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A PRIVATE WELFARE AGENCY FOR
WHITE-COLLAR WORKERS BETWEEN
THE WARS

A STUDY OF THE LIVERPOOL CLERKS' ASSOCIATION, 1918-39

Despite the proliferation of studies concerned with the unemployment problem and the mechanics of welfare provision between the world wars, most historians have focused either on the difficulties facing manual workers or on the role of state services in the provision of benefits. This emphasis is not surprising given the persistence of a high level of manual unemployment in this period, which led in turn to an unprecedented demand for maintenance and a huge increase in public expenditure on unemployment relief. However, the emphasis upon manual workers has led to an unfortunate neglect of other sections of the labour-force, while the concern with the evolution of state services has diverted attention from the continuing importance of voluntary agencies in the field of welfare provision.¹

The present paper concentrates on the experience of the most numerous of the non-manual workforce, clerks, by exploring the activities of a major provincial friendly society, the Liverpool Clerks' Association, which through its extensive provision of benefits serves to illustrate the impact of the inter-war depression on one section of the white-collar class. The activities of the LCA confirm the persistence of a nineteenth-century, mutual-self-help tradition extending benefits to a class of claimants who have been largely ignored by historians of the inter-war years. In addition the particular facilities of the LCA, especially the employment department, help to illuminate the workings of the white-collar labour market during the recession.

Historically, clerks have not been seriously affected by unemployment. Before the First World War they were part of a relatively small salariat

¹ For a view which does emphasise the role of private and voluntary organisations in the promotion of public welfare see N. Whiteside, "Private Agencies for Public Purposes: Some New Perspectives on Policy Making in Health Insurance Between the Wars", in: *Journal of Social Policy*, XII (1983).

working in fairly close contact with their employers, sometimes as trusted “lieutenants” to the captains of industry and commerce. Some did suffer from unemployment in the Great Depression of the last third of the nineteenth century, but most were more concerned about the threat to their social status than to their jobs, caught as they were between the ranks of manual labour and the secure middle class of entrepreneurs and professionals.² Between the world wars, despite the problems affecting parts of Britain’s manufacturing economy, service employment continued to expand. Between 1921 and 1951 all white-collar workers increased their share of the total occupied population from 21.2% to 30.9%, and the major subgroup, clerks, increased its share from 6.5% to 10.4%.³ Moreover, service employment was generally more secure than manual employment between the wars. According to data from the 1931 census unemployment among clerks and typists was 5.5%, compared to 30.5% for unskilled, and 14.4% for skilled manual workers.⁴ Unlike goods, services could not be stored, so that even in periods of business contraction like the inter-war years clerks and other service workers benefited from the greater stability of employment afforded by the stability of service output. This has led some historians to link regional variations in the level of unemployment in inter-war Britain to the greater stability afforded by the service sector. Areas like the South-East, where services figured more prominently in the local occupational structure, did better than regions in “outer Britain” like the North of England.⁵ Sidney Pollard has argued that without an increase in service employment the inter-war depression would have been much worse.⁶

Despite the picture of expanding service employment and the more secure position of clerks compared to manual workers, unemployment *itself* was a frighteningly new experience given clerks’ previously advantaged position. The problem of unemployment was exacerbated because many clerks and other white-collar workers, earning above £250 a year, fell outside the safety net of state insurance. In 1934 the General Secretary of

² The economic and social position of clerks in nineteenth-century Britain is now well-documented; see D. Lockwood, *The Blackcoated Worker* (1958), ch. I; G. Anderson, *Victorian Clerks* (Manchester, 1976); *The Lower Middle Class in Britain 1870-1914*, ed. by G. Crossick (1977). Place of publication is London unless otherwise stated.

³ Figures derived from G. S. Bain, *The Growth of White-Collar Unionism* (Oxford, 1970), p. 12.

⁴ *Ibid.*, p. 68

⁵ N. Von Tunzelman, “Britain 1900-1945: A Survey”, in: *The Economic History of Britain since 1700*, ed. by R. Floud and D. McCloskey (2 vols; Cambridge, 1981), II, p. 247.

⁶ S. Pollard, *The Development of the British Economy, 1914-1980* (1983), p. 185.

the National Federation of Professional Workers estimated the number of unemployed white-collar workers was 300-400,000.⁷ David Lockwood, writing in the 1950's with memories of the inter-war depression still strong, felt that white-collar workers had "suffered as acutely as almost any other group due to the lack of communal provision for their plight and the conventional expectations of their position".⁸ For Lockwood the increase in unemployment among clerks in the 1930's was sufficiently high "to destroy the traditional association of security and black-coat employment".⁹ F. D. Klingender, writing from the Marxist perspective in the 1930's, felt that the main impact of the slump upon British clerks was "the removal of the final barrier against their complete economic proletarianization: that of security of employment".¹⁰ The increase in clerks' unemployment was the vital ingredient in Klingender's ambitious attempt to portray clerks undergoing separation from the employer class, with whom they had historical links and ideological sympathies, and now facing an uncertain future.

Despite the efforts of Klingender and Lockwood little is known in detail either about how clerks responded, in an organisational sense, to problems of uncertainty and job insecurity between the wars, or whether all sections of the clerical workforce were affected to the same extent. In a number of ways Liverpool provides a useful setting against which to examine the impact of the depression upon clerical labour. Firstly, Liverpool was characterised by a preponderance of service employment, within which clerks formed a substantial element. Secondly, the port suffered serious economic decline between the wars. Finally, Liverpool was the location of a large and flourishing clerks' benefit society established in the 1860's, the LCA, which continued to operate effectively between the wars.

During the nineteenth century Liverpool's shipping, distributive, commercial and transport functions developed to the point where they were virtually on a par with those of London itself.¹¹ Consequently, Liverpool's employment structure was characterised by a preponderance of service workers. In 1930 only 37% of Merseyside's insured workforce were in

⁷ See F. D. Klingender, *The Condition of Clerical Labour in Britain* (1935), p. 92; Lockwood, *The Blackcoated Worker*, op. cit., p. 56; Bain, *The Growth of White-Collar Unionism*, op. cit., p. 68.

⁸ Lockwood, *The Blackcoated Worker*, p. 57.

⁹ *Ibid.*

¹⁰ Klingender, *The Condition of Clerical Labour*, op. cit., p. 98.

¹¹ An observation made by R. Lawton and C. G. Pooley, *The Social Geography of Merseyside in the Nineteenth Century* (Final Report to the Social Science Research Council, 1976).

manufacturing, compared to 65% for Britain as a whole. The remainder on Merseyside were in distribution, commerce, transport, public and personal services. The concentration of Liverpool's workforce in the service sector did not protect it from the serious economic decline which affected the port between the wars. Liverpool's economic base was a narrow one, resting heavily on the port and related industries and services, and it was vulnerable to the decline of its commercial, transport and financial functions and of its small manufacturing base, all of which occurred at this time. Between 1913 and 1939 Liverpool's share of total imports into the United Kingdom fell from 36% to 20%, the downturn in international trade led to a fall in the tonnage of ships using the port, and there was a closure of local factories. In consequence, the port experienced falling levels of employment, high unemployment relative to other regions, and population loss through net outward migration. In 1932 Merseyside's unemployed totalled 109,000, a rate of 28% compared to 22% nationally, and in 1930 three quarters of the region's unemployed were in the service sector.¹²

Most of these unemployed service workers were manual ones, normally engaged in the city's warehouses, railways and docks, but the clerks were also affected by Liverpool's economic problems. Clerks were a sizeable though fairly static minority in Liverpool's economy. In 1921, according to Caradog Jones, there were 52,000 men and women in clerical occupations on Merseyside (9.95% of the local occupied population), and in 1931 the closest comparable figure was 55,827 (8.85% of the local occupied population).¹³ The fall in clerks as a proportion of Merseyside's workforce in the 1920's reflects a shortage of opportunities for many clerks in the port between the wars. In particular, the commercial and shipping services, which had provided Liverpool clerks with expanding employment and

¹² The data and background on Liverpool's employment structure and economic decline between the wars are derived from P. J. M. Stoney, "The Port of Liverpool and the Regional Economy in the Twentieth Century", and P. W. Daniels, "Merseyside's Service and Office Economy", in: *Commerce, Industry and Transport. Studies in Economic Change on Merseyside*, ed. by B. L. Anderson and P. J. M. Stoney (Liverpool, 1983).

¹³ See *The Social Survey of Merseyside*, ed. by D. C. Jones, with the assistance of J. E. McCrindell et al. (3 vols; 1934), II, p. 324, for the number of clerks employed on Merseyside in 1921. The Merseyside region was defined as the four county boroughs of Liverpool, Bootle, Birkenhead and Wallasey plus the urban districts of Waterloo, Litherland, Great Crosby, Little Crosby, Bebington and Bromborough. Jones divided clerks into two categories: public administration and commerce. In 1931 the occupational classification was altered. Whereas in 1921 clerks in local government and civil service were enumerated together with the higher officials in those categories, by 1931 all clerks, whether in the public or private sectors, were enumerated together in a separate category. In 1931 typists were also enumerated separately for the first time.

chances of upward mobility in the nineteenth century, were undergoing a steady contraction. The shipping and brokers' offices which had launched so many commercial careers before 1914, suffered in general from the United Kingdom's decreasing share of world trade and, in particular, from the decline of some of Liverpool's premier trades. The cotton trade suffered from a shrinkage of export demand. Cotton yarn, piece-goods and other textiles, which had accounted for 55% of Liverpool's export trade in 1922-24, had fallen to 36% by 1934-38.¹⁴ Against this background the number of cotton brokers fell from 180 to 80 between 1919 and 1939, thus diminishing a traditional source of employment and self-employment for Liverpool's clerks. On the shipping side the picture was equally depressing. Liverpool shipping between the wars was characterised by excess capacity, cost-cutting, mergers, take-overs, and removals of offices to London. The number of steamship companies in the port fell from 163 to 101 between 1919 and 1939.¹⁵ The impact on shipping clerks was serious. According to an estimate given by Jones the number of clerks in Liverpool's shipping offices fell from *circa* 7,000 in the boom years immediately after the First World War to *circa* 1,500 by the depression of 1932.¹⁶ There was a sharp rise in unemployment among Liverpool's clerks, especially those engaged in shipping and commerce. In 1932 Jones estimated that 10% of all insured clerks in Liverpool (about 5,000 men and women) were unemployed, and while this compared favourably with unemployment rates of 44% and 56% for local dockers and shipbuilding workers, it was considerably higher than the national average for clerks, which in 1931 was 5.3% and 4.3% for male and female clerks, respectively.¹⁷ Moreover, given that some clerks (earning above £250 a year) were excluded from the state-insurance system and not counted, the actual unemployment figure was probably higher.

The clerks of Liverpool were most likely to find some measure of security among the range of benefits provided by the Liverpool Clerks' Association.

¹⁴ On the shrinkage of export trade and shipping see Stoney, "The Port of Liverpool and the Regional Economy", *loc. cit.*, p. 124.

¹⁵ The figures for brokers and steamship companies are derived from the trade directories for Liverpool for 1919 and 1939.

¹⁶ The Social Survey of Merseyside, *op. cit.*, II, p. 327.

¹⁷ Jones derived his estimates of the rate of unemployment among the various occupations of Liverpool from a variety of sources, including officials of the Employment Exchange, trade unions and benefit societies (including the LCA), and a survey household sample. However, households in which the head of the family was earning above £5 a week were excluded. The national figures for the rates of unemployment among male and female clerks are from the 1931 census and were cited by Lockwood, *The Blackcoated Worker*, p. 55.

Since 1861 this had offered the most comprehensive range of benefits to the city's clerks, including medical attendance, a burial fund, mortgage facilities, financial relief during sickness or unemployment, and an employment register. During the second half of the nineteenth century, in the absence of any state provision of social insurance, the LCA's membership rose from 1,500 in 1872 to 6,347 by 1912.¹⁸ During and immediately after the First World War the future of the LCA looked much less certain. By 1920 the membership had fallen to 4,544, being adversely affected both by the deaths of members during the war and by the failure of service members to maintain subscriptions.¹⁹

Two other developments seemed likely to undermine the LCA's activities. Firstly, friendly societies like the LCA appeared vulnerable to the growth of state provision of social insurance and, secondly, it seemed that new, aggressive white-collar trade unions, like the National Union of Clerks, would poach disillusioned members from friendly societies in the changed economic conditions of the inter-war years. The extension of state welfare, especially after the 1920 Unemployment Act, which provided both unemployment benefits and job-search information, seemed on the face of it to circumscribe the activities of the LCA, which had traditionally fulfilled these functions. This did not happen. Indeed the LCA was given a lease of life between the wars because of, rather than in spite of, the extension of state welfare. A number of clerks were never part of the state-insured workforce. All non-manual workers earning above £250 a year were excluded from the 1920 Act and, despite numerous changes in national insurance legislation between the wars, it was only in 1940 that the wage level for non-manual workers was raised to £420. It was assumed that the better-off clerks would be less prone to unemployment and, if affected, could rely on savings as a safety net. Yet, as will be seen, the exclusion of these clerks was a source of disquiet, and organisations like the LCA went some way towards filling the gap in state provision.

More important was the recognition of the LCA, under the terms of state insurance, as an approved society, approved, that is, to administer those aspects of state health and unemployment insurance as they applied to Liverpool clerks. Ever since the 1911 National Insurance Act the central role of friendly societies in the area of health insurance had been firmly

¹⁸ For the nineteenth-century background of the LCA see G. Anderson, "Victorian Clerks and Voluntary Associations in Liverpool and Manchester", in: *Northern History*, XII (1976); *Victorian Clerks*, op. cit., ch. 5.

¹⁹ LCA, Annual Report, 1920. The minute books, annual reports, membership-subscription lists and three volumes of newscutting form the LCA Records, Liverpool Central Library, Acc. 3235.

established. As E. P. Hennock observed, "friendly society practice [. . .] was the model for the [1911] scheme from the beginning."²⁰ Only in 1948, with the advent of the National Health Service, were the friendly societies finally cut adrift. Between the wars the organisation of health insurance underwent no great change.²¹ The system, as Noelle Whiteside has made clear, was run not by civil servants, but by private societies.²² The LCA, therefore, had a continuing role in the provision of sickness benefits to those clerks who were included under the 1911 Act. These were not granted full membership of the LCA, but were part of the so-called "approved" membership, and were entitled to a comprehensive range of dental, optical, hospital and convalescent services. The "approved" section (6,000 in 1918, rising to 9,500 in 1932) represented a membership gain between the wars as large as the LCA's ordinary membership.²³

In addition, the LCA was empowered to administer the Unemployment Act of 1920 and so-called "limited" members were admitted, who, while not entitled to the range of benefits available to ordinary members, were able to receive state unemployment benefit plus extra benefits (at least one third greater in value than those available under the 1920 Act) from the LCA itself.²⁴ Those clerks who joined the LCA under the 1920 Act were also entitled, if unemployed, to use the Association's specialist employment register in their job search. This was a proven method of fitting unemployed clerks with jobs, and rested on the LCA's historic links with private employers and public bodies in Liverpool and on its painstaking "processing" of job vacancies in the newspapers. A further attraction was the opportunity for clerks, if unemployed, to receive their state and supplementary benefits at the LCA's office instead of the Labour Exchange. This obviated the need to "rub shoulders" with the unemployed working class, an important consideration for a group which had always exhibited a strong sense of social distinction over manual workers. It also helped to reduce the stigma associated with publicly "signing on" at the Labour Exchange. Those new members, recruited under the Unemployment Insurance Act,

²⁰ E. P. Hennock, "The Origins of British National Insurance and the German Precedent 1880-1914", in: *The Emergence of the Welfare State in Britain and Germany*, ed. by W. J. Mommsen (1981), p. 98.

²¹ See A. I. Ogas, "The Evolution of Social Insurance in Britain", in: *The Evolution of Social Insurance 1881-1981*, ed. by P. Kohler and H. Zacker (1982).

²² Whiteside, "Private Agencies for Public Purposes", loc. cit.

²³ Figures for the approved membership were derived from the LCA annual reports.

²⁴ See Table 1, derived from Miscellaneous Papers 1908-37, LCA Records. These rates of unemployment pay were subject to limitations according to the number of contributions made, and in any case could not exceed fifteen weeks in any year. The charge for the benefits was a 1/- application fee and a subscription fee of 4/- per year.

Table 1. *LCA unemployment benefits under the 1920 Act*

	Under the act	Supplementary benefit from the LCA	Total
Men	15/-	5/-	20/-
Women	12/-	5/-	17/-
Boys	7/6d	5/-	12/6d
Girls	6/-	5/-	11/-

when combined with the ordinary membership enabled the LCA to recover after the First World War with the total membership (excluding the “approved” section) rising to 6,550 in 1927 and 9,261 in 1939.²⁵

During and immediately after the First World War, the position of the LCA was briefly threatened by the activities of the National Union of Clerks. While clerks in specific areas like local government, civil service, railways and banking either had or were in the process of developing their own trade unions in this period, the NUC was the only union which aimed to tap the large pool of potential members in commerce and industry. It had already achieved some success immediately before the First World War on the general wave of trade-union expansion, and had sustained this in the full-employment environment of the war itself. By 1919-20 it had 43,000 members and seemed set fair to make a big inroad into the previously non-unionised general clerical sector.²⁶ In these early years the NUC was locked in fierce competition with the LCA over the recruitment of Liverpool’s clerks.²⁷ During the First World War the union had won an important local industrial battle by achieving the best-ever pay scales for engineering clerks employed by the Wolverhampton Corrugated Iron Company at Ellesmere Port. Victories such as this occurred at a time when clerks in Liverpool and elsewhere were increasingly concerned about the failure of their money

²⁵ Figures for the total membership (i.e., limited and ordinary members) were derived from the LCA annual reports.

²⁶ Fred Hughes in his official history of the NUC, *By Hand and Brain* (1953), described this period of expansion as the “seven years of fatness”.

²⁷ Rivalry between the NUC and the LCA predated the First World War. In 1913 the NUC’s General Secretary, when visiting the Liverpool branch, dealt at length with the deficiencies of the LCA. See Anderson, *Victorian Clerks*, p. 125. Reference is made in the LCA Records, *Newscuttings*, Vol. II, to a “good deal of clerical trade union activity” in Liverpool at the end of the First World War and in the immediate post-war years. The LCA’s response was to show that the scale of benefits which it offered was superior to that available from the NUC.

incomes to keep up with the wartime cost-of-living increase. The Directors of the LCA "found that among younger members there was a certain impatience with the traditional method of approaching employers and a disposition towards trade union methods."²⁸ While the LCA warned about the inappropriateness of trade unionism for clerks, convinced that it would lead to a "hardening and commercialising"²⁹ of the relationship with employers, it was nevertheless forced to respond to the discontent over wages and conditions among its membership. In 1919 there was a special meeting to discuss "ways and means of raising the status and salary of the clerk".³⁰ It debated the establishment of a minimum wage of £180 and admitted that "individual efforts towards betterment have little effect on the mass of clerks".³¹ Such quasi-trade-union activity ran counter to the spirit, if not the law, of the friendly-society movement and, in any case, the LCA was not in a position to exert influence over wages, given that an LCA minimum wage would not stop clerks finding employment for less rather than be out of work altogether.³² Unemployment rather than wages was soon the overriding concern. The slump of 1921 witnessed the first large-scale unemployment and distress among Liverpool clerks, with an estimated 3-4,000 unemployed in the city.

The NUC made great efforts to alleviate distress and attract local recruits. An unemployed clerks' committee was organised by the union, and this approached the Town Clerk with a view to getting temporary work for the unemployed as poll and counting clerks in the municipal elections of that year. At the same time, a register of unemployed clerks was opened in

²⁸ See Enquiry into Clerks' Grievances in 1918, Miscellaneous Papers 1908-37.

²⁹ Ibid.

³⁰ See LCA minute books, 1919.

³¹ Ibid.

³² The extent to which the LCA could engage in trade-union-style activities was restricted by its registration under the Friendly Societies Act. Clerks' benefit societies could not "engage in operations appropriate to a trade union" because if they did so then their members would be deprived of the legal protection afforded by the Friendly Societies Act, including the guarantees provided with respect to payment of benefits. In 1918 the LCA Directorate, under pressure from clerks hurt by the cost-of-living increases, debated whether the Association "should forbid the registration or placing before members of the particulars of any vacant situation which is notified to the Association unless the remuneration offered equals the rates appropriate to the ages of eligible candidate members according to a scale to be hereafter determined". The LCA directors doubted whether the fixing of a minimum salary (of £180 a year for members of 21 years and upwards) was possible under the Friendly Societies Act, but in fact the Registrar of Friendly Societies saw no objection to the LCA changing its rules. However, he warned that "it is conceivable that a man would prefer to obtain employment at £150 a year rather than be out of work altogether." Following this advice the motion to change the LCA's rules was narrowly lost. Details from LCA minute books, 1919.

the town centre where employers might obtain the names of suitable clerks, and a “substantial” sum of money, derived from the voluntary subscriptions of employed clerks, was made available in the form of distress grants.³³ The NUC campaign in the slump of 1921 represented the high point of the union’s activity between the wars. The national membership peaked in 1920 and by 1924 had fallen to just 7,442.³⁴ This disastrous decline can be explained by the union’s pattern of recruitment and its political stance. It had always been more successful in recruiting among industrial clerks, especially those engaged in engineering, iron and steel and coal, and the contraction of the staple industries between 1920 and 1935 affected it badly. In addition, its persistent left-wing stance (it was very lukewarm on consultation with employers) was ultimately self-defeating, given the socially conventional and conciliatory attitudes of most clerks. Liverpool’s commercial clerks, dispersed in many different trades and often employed in small, closely supervised offices, were not a good recruiting ground for the NUC. Such clerks, especially when faced with economic uncertainty, strongly preferred to subscribe to a friendly society like the LCA than to a politicised organisation like the NUC.³⁵

Until the economic recovery of the mid 1930’s, it was the LCA which provided the safety net for Liverpool’s clerks, and the rising cost of expenditure on unemployment benefits was a major problem for the Association. Between the wars the sickness and disablement side of the LCA’s activities was always in a financially stronger position than the unemployment side. Although, as we have seen, a growing number of clerks joined the LCA as an approved society for health insurance, the rate of sickness expenditure was regularly below expectations, and large surpluses were disclosed at each valuation, enabling additional benefits to be given. For the ordinary membership as well the number and value of sickness claims were always of manageable proportions (see Table 2). However, it proved impossible to provide such accurate actuarial predictions for the rate of unemployment among clerks. The “limited” members recruited under the 1920 Act, who were only eligible for supplementary unemployment benefits and job-

³³ Daily Post (Liverpool), December 12, 1921.

³⁴ The membership figures are available from Bain, *The Growth of White-Collar Unionism*, op. cit., p. 215. Even as it was making its major bid to represent Liverpool’s unemployed clerks, the NUC was in rapid decline. Press reports in Liverpool indicated that there had been 36,000 lapses from the union, its unemployment payments had increased from £200 to £600 monthly, its overdraft was £1,300, and its liabilities were £2,000. See Daily Post, May 17, 1921.

³⁵ A brief survey of the reasons for the decline of the NUC can be found in Lockwood, *The Blackcoated Worker*, pp. 165-66.

search assistance, became an increasing burden on the LCA. As early as 1922 the Board of Directors reported "that many applicants for the Unemployment Insurance Department ['limited' members] had to be declined owing to the fact that they delayed their applications until they were under notice or out of employment".³⁶ In addition, under the Unemployment Act of 1927 the LCA was forced to provide extended supplementary benefits to unemployed "limited" members so long as they were in receipt of unemployment allowance from the State. According to the LCA this doubled its financial liability to the "limited" membership.³⁷ At the same time the ordinary membership was also badly affected by the depression and, as Table 2 shows, expenditure on unemployment benefits rose steadily, reaching a historic peak in the early 1930's. Indeed, the total expenditure on benefits was so heavy in 1931 that it exceeded subscription income for the first time and the LCA was forced to draw upon income from invested capital. The following year the Board of Directors was warning that it had to "exercise discrimination in accepting new members, owing to the extra insurable risk from unemployment".³⁸

Despite the heavy demands made upon it by unemployment, the LCA weathered the economic crisis quite well. In 1931, for example, no more than 3% of the membership was on the funds at any one time.³⁹ The main reason for this success was that unemployed members rapidly re-entered the labour market through another of the LCA's well-tried facilities: the employment register. Except for the efficiency of the employment register in fitting unemployed clerks with jobs, the financial burden of benefit expenditure would have been unbearable. Although many friendly societies traditionally provided relief for members who travelled in search of employment, the LCA assiduously undertook the "job search" on behalf of its members. In the nineteenth century it had established itself as the leading employment agency for clerks in Liverpool, filling nearly 14,000 appointments between 1861 and 1914.⁴⁰ Between the wars this aspect of its activities increased dramatically in importance, and between 1918 and 1939, 19,307 appointments were filled through the register. The scale of situations filled was matched by the variety. Whereas before 1914 the Association had catered mainly for adult male clerks, between the wars the employment register was filling vacancies for female and junior clerks as

³⁶ LCA, Annual Report, 1922.

³⁷ *Ibid.*, 1927.

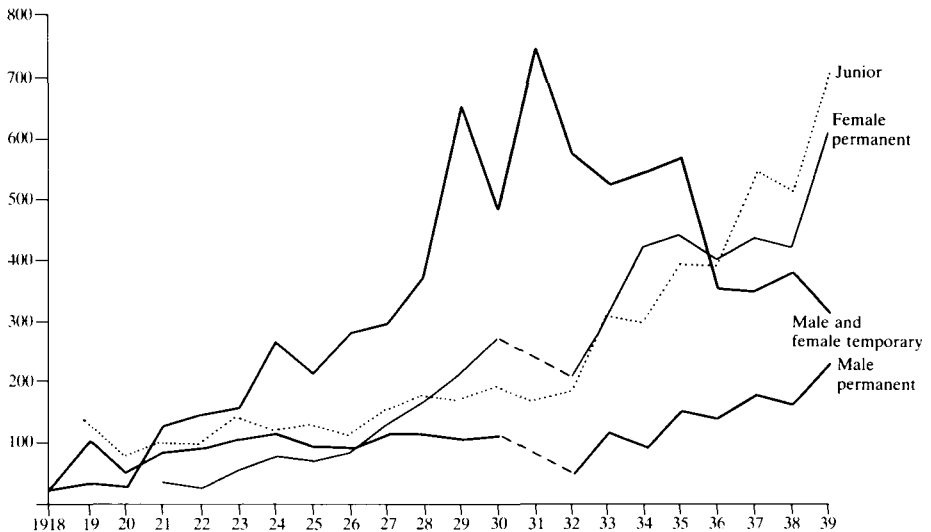
³⁸ *Ibid.*, 1932. Details of membership claims in Table 2 are derived from the annual reports.

³⁹ *Ibid.*, 1931.

⁴⁰ See Anderson, *Victorian Clerks*, p. 85.

Table 2. *Summary of LCA-ordinary-membership claims, 1920-39*

	No	Sickness Value	No	Depression of trade Value	Still on funds at end of year
1920	19		76	£598/18/2	11
1921	14		112	£1,229/6/2	25
1922	10		105	£1,411/4/11	32
1923	7	£53/10/5	90	£1,261/17/4	24
1924	14	£165/16/2	96	£1,130/5/4	25
1925	14	£155/3/4	88	£994/7/8	
1926	15	£154/10/8	92	£1,241/4/10	32
1927	13	£130/9/-	144	£1,528/14/1	22
1928	12	£86/1/2	98	£1,369/6/7	24
1929	14	£149/12/3	149	£1,542/16/6	38
1930	19	£206/5/3	139	£1,671/8/4	58
1931	12	£55/16/6	305	£3,582/11/-	96
1932	4	£32/0/8	228	£3,074/17/10	69
1933	6	£49/16/2	112	£1,688/9/6	42
1934	9	£72/4/4	107	£1,563/12/6	
1935	8	£63/4/6	91	£1,216/19/-	
1936	14	£121/4/7	124	£1,286/1/-	
1937			138	£1,424/11/4	56
1938			136	£1,394/7/11	
1939			122	£1,388/4/1	

Situations filled through the LCA employment register, 1918-39

well, thus providing a complete picture of the operation of the clerical-labour market in Liverpool.⁴¹

There were considerable variations, as the figure shows, in the demand for different categories of clerical labour, and the number of adult-male permanent appointments remained particularly low until the economic recovery of the mid 1930's. The evidence available from the LCA confirms the observations of Klingender, Lockwood and, more recently, Bain that it was the mature male clerks who were in the greatest difficulties during this period. The incidence of unemployment was higher among these clerks, and they experienced the greatest difficulty in re-entering the labour market. In 1926, for example, the LCA reported that 75% of its unemployed members were over the age of thirty-five, and the issue was raised before the Liverpool Employment Committee, which resolved that these clerks be given a "fair chance of employment".⁴² More concretely, all large firms in Liverpool were canvassed by the LCA and asked to consider giving employment to older men should vacancies occur. Merseyside MPs were also circularised about the problem.⁴³ At the national conferences of clerks' associations held in 1926 and 1927 the problem of the unemployed mature clerk attracted widespread attention. It was given national press coverage, and the Prime Minister, Minister of Labour, President of the Board of Trade and all Chambers of Commerce were circulated.⁴⁴ Partly because of the LCA's pressure the local corporation and some of the leading private firms did increase their employment of older clerks. By 1933 the middle-aged had been reduced from 75% to *circa* 50% of the LCA's unemployed membership.⁴⁵ However, the problem of the unemployed mature clerk was not finally reduced until the Second World War, when opportunities for older men were created in order to cover for those of military age.⁴⁶

⁴¹ The figure and Table 3 were constructed from details in the annual reports.

⁴² LCA Annual Report, 1926.

⁴³ *Ibid.*

⁴⁴ The discussion of the plight of unemployed mature clerks at the annual conference of clerks' associations in 1926 received extensive press coverage. See *Daily Express*, September 16, 1926; *Daily Mail*, September 11; *Daily Telegraph*, September 10; *Westminster Gazette*, September 16. At the annual conference in Southport the following year this was still the most pressing issue. See *Southport Guardian*, September 17, 1927; *Liverpool Echo*, September 14.

⁴⁵ *Journal of Commerce*, March 29, 1933.

⁴⁶ By the late summer of 1933 there were "indications in Liverpool that trade is a little better than for a long time and office workers were finding demand for their services. [Yet] there was still not much increase for experienced clerks." *Daily Post*, August 3. In contrast the LCA by 1940 was finding work even for old, retired clerks to cover for those of military age. *Liverpool Echo*, November 10, 1940.

Table 3. *Average salaries of permanent appointments filled through the LCA employment register, 1918-39 (in pounds)*

	Adult male	Female	Junior		Adult male	Female	Junior
1918	186			1929	150	80	35
1919	192			1930	147	78	35
1920	214			1931	140	73	33
1921	119			1932	143	72	37
1922	205	85	45	1933	132	70	35
1923	163	89	38	1934	135	68	33
1924	165	82	35	1935	118	70	34
1925	143	81	32	1936	127	71	34
1926	134	84	32	1937	129	76	34
1927	149	79	33	1938	128	75	38
1928	147	82	34	1939	153	79	36

It does not seem that the unemployed middle-aged clerk necessarily priced himself out of the labour market by demanding higher wages than younger men. The LCA believed that many young clerks received salaries that would have been quite acceptable to older men.⁴⁷ Certainly the average level of remuneration for permanent appointments fixed through the LCA (see Table 3) suggests that those adult male clerks who were gaining re-employment through the register were not receiving high wages. They were probably taking less rather than endure the stigma of unemployment any longer. The underlying explanation of higher unemployment among mature clerks probably lies in some combination of their age and work experience. Given that much clerical work is “firm-specific” (e.g., the skills of the cotton broker’s clerk are not easily transferable into the corn broker’s office), older clerks might have been thought less likely by employers to be able to adapt to a new trade or accept work at a lower level.⁴⁸

⁴⁷ Evidence given by the Secretary of the LCA at the conference of clerks’ associations in 1926. Daily Mail, September 11.

⁴⁸ The Liverpool Chamber of Commerce observed that while “the younger man could change employment the middle-aged man could not.” Journal of Commerce, March 29, 1933. Alfred Marshall, the economist, understood the strengths and weaknesses of the male clerk’s specialised training. “Thus the head clerk”, he wrote, “in a business has an acquaintance with men and things, the use of which he could in some cases sell at a high price to rival firms. But in other cases it is of a kind to be of no value save to the business in which he already is; and then his departure would perhaps injure it by several times the value of his salary, while probably he could not get half that salary elsewhere.” A. Marshall, Principles of Economics, 8th ed. (New York, 1949), p. 626, quoted by G. S. Becker, Human Capital, 2nd ed. (New York, 1975), p. 30. Becker has developed the theoretical distinction between skills which are specific to one firm or general between firms.

At some point in the income and status hierarchy the unemployed mature clerks shaded off into the unemployed managerial or executive class. These were the men who earned above £250 a year, and much less is known about their problems because they fell outside the net of state insurance. National estimates of the size of this group are highly impressionistic, but during the early 1930's it was thought there were some 300,000 unemployed, uninsured middle-class workers.⁴⁹ In Liverpool press reports suggest there were some 8,000 middle-class unemployed who were not entitled to dole in the early 1930's.⁵⁰ Whatever the number involved, the distress of these men remains hidden. In Liverpool during the slump of the 1930's "the middle-class unemployed, because of their pride, were loath to appeal to charitable help", but the Secretary of the LCA could tell of "endless stories of middle-class workers losing their situations, their homes being broken up, the furniture sold and the families living in single rooms".⁵¹ The LCA went some way towards alleviating the distress among these men. Many of its mature members of long standing were uninsured, and in the slump of the 1930's one third of unemployment claims received by the Association were from men not entitled to state benefits.⁵² Not surprisingly, the LCA was in the forefront of pressure during the 1930's (unsuccessful at this stage) to get the salary limit of non-manual workers raised so that such men were included in the system of state insurance.⁵³

Some of the adult male clerks were probably accepting temporary jobs rather than be out of work altogether. As is clear from the figure, a high proportion of clerkships filled by the LCA was of a purely temporary nature. Indeed, temporary jobs were the largest single category, and in the

⁴⁹ The estimate of 300,000 appears to have originated with the National Federation of Professional Workers in 1934 and is cited by Klingender, *The Condition of Clerical Labour*, p. 92, Lockwood, *The Blackcoated Worker*, p. 56, and Bain, *The Growth of White-Collar Unionism*, p. 68. The estimate also appears in Lord Elton's "Plight of the Blackcoats" and J. L. Hodgson's "England's Army of Middle-Class Unemployed", two features in *The News Chronicle*, April 10 and 11, 1934.

⁵⁰ *Evening Express*, July 3, 1934.

⁵¹ *Ibid.*

⁵² Quoted by the Secretary of the LCA in *Daily Post*, November 29, 1935.

⁵³ By the mid 1930's the LCA was campaigning for the inclusion of higher-paid clerks earning up to £500 a year under compulsory state insurance along the lines followed in 1911 and 1920. The Secretary of the LCA gave evidence to the Unemployed Insurance Statutory Committee. "We think it well", he said, "to express the definite opinion that a voluntary arrangement for the more highly-paid non-manual workers under the National Unemployment Insurance Scheme would not be effective. Those who have experienced unemployment and are excluded from national benefit by the present salary limit will welcome compulsory unemployment insurance." *Liverpool Echo*, November 28, 1935.

trough of 1931-32 they exceeded the total number of all permanent jobs filled through the register. Caradog Jones, in his study of the impact of the slump in Liverpool, believed that the rise of temporary work for clerks was such that it threatened to divide the occupation into two distinct sections.⁵⁴ Some low-level businesses in Liverpool, like turf commission agents, were apparently “run almost entirely with a temporary staff”, while even prestigious employers like the local authority recruited temporary clerks who were not included in any pension scheme, were paid lower rates than the permanent staff and faced dismissals during slack periods.⁵⁵ The rise of temporary employment gave concern because it denied clerks the security of employment, which had once differentiated them from manual workers. Also some mature male clerks who had previously occupied permanent and presumably superior positions were now forced to accept low-level casual jobs. However, casual work may have been better suited to the needs of female clerks. Temporary jobs fitted in well with their family and domestic commitments, allowing them to participate intermittently in the labour market. Even for men the casual-labour market at least meant recurrent spells of employment rather than prolonged unemployment. Some connection with the “world of work” was vital, otherwise demoralisation could quickly set in. Such men were then liable to slip into the ranks of canvassers and commission agents. According to Branson and Heinemann it was from the unemployed office-workers that “the ubiquitous door-to-door canvassers were primarily recruited: they had lost their regular jobs and were desperately trying, on a commission basis, to keep up their old status.”⁵⁶ Jones made the same point.

A pathetic demoralisation begins to reveal itself when a clerk is long out of work. He becomes shabby, down-at-heel and unemployable. When his unemployment benefit is exhausted, pride frequently prevents him from applying for public assistance and extreme poverty is experienced. He is singularly useless at any other occupation, and some form of canvassing seems to be his only way of making a living.⁵⁷

The LCA was prompted to warn its members about the dangers of “parasitic” employers who placed anonymous advertisements in the local press aimed at eliciting the names and addresses of unemployed clerks, who could then be canvassed to take up jobs on commission only.⁵⁸

⁵⁴ The Social Survey of Merseyside, II, p. 329.

⁵⁵ *Ibid.*

⁵⁶ N. Branson and M. Heinemann, *Britain in the Nineteen Thirties* (1971), p. 150.

⁵⁷ The Social Survey of Merseyside, II, pp. 328-29.

⁵⁸ See *Liverpool Echo*, September 14, 1927.

Female clerks in inter-war Liverpool suffered from few of the problems of unemployment and downward mobility which some of the men were experiencing. Since 1920 women had joined the LCA in increasing numbers as part of the limited membership. As is clear from the figure they made extensive use of the employment register in their search for work. The demand for permanent female clerks rose steadily in the 1920's, exceeding the number of permanent situations for men in 1927 with the gap widening in the 1930's. In 1932, for example, while the number of permanent male appointments slumped to 50, over 200 women were found permanent jobs.⁵⁹ The evidence from the LCA confirms Jones's findings of the greater employment security of women compared to male clerks during the slump. Indeed Jones believed that women were replacing male clerks in 1931-32.⁶⁰ It is possible that this was occurring at the bottom end of the labour market, but most women did not compete directly with male career clerks. The underlying explanation for the increased demand for women lay in the widening opportunities for shorthand typists. Women dominated this branch of clerical work. In 1931, for example, there were 4,864 female typists in Liverpool and only 91 men (this was the first time typists were enumerated separately from other clerks).⁶¹ According to Jones many of the women he surveyed who described themselves as clerks were actually clerk-typists.⁶² While women increasingly acquired these skills, young men in Liverpool in the 1930's were warned against becoming shorthand typists, because they would always remain in the ranks of the juniors, as "machines for the convenience of the directors" and at the bottom of the ladder.⁶³ Shorthand typing was a routine skill (see the low wages for permanent female appointments fixed through the LCA in Table 3) which fixed most women in the typing pool or among the ranks of routine clerks. Few escaped into managerial positions. In 1931 only 30 women in Liverpool were listed as office managers compared to 571 men.⁶⁴ The LCA rarely

⁵⁹ See LCA, Annual Report, 1932.

⁶⁰ The Social Survey of Merseyside, II, p. 326.

⁶¹ In the 1921 census typists were presumably included with "other clerks", but by 1931 they were categorised separately. In view of Jones's findings it is likely that many of the 8,191 other female clerks in Liverpool in 1931 were clerk-typists or, at least, clerks of the most rudimentary type.

⁶² Although 60% of the female clerks in Jones's survey household sample described themselves as ordinary clerks rather than typists, he believed that most of them "probably did some typing when required in addition to their other work". The Social Survey of Merseyside, II, p. 326.

⁶³ Liverpool Echo, November 22, 1933.

⁶⁴ 1931 census.

placed women in appointments above £150-160.⁶⁵ However, against a background of economic depression and widespread job searching the generalised skill of shorthand-typewriting, which was readily transferable between firms, enabled women to enter the labour market more easily than men, whose skills were often linked to the specific requirements of individual firms.⁶⁶

The final category of clerical labour which joined the LCA were the junior clerks aged between fourteen and eighteen years. Before the First World War the LCA had established a separate junior department, which found jobs for junior clerks and acted as an important source of adult members. Between the wars the junior department flourished (its membership rose from 546 in 1922 to 1,172 in 1937) and juniors transferred regularly to the senior section. While not as serious in its effects as upon adult males, the impact of the slump upon junior clerks was nevertheless damaging. Klingender argued that many of the office jobs being offered to boys were of the most limited "blind alley" kind, and that male juniors anticipating long careers were not being recruited.⁶⁷ Similarly, Jones thought that women were being recruited instead of boy clerks in Liverpool during the early 1930's because employers felt less responsibility to women, who would work until marriage, than to boys, who anticipated long careers.⁶⁸ In 1931 Liverpool Education Committee's juvenile-employment report suggested that, compared to the year before, there had been a 50% fall-off in the number of openings for boys compared to a 30% rise in the demand for girls in clerical work.⁶⁹ Despite this gloomy picture of the prospects facing junior clerks those who joined the LCA apparently experienced no difficulties in finding jobs. From the early 1920's the number of permanent junior clerkships filled through the register was greater than for permanent adult males and the gap widened considerably in the 1930's.

A possible explanation for the higher placement of juniors than men may lie in the differential rates of benefits available under the LCA's rules. While junior clerks joined the LCA in order to provide for themselves in

⁶⁵ LCA annual reports.

⁶⁶ This attraction of clerical work for women, allowing them intermittent labour-force participation and involving less specific human capital than for men, has been more widely explored in the American context than in the British one. See, for example, C. Goldin, "The Historical Evolution of Female Earnings Functions and Occupations", in: *Explorations in Economic History*, XXI (1984); E. J. Rotella, "The Transformation of the American Office: Changes in Employment and Technology", in: *Journal of Economic History*, XLI (1981).

⁶⁷ Klingender, *The Condition of Clerical Labour*, pp. 95-96.

⁶⁸ *The Social Survey of Merseyside*, II, pp. 327-28.

⁶⁹ Reported in *Daily Post*, October 13, 1931.

the future a safeguard over and above the state-insurance benefits, they did not receive benefits on the same scale or of the same duration as adult members. By 1928 junior clerks had to have been members of the LCA for six months, held their last situation for at least twelve months, and could not obtain more than £3 in benefits during the first two years of membership.⁷⁰ In contrast, adult members in the face of declining employment opportunities were given special concessions including an extension to the period of entitlement. By 1929 adult members of over twenty years' standing were entitled to extended unemployment allowance (up to twenty-six weeks extra) at a rate of ten shillings a week. At the same time unemployed adult members were granted exemption from payment of subscriptions for a period of up to five years.⁷¹ Following Benjamin and Kochin's well-known thesis, it is possible that the access of juniors to much less generous unemployment compensation and for a much shorter period of time might have been partly responsible for their higher placement rate through the employment register.⁷² It is, however, impossible to know how many of the juniors placed in the labour market in this way were ending up in "dead end" jobs. It is certain that such jobs existed in clerical work, if not to the same extent as in some branches of manual work, and that boys employed in taking letters by hand between offices, addressing envelopes or keeping petty cash books fell into this category.⁷³ There is no doubt that junior clerks' wages were low (see Table 3), but these could have been starting salaries for young men who expected to move up. The fact that juniors transferred regularly to the senior section of the LCA suggests a continuing pattern of upward career mobility. By the mid 1930's, as Liverpool emerged from the worst of the depression, the Secretary of the LCA was able to report that there had been a stabilisation in office conditions with not only fewer unemployed members overall, but with a growing demand for experienced juniors to take up executive positions as older men retired.⁷⁴

⁷⁰ LCA, minute books and Annual Report, 1928.

⁷¹ LCA annual general meeting, 1929.

⁷² D. K. Benjamin and L. A. Kochin, "What Went Right with Juvenile Unemployment Policy Between the Wars: A Comment", in: *Economic History Review*, Second Series, XXXII (1979). It is worth noting that the LCA reports do suggest that the rise in the level and extension of benefits to adult members was in response to their declining employment.

⁷³ During the slump of 1931 the Liverpool Juvenile Employment Organisation argued that there had been no diminution in the number of office boys because their work "is largely taking letters by hand to other offices – a job which a machine could not do – occasionally addressing envelopes or keeping the petty cash book". *Daily Post*, March 31, 1931.

⁷⁴ *Liverpool Echo*, June 12, 1935.

This study of the LCA confirms the continuing role of friendly societies in underpinning the State in the provision of welfare benefits between the wars. It also indicates that such benefit societies were especially important in catering for the needs of white-collar workers. The LCA, the largest and most influential of the clerks' benefit societies, successfully widened its appeal to all sections of the clerical workforce. By 1936 "apart from its routine work [the provision of unemployment and sickness benefits] it had developed into a general inquiry bureau which included widows left unprovided for, men who needed new clothes to enable them to get jobs, husbands and wives with domestic troubles."⁷⁵ It also provided help with members' investments and advice about "dubious concerns on the look-out for the unemployed with small savings".⁷⁶ For many unemployed members the Association's most successful facility was the employment register, through which they re-entered the labour market. Unlike some private employment agencies which had a "reputation for living off the unemployed",⁷⁷ the LCA's register was well-managed, extensive in its coverage of vacancies, respected by employers, and based on a unique experience of the operation of Liverpool's clerical-labour market. For the mature male clerks, who appeared to have suffered most from the depression, the LCA was a necessary and acceptable sanctuary. The psychological impact of unemployment on this group was especially damaging. They had previously occupied the best positions in the office hierarchy and were most reluctant, given their need to maintain appearances, to apply for public welfare even if they were eligible, and many were not. Those who earned above £250 a year did not appear on the out-of-work rolls, and were "a hidden England of which we know even less than of the great mass of unemployed".⁷⁸

The hallmarks of this group were muteness and anonymity. Many relied on savings and the support of family and friends, but some undoubtedly "skidded" down into the ranks of casual clerical labour. The army of canvassers and temporary clerks was partly refurbished from this source. The LCA's Victorian tradition of mutual self-help was especially appropriate to the needs of these men. It helped to reduce the stigma and acute embarrassment they felt when applying for welfare. The LCA also appealed to the snobbishness and social pretensions of unemployed clerks

⁷⁵ Birkenhead Advertiser, August 22, 1936.

⁷⁶ *Ibid.*

⁷⁷ LCA minute books, 1938.

⁷⁸ J. L. Hodson, "England's Army of Middle-Class Unemployed", in: *The News Chronicle*, April 11, 1934.

who had previously occupied superior positions. Therefore, while the Association was conscious that "calls at the Labour Exchange did nothing to improve such men's ability to perform supervisory and disciplinary functions or to increase confidence in themselves",⁷⁹ it also argued "without any suggestion of snobbishness", during the debate on raising the state-insurance salary limit, that special exchanges run by approved societies were necessary so that men who had previously been in receipt of £500 a year might avoid "rubbing shoulders with £50-a-year juniors".⁸⁰

In many ways the inter-war years represented the high point of activity in the history of the clerks' benefit societies. They appealed strongly to the needs and mentality of unemployed white-collar workers who were powerless in the face of the depression, and they could count on government support for friendly societies as an alternative method of welfare provision. This is reflected in the widespread support they attracted, especially among clerks employed in the private sector compared to alternative and competing organisations like trade unions. In 1927, for example, while the clerks' benefit societies could boast a combined membership of 90,000, the NUC's support had slumped to only 7,183 and was slow to recover before the late 1930's.⁸¹ The LCA alone had 6,550 members in 1927, and this excludes the large and growing "approved" membership. However, with the establishment of the Welfare State after the Second World War, the links between government and the clerks' societies were severed. In an atmosphere of regret and recrimination at Government's failure to honour its pledge to permit mutual organisations to administer National Health and Unemployment benefits to their members, the LCA was forced to close its health- and unemployment-insurance departments in 1948, and revert to its traditional, if more limited, role as a friendly society and employment agency.⁸²

⁷⁹ Daily Post, November 29, 1935.

⁸⁰ Evidence provided by the Secretary of the LCA to the Unemployed Insurance Statutory Committee, quoted in Liverpool Echo, November 28, 1935.

⁸¹ The National Federation of Associations of Clerks and Warehousemen had a combined membership of 90,000 and funds of £1,500,000. See Southport Guardian, September 17, 1927. Membership figures for the NUC are from Bain, *The Growth of White-Collar Unionism*, p. 214.

⁸² The regret at the removal of state support is mentioned in the short history of the LCA published as a booklet in its centenary year, 1961.