- 14** Shop stewards for 10,000 skilled men in Coventry motor, machine tool, and engineering plant to set up a fighting fund to support their efforts to retain tool-room agreement.
- 15** CBI makes major attempt to restrain price increases, provided Government takes sufficient measures to reflate economy. Industry to be asked to avoid price increases over next twelve months or to limit them to 5 per cent or less in unavoidable cases.
- 15** Trafalgar House Investments raises offer by £2 million to £26 million for Cunard equity.
- July 15** C. T. Bowring, the insurance broking, underwriting, and hire purchase group, makes £25 million agreed bid for Singer and Friedlander (Holdings).
- 15** Discount rate rise from 4½-5 per cent signalled by United States Federal Reserve Board. The four Federal banks have already announced it, and others are expected to follow.
- 16** Commission on Industrial Relations. Report no. 20. Joseph Lucas Ltd (*Cmnd* 4718).
- 19** National Union of Agricultural and Allied Workers submits claim for 20 per cent wage increase.
- 19** Mini-budget:
- (1) Reduction in purchase tax rates, amounting to nearly £400 million in a full year.
  - (2) All terms on credit sale and rental agreements removed for new plant and machinery, through first-year tax allowance increase from 60 to 80 per cent.
- 19** 'Final' 8 per cent pay offer for 200,000 Government industrial workers turned down by union leaders (see 5 July).
- 19** All major nationalised industries to observe CBI's proposed period of voluntary price restraint.
- 20** Truman board agrees to recommend Grand Metropolitan Hotels offer.
- 20** Rowntree Mackintosh puts in £10.9 million bid for Bovril, to counter £9.8 million offer by Cavenham Foods.
- 20** Government approves 10.8 per cent pay rise for teachers in England and Wales, backdated to 1 April.
- 22** Cunard to reject £26 million offer from Trafalgar House Investments.
- 22** ICI Fibres making 1,450 employees redundant in rationalisation scheme.
- 22** Employers reject pay claim for 10,500 London dockers that would have added about 30 per cent to £20 million wages bill.
- 22** Smith Dock, of Swan Hunter Group, wins £10 million contract to build 12,000-ton cellular containers for Manchester Liners of Furness Withy.
- 23** 7-12 per cent pay rises for 350,000 local council white collar workers under agreement between NALGO and employers.
- 27** Bank of Japan reduces official discount rate by 0.25 per cent to 5.25 per cent.
- 28** British Steel Corporation may have loss of at least £110 million this year.
- 28** Arbitration award of 11 per cent plus 2 per cent for better productivity made to Post Office engineers.
- 28** 'The Future Shape of Local Government Finance' published (*Cmnd* 4741).
- 28** TUC General Council against EEC entry by narrow majority (15 to 11).
- 29** ICI offer for remainder of Qualitex (90 per cent) valued at £12.8 million.
- 30** Upper Clyde Shipbuilders shop stewards 'take over' yards.

- July 30** Birmingham Small Arms Co. announces £3 million losses in 1970-71.
- 30** Independent bakers, accounting for 20 per cent of bread sales, likely to raise large loaf prices by 1p in September, due to 14 per cent wage increase for shop workers and higher ingredient costs.
- 30** Union leaders recommend 200,000 industrial civil servants to accept pay rises averaging  $8\frac{1}{2}$  per cent.
- Aug. 1** Upper Clyde Shipbuilders shop stewards launch campaign for funds to keep going the 'work-in'.
- 2** Work in Swan Hunter's five Tyne shipyards stops, due to decision at 1,200-strong meeting that 3,000 ancillary workers are to go on unofficial strike in support of pay claim.
- 2** United States Senate approves by margin of 1 vote legislation to provide Lockheed Aircraft Corporation with \$250 million loan guarantee.
- 2** Joint working party to be set up by Amalgamated Union of Engineering Workers (1.4 million workers) and Electrical and Plumbing Trades Union (400,000) to consider merger terms.
- 3** Executive of 15,000-strong National Union of Blastfurnacemen warns British Steel Corporation that it will call out its members on strike from 5 September, unless they get improved pay offer.
- 3** Increase in prime rate  $\frac{1}{2}$  per cent to  $6\frac{1}{2}$  per cent by Bank of Michigan.
- 3** Near-settlement of 9 per cent pay claim and pay scale changes end Post Office Giro computer staff strike.
- 4** Fourth bid by Grand Metropolitan Hotels for Truman Hanbury Buxton (valued at £48 million).
- 4** Government to raise amount of cheap credit available to British shipowners from £700 million to £1,000 million at current interest rate of about 7 per cent.
- 5** Industrial Relations Act 1971 receives Royal Assent.
- 5** Single authority, British Gas Corporation, to take over responsibilities of Gas Council and Area Boards.
- 5** ICI to pay Carrington Viyella £10 million in cash as part of consideration for its acquisition of CV's UK yarn texturing interest.
- 6** Employers of London's 4,000 riverside dockers refuse to improve offer of 5 per cent increase in bonus payments and in basic weekly wage of £27.50. Demands for five hour cut in working week also rejected.
- 6** Members of London Discount Market Association abandon fixing of common buying rate for prime three-month bank accepted bills.
- 6** 'Proposals for Retail Price Indices for Region', Retail Price Index Advisory Committee (*Cmnd* 4749).
- 7** Upper Clyde Shipbuilders senior shop stewards to meet Sir John Eden, Minister for Industry, on 9 August in London, to discuss 'alternative proposals' for the bankrupt group's future.
- 7** 2,700 workers at the two Joseph Lucas plants in Birmingham to go on to a four-day week from 9 September.
- 8** Further week's shutdown at Swan Hunter's Clyde shipbuilding yard on Tyneside threatened as result of mass meeting, which voted to continue the week-old strike by 2,800 general workers, which has thrown further 7,500 out of work.
- 9** Rowntree Mackintosh produces agreed second bid for Bovril, valuing Bovril at £13.4 million.
- Aug. 9** Around 5,000 workers at UCS's Glasgow yards, Govan, Scotstoun, and Linthouse Steel Factory agree to join their fellow workers at Clydebank in voluntary levy of 50p per week and also in operating a 'work-in'.
- 9** British Leyland's Triumph Motors plant in Coventry hit by industrial action on three fronts (continuing overtime ban, piecework dispute involving assembly workers, and sanctions imposed by 70 internal drivers over a manning dispute), which resulted in up to 1,600 workers already laid off with further 400 today.
- 10** Cavenham makes third bid for Bovril, valued at £14.5 million.
- 10** Newspapers Publishers Association rejects claim by National Graphical Association for separate pay negotiations and percentage increase to maintain its differential over other workers.
- 10** 35 senior engineers employed by C. A. Parsons, Newcastle, given one month's notice to quit their jobs because they refuse to join trade union.
- 11** Proposed partial bid for Birmingham Small Arms from Dr Daniel McDonald's company, Vision Enterprises, will not go ahead.
- 11** New register of trade unions to be set up on 1 October.
- 13** Union leaders of 6 million public sector workers lay preliminary plans to oppose Government pay discrimination against public sector employees.
- 13** Common Tyne pay policy urged by General and Municipal Workers Union in Swan Hunter strike.
- 14** 10,000 Liverpool dockers offered pay-productivity deal adding £9 a week to basic rates and allowing three-shift round-the-clock working.
- 15** President Nixon announces economic measures including non-convertibility of the dollar; 10 per cent import surcharge; and 10 per cent cut in foreign economic aid. Prices, wages, and dividends to be frozen for 90 days; income tax exemptions brought forward to January 1972; proposals to stimulate R and D; cuts in Federal spending of \$4,100 million; and proposed Enactment of Job Development Act of 1971.
- 16** Terms of Watney Mann's proposed new offer for Truman Hanbury Buxton published.
- 16** 2,000 white-collar workers walk out in official pay strike, demanding 8 per cent cost-of-living pay increase, and threaten steel output at Port Talbot.
- 16** Closure of foreign exchange markets.
- 17** Cavenham stake in Bovril increases to 43 per cent.
- 18** Lines Brothers to go into voluntary liquidation.
- 18** Mr A. B. Kelly, former owner of Ardrossan dockyard, has talks with Sir John Eden, Minister for Industry, about possible acquisition of entire Upper Clyde Shipbuilders complex.
- 18** 4,500 Chrysler night- and day-shift workers at Ryton, Coventry, accept latest pay deal, receiving extra £3 a week.
- 19** BOAC plans £63 experimental London-New York scheduled air fare to start February 1972, if open-rate situation ensues.
- 19** Grand Metropolitan adds 15p per share in its offer for Truman equity.
- 20** £ sterling to float from 23 August.
- 20** 15 blocks put up for competitive tender in UK North Sea fetch total £37.2 million.
- 22** 10,000 Liverpool dockers accept new pay and productivity deal.

- Aug. 23** Strike by 300 maintenance engineers, demanding more holiday pay, at two of Lucas, Midland plants, leads to nearly 1,000 other workers being sent home.
- 23** Two-tiered exchange market begins in France, with a freely floating 'financial franc' for capital and tourist transactions, while current transactions remain at official dollar exchange rate.
- 23** Italy, Sweden, Denmark, and Norway float currencies. Netherlands, Belgium, and Luxemburg to operate a joint controlled float as a single monetary bloc.
- 24** Hawker Siddeley Aviation wins £20 million order from People's Republic of China, to supply six Trident 2E jet airliners, including spares.
- 24** Lucas Group closes all nine Birmingham component factories.
- 25** Grand Metropolitan Hotels wins control of Truman Hanbury Buxton.
- 25** Trafalgar House Investments achieves 75 per cent acceptances which it needed to take full advantage of Cunard tax position, and goes unconditional.
- 25** Over 500 companies have come forward voluntarily to sign CBI undertaking, bringing total number of signatories to over 700.
- 25** Another 220 UCS employees to receive redundancy notices by weekend, bringing total by end-August to near 400.
- 26** Commission on Industrial Relations, Report no. 22. 'Shipbuilding and Shiprepairing' (*Cmnd 4756*).
- 26** Engineering unions put forward demand for improved pay and conditions which would add more than 40 per cent to the industry's labour costs.
- 26** Railwaymen in 190,000-strong NUR demand substantial pay rise, four months after last settlement.
- 26** Westland Helicopters to close factory at Hayes, where 1,800 people are employed.
- 26** 26 engine despatchers, whose strike halted British Leyland Mini production and laid off more than 4,000 other workers, decide to stay out.
- 26** Print industry's pay talks fail and National Graphical Association draws up contingency plan for industrial action if its claim is rejected.
- 27** Treasury announces that from 31 August banks will not be allowed to pay interest on extra deposits from non-residents.
- 27** Blastfurnacemen call off national strike which was due to begin in eight days' time.
- 27** London dock union leaders tell port employers that because their 15 point pay claim has been rejected, they will scrap the year-old modernisation deal, which, among other things, ended piece-work in the enclosed docks. Some 10,000 men affected by the decision.
- 28** Japan decides to float yen.
- 30** British Leyland management to recall progressively the 3,000 men laid off at Longbridge and 3,200 at Castle Bromwich bodyworks made idle last week (see 26 August).
- 30** ICI to raise DM 100 million loan on German capital market in September.
- 31** Between £3 million and £6 million price put on UCS complex, with its three shipyards and steel fabrication unit taken 'as a going concern'.
- Sep. 1** Great Universal Stores announces agreed terms for 73 per cent of ordinary shares of A. & S. Henry which GUS and its associates do not already own.
- Sep. 2** Bank rate cut by 1 per cent to 5 per cent.
- 2** Work-to-rule by BEA pilots ended.
- 2** £10 a week pay rises believed to have been negotiated for 240 dockers employed by Norwegian-owned Fred Olsen lines in London.
- 2** Lucas car component strike talks reach deadlock.
- 3** Walkout by 7,000 workers at BAC's Filton works near Bristol halts work on Concorde project.
- 3** £12½ million counter-offer from Reed International recommended by sanitary ware makers, Twyford.
- 4** 400 Swan Hunter workers at two Tyne yards walk out after five caulkers, members of Boilermakers Amalgamation, were sent home.
- 4** Vauxhall Motors postpones short-time working planned to begin 20 September at Luton, Dunstable, and Ellesmere Port.
- 4** Concorde project threatened with guerilla strike tactics by workers, protesting against BAC's plans to make 460 workers redundant.
- 4** Unions lodge 15 per cent wage rise demand on basic rates on behalf of 70,000 municipal busmen.
- 7** Return to work at Lucas' nine Birmingham factories likely by 13 September.
- 7** Lines Brothers liquidation deferred 21 days.
- 8** CBI announces that total of 176 of 201 leading companies in United Kingdom signed price undertaking (see 15 July).
- 8** Trades Union Congress at Brighton overwhelmingly opposes Britain's entry into EEC on proposed terms.
- 8** Swan Hunter shipyard shop stewards defy union instructions to end 850-men strike over travel claim arising from workers' transfer to nearby yard.
- 8** City Takeover Code amendment on 'cash alternatives'. If a bidding company buys more than 15 per cent of the target company during the offer or up to one year before the bid, it must provide a cash alternative for accepting shareholders.
- 9** Final go-ahead given for \$250 million US Government guaranteed loan to safeguard Lockheed Corporation's Rolls-Royce powered Tri-Star project.
- 9** Co-operative Bank cuts personal loans interest rate to 6½ per cent.
- 9** British Leyland might face indefinite shutdown at Triumph Sports and Saloon Car factories at Coventry and Liverpool, with up to 13,000 workers laid off, following decision of 400 engine assemblers at Coventry to continue their pay strike.
- 10** Bank of England announces new regime of more flexible control for banks and finance houses, from 16 September; all present 'ceiling' limits on lending will be removed, and all institutions will be required to observe a fixed minimum reserve ratio.
- 10** Swedish Bank rate cut by ¼ per cent to 5½ per cent.
- 11** British shipping companies seek increase of over 38 per cent in freight rates for New Zealand meat and dairy cargoes.
- 13** Bonus scheme for pay increases to keep pace with rise in cost of living demanded by National Federation of Construction Unions, representing over 800,000 workers. Similar demand made for 800,000 local council manual workers.
- 13** Government gives go-ahead to ICI's plan to acquire four of its major yarn customers for total of nearly £23 million.

- Sep. 14** Netherlands Bank rate cut by  $\frac{1}{2}$  per cent to 5 per cent.
- 14** National Union of Mineworkers presents £120 million wage claim to National Coal Board.
- 14** White Paper 'Strategy for Pensions', containing basic reforms of State pension scheme published (*Cmnd 4755*).
- 15** IATA agreement on fares to end from 1 February 1972 for passengers flying North Atlantic.
- 15** 300 Lucas maintenance workers resume work.
- 15** 400 engine assemblers at Triumph accept offer of interim bonus payment, while talks on piecework claims continue.
- 16** 'Group of Ten' emergency meeting on currency crisis ends in deadlock.
- 16** Rolls-Royce Motors, now operated independently of Aero Engine Co. Rolls-Royce (1971), likely to become independent publicly owned company.
- 16** Transport and General Workers' Union withdraws threat to end London docks Devlin modernisation pact, following progress in talks with employers, who have offered about 6 per cent in reply to claim of up to 30 per cent.
- 16** GKN to close its Cwmbran New Town engineering works, with 1,000 employees, at end of 1971.
- 16** Union of Post Office workers seeking review of Hardman Inquiry's findings which led to 9 per cent pay award, in hope of gaining supplementary award backdated to 1 January 1970.
- 19** Production of national daily and London evening papers stops.
- 20** Irish Central Bank rate cut by  $\frac{1}{2}$  per cent to  $5\frac{1}{2}$  per cent.
- 22** Belgian Bank rate cut by  $\frac{1}{2}$  per cent to  $5\frac{1}{2}$  per cent.
- 23** Production of national daily and London evening papers resumed, as unions make preparations for printing workers to vote on pay settlement reached by their leaders and publishers to end five-day shutdown. Closure meant loss of more than 80 million copies and about £2.5 million sales and advertising revenue (see 19 September).
- Sep. 23** British Rail plans redundancies of 2,300 more workshop employees in 1972 and 3,200 by 1976. Joint working party of unions and Board to try to minimise effect.
- 23** 6 per cent pay offer by employers in London's enclosed docks rejected by NASD, representing a third of the 10,500 men employed.
- 23** British Petroleum to raise £120 million by means of single rights issue.
- 24** Some 100,000 workers in retail multiple grocery groups to benefit under 12 per cent pay-and-hours deal, which gives increases of up to £2 on a week reduced from 42 to 41 hours.
- 24** Industrial Tribunals shortly to have their structure changed to exclude union approved members as result of TUC's anti-Industrial Relations Bill campaign.
- 27** IMF annual meeting opens in Washington.
- 27** Government names three High Court judges appointed to National Industrial Relations Court, which is to start operating in December.
- 27** Civil Service Union secures pay settlement giving increases of 11-13½ per cent backdated to 1 January to 700 assistants in Government laboratories.
- 27** Week-old ban on Concorde work at BAC continues following breakdown in talks.
- 29** Talks open between Govan shipbuilders and unions on future of shipbuilding on Upper Clyde.
- 29** £10 million investment requirement ultimatum from BSC to leading electrical generating plant manufacturers, in order to halt closure of River Don works at Sheffield.
- 29** Lines Brothers voted into liquidation.
- 29** Full Takeover Panel takes steps to discourage practice of 'shut-out' bids.