The Coalfields and the Companies, 
c. 1850–1921

PART 1

The years between the middle of the nineteenth century and the beginning of World War I were a period of expansion and increasing profitability for the British coal industry. Output and employment both more than quadrupled; and in each succeeding decade from the 1880s, the average annual net return on the capital invested in the industry increased. Within this national pattern there occurred significant differences among regions. Some coalfields, such as South Wales, expanded their outputs and employments at much faster rates than those of the industry as a whole. Others, such as the West Midlands, grew far more slowly than did the national industry. The same heterogeneity was true of individual enterprises. As A. R. Griffin remarked, “Even in the most profitable period, some collieries made losses; and in the most depressed period some collieries made profits.”

World War I and the period of government control of the coal industry had a contradictory impact on its development. On the one hand, the long-term tendency toward a growth in output was checked. In no year between 1914 and 1920 did output exceed the level attained in 1913, and in 1920 production was 20 percent below the prewar peak. On the other hand, the war and period of control after it saw a continuation of the prewar employment and profitability trends. Though a quarter of a million men left coalmining in the first year of the war, by 1920 the ranks of British coalminers had swollen to 1,227,000, 11 percent more than in the last year of peace. Whereas annual net profits in coalmining had averaged £12.1 million in the period 1909/10–1913/14, they averaged £21.6 million in 1914/15–1916/17, £18.75 million in 1917/18–1918/19, and £20.3 million in 1919/20. The war and state control also imposed their own patterns of variation, both at the regional and company level, upon the industry. Export prices rose higher than domestic prices, favoring some coalfields and companies over others; yet the nature of the wartime alliances and the
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gEOGRAPHY OF THE HOSTILITIES made sure that not all exporting districts and companies shared this advantage equally.3

The first two chapters will survey the evolutions and fortunes of Ash-ington, Throckley, Briggs, and Waterloo Main, and the two districts in which they were situated, in the period c. 1850–1921, and will assess their positions—strengths and weaknesses—at the beginning of the interwar period. I will focus first on Northumberland and the Ashington and Throckley coal companies. In chapter 2 I turn to West Yorkshire and to Henry Briggs, Son and Company and the Waterloo Main Colliery Com-
pany.

Geologically, the coal measures of Northumberland constituted the northeastern section of the Great Northern Coalfield. “An elongated dia-
mond shaped area,” the coalfield’s fifteen hundred square miles ran southward from Northumberland into County Durham, where the largest amount of coal was located, and into Yorkshire and westward into Cumber-
land. Throughout the coalfield the seams of coal were “not much trou-
bled by faults and other irregularities,” varied little in thickness, and were “only slightly inclined.” There was, however, one “enormous faulting sys-
tem,” the “Ninety-fathom Dyke,” that ran across the coalfield in an east-
west direction in a line roughly contiguous to the River Tyne. In addition to displacing the coal seams, producing seams “which outcrop in North-
umberland or are unknown in Durham,” the faulting system caused pro-
found differences in the characteristics of the coals found to its north and south. To the south in County Durham “the coals are soft and friable and have strong coking qualities.” To the north in Northumberland the coals “are bituminous coals of a non coking variety ranging from house-
hold to hard steam. The majority are in the steam coal category.” The difference in the nature of the coals of Durham and Northumberland meant that the extraction techniques, available markets, and economics of mining in the two counties differed markedly. Thus, despite the geo-
logical provenance that the county shared with Durham, Northumberland “in fact, as well as in name, [was] an entirely separate coalfield.”4

The Northumbrian coalfield occupied a triangular area in the southeast of the county, the base of which extended for about eighteen miles from Prudhoe in the west to Tynemouth in the east and the apex of which was twenty-five miles to the north at Amble. Nowhere in the coalfield were the seams of coal especially thick. The High Main seam attained a thick-
ness of six feet in the southernmost part of the coalfield; but this district
was largely exhausted before World War I, leaving the county coal industry overwhelmingly dependent on seams of only moderate thickness. In 1913 Northumberland extracted more than 96 percent of its coal from seams that measured between two feet and four feet thick. The British coal industry as a whole drew only 85 percent of its coal from such seams, and 11.5 percent of its output was cut from seams that were six feet or thicker. The shallow depth of the seams that Northumbrian collieries worked provided some compensation for their thinness. In 1913 72.5 percent of the district’s coal was mined from seams lying less than two hundred yards below the surface. Nationally, only 29 percent of output came from such shallow seams.\(^5\)

Within Northumberland collieries developed according to the accessibility of the coals, the nature of demand, and the provision of transport facilities. The county’s coals were most accessible in close proximity to the Tyne, where of course transport was easily arranged. Those coals were very well suited for domestic heating, the first use to which coal was put. As a result, it was the southern part of the Northumberland coalfield that was developed first. Already in the fifteenth century, coal was being “systematically mined in the neighborhood of Newcastle”; and in the sixteenth, coal “was being carried to London in coasting boats.” As the demand for house coal increased, attempts were made to develop collieries further north on the coalfield, with pits being sunk in the Cramlington and Seghill district. These efforts were unavailing, however, owing to the coals’ deficient house-coal properties.\(^6\)

From the 1830s the nature of the demand for coal began to shift, with steam coal gaining precedence over house coal. The pits of Cramlington and Seghill, which mined high-grade steam coal, became commercial propositions; and railway lines were opened to service them. At the same time, pits were sunk in the neighborhoods of Seaton Sluice and Blyth, shipping ports further north on the Northumbrian coast. Transport facilities soon followed. The harbor of Blyth was freed from private control and the shipping accommodation improved. Such improvement was inadequate, however, as was shown by the opening in 1850 of the branch railway from Newsham that gave the Netherton and Bedlington collieries north of the River Blyth access to the Tyne. With the opening of the Northumberland dock in 1857 and the conversion from sail to steam colliers, the ascendancy of the Tyne over the Blyth was further enhanced. “In 1860 the Blyth and Tyne Railway conveyed one million and a half tons of coal whereas the port of Blyth handled only about a quarter of a
million tons, and by 1880 this was reduced to 150,000 tons.' Under these conditions collieries to the north of Blyth were burdened with a transport cost disadvantage, and the area remained largely undeveloped. Finally in 1882 the Blyth Harbour Commission was constituted, and the necessary improvements to make coal economical to ship were carried out. Already in 1890 coal shipments from Blyth totaled 1.8 million tons and by 1914 were more than 4 million.7

The emergence of Blyth as a major coal port and the commercial operation of collieries on the northern part of the coalfield that it made possible had two important consequences for the Northumberland coal industry. In the long run, the developments caused the coalfield’s center of gravity to shift away from the Tyne. By the 1930s more than 70 percent of the county’s output was mined by companies situated between the Rivers Blyth and Lyne. In the short run, they made it possible for the industry’s rate of growth to accelerate. Whereas coal production in Northumberland had increased by 17 percent between 1870 and 1880, output increased by 38 percent between 1880 and 1890.8 Annual output averaged 9.24 million tons in the five-year period 1889–93, and over the next two decades production rose by 52 percent (table 1.1). With an average output of 14 million tons per annum in 1909–13, Northumberland accounted for 5.2 percent of Britain’s total tonnage.

Aside from the north bank of the Tyne in the extreme southeast of the county, there were no manufacturing districts situated on or near the Northumberland coalfield. Consequently, virtually all of the district’s output was exported from Northumberland; and most of it was shipped abroad (table 1.2). In 1913 63 percent of the output sold by the Northumberland Coal Owners’ Association was sent to foreign markets, chiefly Sweden, Norway, and Russia.9 Another 7 percent was sold as bunker coal to vessels sailing abroad. By contrast, only 34 percent of national output went abroad as cargoes and bunkers in 1913, the greatest exporting year in the history of the trade. A further 12 percent of the NCOA’s sales were shipped as coastwise cargoes, most of which went to London; and 2 percent bunkered coastal vessels.10 Only the 16 percent of the NCOA’s sales that moved by rail were likely to remain within Northumberland. Almost half of these shipments was consumed by “manufacturing and other industries,” and domestic usage accounted for more than one-quarter. Public utilities and railways divided the remainder.

Geology and geography combined in Northumberland to produce colliery companies singularly devoid of industrial interests outside of those
TABLE 1.1
Output, 1889–1920: Northumberland, Ashington, and Throckley

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Northumberland Total</th>
<th>% of Great Britain Total</th>
<th>% of Northumberland Ashington</th>
<th>% of Northumberland Throckley</th>
<th>% of Northumberland Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889–1893</td>
<td>9.24</td>
<td>5.2</td>
<td>776,109</td>
<td>8.4</td>
<td>—</td>
</tr>
<tr>
<td>1894–1898</td>
<td>9.52</td>
<td>4.9</td>
<td>1,017,468</td>
<td>10.7</td>
<td>—</td>
</tr>
<tr>
<td>1899–1903</td>
<td>11.52</td>
<td>5.1</td>
<td>1,433,200</td>
<td>12.4</td>
<td>—</td>
</tr>
<tr>
<td>1904–1908</td>
<td>13.15</td>
<td>5.3</td>
<td>1,741,008</td>
<td>13.2</td>
<td>—</td>
</tr>
<tr>
<td>1909–1913</td>
<td>14.00</td>
<td>5.2</td>
<td>2,041,320</td>
<td>14.6</td>
<td>—</td>
</tr>
<tr>
<td>1913</td>
<td>14.82</td>
<td>5.2</td>
<td>2,244,429</td>
<td>15.1</td>
<td>491,264</td>
</tr>
<tr>
<td>1914</td>
<td>12.47</td>
<td>4.7</td>
<td>1,994,336</td>
<td>16.0</td>
<td>460,184</td>
</tr>
<tr>
<td>1915</td>
<td>11.04</td>
<td>4.4</td>
<td>1,779,385</td>
<td>16.1</td>
<td>459,163</td>
</tr>
<tr>
<td>1916</td>
<td>11.24</td>
<td>4.4</td>
<td>1,758,402</td>
<td>15.6</td>
<td>444,594</td>
</tr>
<tr>
<td>1917</td>
<td>10.22</td>
<td>4.1</td>
<td>1,676,480</td>
<td>16.4</td>
<td>411,264</td>
</tr>
<tr>
<td>1918</td>
<td>9.88</td>
<td>4.3</td>
<td>1,613,391</td>
<td>16.3</td>
<td>393,561</td>
</tr>
<tr>
<td>1919</td>
<td>10.99</td>
<td>4.8</td>
<td>1,766,963</td>
<td>16.1</td>
<td>398,337</td>
</tr>
<tr>
<td>1920</td>
<td>11.19</td>
<td>4.9</td>
<td>1,807,137</td>
<td>16.1</td>
<td>338,552</td>
</tr>
<tr>
<td>1914–1920 av.</td>
<td>11.0</td>
<td>4.5</td>
<td>1,770,870</td>
<td>16.1</td>
<td>415,093</td>
</tr>
</tbody>
</table>

% change

1889/93–1909/13 +52.0 no change +163.0 +73.8 — —

1909/13–1914/20 −21.4 −13.5 −13.2 +10.3 — —

1913–1914/20 −25.7 −13.5 — — −15.5 +15.15


*In millions of tons; 1 ton = 2,240 lbs.

most intimately associated with coal extraction and distribution. The absence of coals with coking properties precluded firms from diversifying into coke and patent fuel production. The comparative disadvantage of the coalfield, particularly its increasingly important northern district, in metal-making and metal-working foreclosed options readily seized upon
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TABLE 1.2
Disposal of Coal, 1913: NCOA, Ashington, and Throckley

<table>
<thead>
<tr>
<th></th>
<th>NCOA (%)</th>
<th>Ashington (%)</th>
<th>Throckley (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seaborne*</td>
<td>83.91</td>
<td>83.9</td>
<td>37.4</td>
</tr>
<tr>
<td>Foreign cargoes</td>
<td>62.93 (75)</td>
<td>75.0 (89.00)</td>
<td>15.7 (42.0)</td>
</tr>
<tr>
<td>Foreign bunkers</td>
<td>6.57 (8)</td>
<td>0.8 (0.95)</td>
<td>8.0 (21.4)</td>
</tr>
<tr>
<td>Coastwise cargoes</td>
<td>12.21 (14)</td>
<td>8.0 (9.50)</td>
<td>11.0 (29.4)</td>
</tr>
<tr>
<td>Coastwise bunkers</td>
<td>2.20 (3)</td>
<td>0.1 (0.12)</td>
<td>2.6 (7.0)</td>
</tr>
<tr>
<td>Railborne*</td>
<td>16.09</td>
<td>16.1</td>
<td>62.6</td>
</tr>
<tr>
<td>Domestic consumption</td>
<td>4.27 (27)</td>
<td>6.0 (37.00)</td>
<td>2.3 (3.7)</td>
</tr>
<tr>
<td>Public utility undertakings</td>
<td>2.73 (17)</td>
<td>1.7 (11.00)</td>
<td>10.5 (16.8)</td>
</tr>
<tr>
<td>Railways</td>
<td>1.41 (9)</td>
<td>2.6 (16.00)</td>
<td>6.0 (9.6)</td>
</tr>
<tr>
<td>Manufacturing &amp; other industries</td>
<td>7.63 (47)</td>
<td>5.8 (36.00)</td>
<td>43.8 (69.9)</td>
</tr>
</tbody>
</table>

SOURCE: Bound Returns to NCOA, NRO/NCB/C. 444.
*Numbers in parentheses show foreign cargoes as percentage of total shipments by sea.
*Numbers in parentheses show domestic consumption as percentage of total railborne tonnage.

by colliery companies in other coalfields. A survey of twenty-seven Northumbrian coal companies in 1925 revealed that not a single one was involved in iron and steel, engineering, or shipbuilding, and that only one was active in the category covering coke ovens, briquettes, and chemical works. Thirteen firms were involved in brickmaking and pipemaking, natural corollaries of coalmining everywhere, and two operated farms.12

If Northumberland was a coalfield of “pure” colliery companies, it was also home to a highly concentrated coal industry. In 1913 the four largest firms in the district accounted for 36 percent of Northumberland’s output and the eight largest for 57 percent.13 Matching this dominance of large firms was the primacy of big collieries in Northumberland. In 1913 the average mine in Britain employed 340 men and raised 87,000 tons of coal. The average mine in Northumberland employed 470 miners and raised 114,884 tons.14

With their big firms and large mines, the Northumberland coalowners came to preside over a large and rapidly growing labor force. Already in 1851 there had been eleven thousand miners in the county. By 1913 there were more than sixty thousand. Mining employment grew more slowly
elsewhere in Britain, and between 1889–93 and 1909–13 Northumberland’s share of total coalmining employment rose from 4.8 percent to 5.5 percent (table 1.3). Coalmining also represented an increasing proportion

### TABLE 1.3

**Employment, 1889–1920: Northumberland, Ashington, and Throckley**

<table>
<thead>
<tr>
<th>Year</th>
<th>Northumberland</th>
<th>% of Great Britain</th>
<th>Ashington</th>
<th>% of Northumberland</th>
<th>Throckley</th>
<th>% of Northumberland</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889–1893</td>
<td>30,000</td>
<td>4.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1894–1898</td>
<td>33,400</td>
<td>4.9</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1898]</td>
<td></td>
<td></td>
<td></td>
<td>724</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1899–1903</td>
<td>40,300</td>
<td>5.2</td>
<td>4,523</td>
<td>11.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1904–1908</td>
<td>47,000</td>
<td>5.3</td>
<td>5,665</td>
<td>12.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1904]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,484</td>
<td></td>
</tr>
<tr>
<td>1909–1913</td>
<td>57,600</td>
<td>5.5</td>
<td>8,037</td>
<td>14.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td>60,600</td>
<td>5.5</td>
<td>8,985</td>
<td>14.8</td>
<td>2,254</td>
<td>3.7</td>
</tr>
<tr>
<td>1914</td>
<td>54,500</td>
<td>5.2</td>
<td>9,090</td>
<td>16.7</td>
<td>1,970</td>
<td>3.6</td>
</tr>
<tr>
<td>1915</td>
<td>42,300</td>
<td>4.5</td>
<td>6,692</td>
<td>15.8</td>
<td>1,760</td>
<td>4.2</td>
</tr>
<tr>
<td>1916</td>
<td>44,600</td>
<td>4.5</td>
<td>6,620</td>
<td>14.8</td>
<td>1,843</td>
<td>4.1</td>
</tr>
<tr>
<td>1917</td>
<td>45,100</td>
<td>4.5</td>
<td>7,302</td>
<td>16.2</td>
<td>1,848</td>
<td>4.1</td>
</tr>
<tr>
<td>1918</td>
<td>45,300</td>
<td>4.6</td>
<td></td>
<td></td>
<td>1,816</td>
<td>4.0</td>
</tr>
<tr>
<td>1919</td>
<td>58,300</td>
<td>5.0</td>
<td>9,258</td>
<td>15.9</td>
<td>2,206</td>
<td>3.8</td>
</tr>
<tr>
<td>1920</td>
<td>62,300</td>
<td>5.1</td>
<td>9,852</td>
<td>15.8</td>
<td>2,329</td>
<td>3.7</td>
</tr>
<tr>
<td>1914–1920 av.</td>
<td>50,342</td>
<td>4.8</td>
<td>8,135</td>
<td>15.9</td>
<td>1,967</td>
<td>3.9</td>
</tr>
</tbody>
</table>

% change

| 1899/03– | +42.9          | +5.8             | +77.7     | +25.0                 |           |                     |
| 1899/13  |                |                   |           |                       |           |                     |
| 1898–1913|               |                   |           |                       | +211.3    |                     |
| 1909/13  |               |                   |           |                       |           |                     |
| 1914/20  | −12.6          | −12.7             | +1.2      | +13.6                 |           |                     |
| 1913–1914/20 | −16.9      | −12.7             |           |                       | −12.7     | +5.4               |

of total employment in the county. Whereas miners had accounted for 8.6 percent of all employment in Northumberland in 1851, their share in 1901 was more than 15 percent; and the fifty-four thousand miners of 1911 represented “nearly one-fifth of all employment” in the county.¹⁵

Relations between the Northumberland coalowners and their employees in the period c. 1850–1921 differed in a number of important respects from those of coalmasters and miners elsewhere.¹⁶ First, the coalowners of Northumberland were intimately involved in the housing of their miners. As of 1 January 1914 the colliery companies of the NCOA owned 15,465 houses in which 82,376 persons lived (table 1.4). Since 1904 they had spent £377,294 constructing new houses and another £139,505 on restoring and improving old houses. With this housing stock, NCOA members were able to provide free housing for 27 percent of their employees in 1911. Another 24 percent received rent allowances. That coalowners in other coalfields did not assume a similar responsibility for the housing of their workmen is shown by the fact that in 1913 Northumberland accounted for 23 percent of all free coal company housing provided in Britain but for only 6 percent of all coalminers.¹⁷

A second distinctive feature of employer-employee relations on the Northumberland coalfield was the schedule of work shifts underground and their length. Decades before the double-shift system became the norm in British coalmining, hewers (the men who extracted the coal) in Northumberland and their colleagues in Durham were cutting coal during two shifts each day. The time that individual hewers actually worked underground was short indeed. At a time when nine hours underground was the norm in British coalfields and haulage workers in the North East worked between nine and ten hours, hewers in Northumberland spent a maximum of seven hours at work, including the time necessary for descending to the pit bottom and coming back up. That the hewers were satisfied with short hours and that they worked only five (and some hewers only four) days a week testifies to the high piecework prices that prevailed in Northumberland.¹⁸

Unlike miners in other coalfields, colliers in the North East were not assigned workplaces underground by company managers. Instead, workplaces were allocated by a quarterly drawing of lots called cavilling. At some companies the drawing would cover all of the firm’s pits, and a man might move from one pit to another every quarter. At other firms cavilling was confined to individual pits or even to particular seams in a single pit.
TABLE 1.4  
Housing, 1904–1914: NCOA, Ashington, and Throckley

<table>
<thead>
<tr>
<th></th>
<th>NCOA</th>
<th></th>
<th>Ashington</th>
<th></th>
<th>Throckley</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1904</td>
<td>1914</td>
<td>1904</td>
<td>1914</td>
<td>1904</td>
<td>1914</td>
</tr>
<tr>
<td>5 rooms or more</td>
<td>796 (6.0%)</td>
<td>1,211 (7.8%)</td>
<td>308 (16.1%)</td>
<td>396 (15.4%)</td>
<td>12 (2.4%)</td>
<td>12 (2.0%)</td>
</tr>
<tr>
<td>4 rooms</td>
<td>3,446 (25.9%)</td>
<td>4,913 (31.8%)</td>
<td>204 (10.5%)</td>
<td>451 (17.5%)</td>
<td>80 (15.8%)</td>
<td>80 (13.6%)</td>
</tr>
<tr>
<td>3 rooms</td>
<td>4,604 (34.7%)</td>
<td>5,941 (38.4%)</td>
<td>1,230 (64.6%)</td>
<td>1,574 (61.2%)</td>
<td>175 (34.5%)</td>
<td>370 (62.8%)</td>
</tr>
<tr>
<td>2 rooms</td>
<td>4,322 (32.5%)</td>
<td>3,308 (21.4%)</td>
<td>169 (8.8%)</td>
<td>151 (5.9%)</td>
<td>240 (47.2%)</td>
<td>127 (21.6%)</td>
</tr>
<tr>
<td>1 room</td>
<td>112 (0.8%)</td>
<td>92 (0.6%)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>13,280</td>
<td>15,465</td>
<td>1,911</td>
<td>2,572</td>
<td>507</td>
<td>589</td>
</tr>
</tbody>
</table>

Expenditure per new house, 1904–1914  
£128  
£157  
£125

Expenditure per renovated house, 1904–1914  
£101  
none  
£3 9s.

SOURCE: Bound Returns to NCOA, NRO/NCB/C. 366
Cavilling had two advantages for the miners. First, it equalized the chances of working an "abnormal place" where the working of the coal posed exceptional difficulties and where, therefore, piecework earnings would be below average. Second, cavilling denied to management the freedom to discipline or victimize individual workmen by assigning them to abnormal places. To the coalowners, cavilling was a source of unnecessary losses in productivity. The drawing customarily took place on Saturday, but the men often left the moving of their tools to their new places till the following Monday. It would then take the men some time to become acquainted with the geological peculiarities of their new places. At the beginning of each quarter, then, production would fall short of the maximum for several days. During the interwar years, cavilling was to become a source of considerable irritation to some Northumberland coalowners.

Finally, Northumberland distinguished itself by the strength of mining trade unionism on the coalfield and by the conciliatory tone that governed industrial relations. Modern mining trade unionism in Northumberland dates back to 1863 when miners from the county and from Durham banded together to form a union. Owing to internal wrangling, the association was not a success; and in 1864 the Northumberland contingent voted to secede and to form a county-based union, the Northumberland Miners’ Mutual Confident Association. The man who moved the secession motion, Thomas Burt, became general secretary in 1865 and from that position dominated the NMMCA for the better part of the next fifty years. Burt, a thorough-going liberal, believed strongly in a community of interest between capital and labor; and he endeavored to create institutions through which this community of interest could find expression. In 1873 an ad hoc joint committee of employers and employees was set up to deal with disputes at individual collieries. In 1894 a formal Conciliation Board was established to regulate wages, the first such board in the British coal industry.

Under Burt's moderate leadership, the Northumberland Miners' Mutual Confident Association thrived. From a membership of 4,250 in 1865, the union grew to 17,561 in 1875. The trade depression of the late 1870s hit the union hard, and membership sank to 10,707 in 1880. Other county miners' associations suffered far worse. In 1880 none was to be found outside the North East and Yorkshire. As trade recovered, the union again grew. The membership level of 1875 was regained in 1893, and by
1904–8 annual membership averaged 27,685. In 1914, when the Miners’ Federation of Great Britain claimed 70 percent of the nation’s miners as members, the NMMCA’s membership was equal to 75 percent of the county’s mining work force.\(^{21}\)

To be sure, Northumberland was not entirely immune to industrial conflict. A deadlock over wage reductions led to an eight-week lockout in 1878, and another dispute over wage cuts in 1887 resulted in a seventeen-week strike by fourteen thousand miners. In 1910, thirty thousand Northumbrian miners downed tools over the implementation of the eight-hour day underground mandated by the Mines Regulation Act of 1908.\(^{22}\) Against these disputes must be set the very considerable evidence of the Northumberland miners’ reluctance to take strike action. In the periods 1888–94, 1896–1900, and 1911–13 there was no formal machinery for wage determination in the county. Yet not a single county-wide strike ensued. In 1893 the NMMCA rejected the lead of the Miners’ Federation of Great Britain, voted against a strike for a wage advance, and consequently was not involved in the dispute of that year. In the MFGB’s strike ballots of January and April 1912 and April, September, October, and November 1920, the Northumberland miners consistently demonstrated less enthusiasm for national stoppages than did the MFGB’s membership as a whole.\(^{23}\)

Pacific industrial relations in Northumberland did nothing to prevent the coalfield from sharing in the decline of labor productivity that afflicted the British coal industry from the mid-1880s. In fact, the decline in Northumberland was more severe than in Britain as a whole; and the county lost its place among the districts with labor productivity above the national average (table 1.5). In part, the greater decline of productivity in Northumberland was the product of the age of the county’s coal industry and the correspondingly more severe operation of the law of diminishing returns. It may also have been due to an increasing rate of absenteeism, which may have been more pronounced in Northumberland and Durham than in other coalfields.\(^{24}\)

Critics of the late Victorian and Edwardian British coal industry have seized upon the coalowners’ response to the decline in labor productivity as evidence of entrepreneurial failure. Faced with growing demand but worsening geological conditions and an increasingly unenthusiastic work force, the coalowners simply took on more and more men, the majority of whom, as time went on, were inexperienced at mining coal. The more enterprising approach, the critics contend, would have been to have gone
over to machine-mining—or at least to have done so at a faster rate than the coalowners actually did. Less than 2 percent of British output was machine-cut in 1902, and by 1913 the proportion of coal extracted by machine had risen to only 8.5 percent.  

Northumberland’s coalowners displayed a greater willingness to introduce machine-mining than did coalowners nationally. From 2 percent in
1902, the share of Northumberland's output cut by machine rose to 13.8 percent in 1913. The speed with which machine-mining took hold in the district owed something to the fact that the advantages of mechanical coal-cutters were greatest in thin seams of the kind upon which the county's coal companies relied for the bulk of their tonnage. Northumberland also showed a greater willingness to mechanize production in thicker seams. In 1913, 8.1 percent of the coal extracted from seams between four feet and six feet thick in the district was cut by machine. Only 3.5 percent of the coal taken from such seams nationally was mechanically extracted. Northumberland's lead in the mechanization of coal getting, then, must be attributed not just to the prevalence of thin seams in the county but also to those enterprising colliemasters and colliery managers who were quick to appreciate the advantages of machine-mining in seams of moderate thickness.

During the six decades before World War I, Northumberland emerged as a highly concentrated coal industry of large firms that worked big collieries, enjoyed good labor relations, and displayed an above-average readiness to introduce new mining techniques. How the profitability of the Northumberland coal industry compared with the profitability of the coal industry of Great Britain before 1913 is a question that cannot be answered owing to a paucity of reliable data. What can be said is that the late Victorian and Edwardian period witnessed a relatively rapid rise in the value of the coal produced in the county. The average value per ton of coal was 6/7.08 for Northumberland in 1889–93 and 7/4.2 for Britain. Over the following two decades the value of Northumberland's coal rose by 26 percent to 8/3.96, while the average value per ton nationally rose by only 19 percent to 8/8.88.

The premium that World War I and the postwar period of control placed on exports was a great boon to the Northumberland coal trade. During the last three years of the period (the only ones for which reliable regional data are available) the increase in the price paid for Northumberland's coal far exceeded the increases in both the coalfield's costs of production and the value of coal nationally. The average annual profit per ton of Northumberland coal in the period 1918–20 was 9/8.52, 270 percent greater than the average annual profit per ton that the British coal industry as a whole earned in what was one of the more profitable periods in its history.

The events of 1914–20 affected other aspects of the Northumberland
coal industry in a variety of ways. The trend toward increasing output, observable between 1889–93 and 1909–13, was reversed; and the district’s share of total British production declined (table 1.1). Employment, after falling in 1914 and 1915, rose to a record high in 1920, though Northumberland’s share of national coalmining employment fell across the period of government control (table 1.3). Productivity continued to deteriorate, but the drop of 8.6 percent between 1909–13 and 1914–20 was no worse than the national decline (table 1.5). Although advances in machine-mining slowed in Northumberland during the war, the 20.5 percent of the district’s output that was machine-cut in 1920 compared quite favorably with the national figure of 13.2 percent. Nothing that happened between 1914 and 1920 reversed the Northumberland coal industry’s tendency toward increasing concentration. By 1925 the four largest firms on the coalfield accounted for 46 percent of output and the eight largest for 65 percent. Finally, the average size of the district’s mines changed, with output falling by 24 percent and employment rising by 4 percent. Even so, the average Northumberland mine in 1920 was still larger than the average British mine: 87,422 tons to 80,700 and 487 employees to 431.30

The Northumberland coal industry entered the interwar period with a complex array of vulnerabilities and strengths. It worked an old coalfield in which there had never been particularly thick seams. Moreover, the thickest seams in the district had long since been worked to the point of exhaustion. Productivity was below the national average even if the rate of its decline had recently been slowed. The district’s steam and house coals were of good quality, but they did not possess any special qualities such as those that conferred a quasi-monopoly status on South Wales steam coal and Durham coking coal. There were no significant markets close at hand, so that to a very great extent Northumberland depended on the vagaries of foreign trade. On the plus side of the ledger, the coal measures in Northumberland were shallow and relatively free of geological irregularities. The industry was highly concentrated, and large mines were the norm. Industrial relations, judged by the standard of British coalmining in the period 1890–1920, were exceptionally good. Both management and labor were more experienced with machine-mining techniques than in most British coalfields. Finally, the Northumberland coal industry was prosperous, thanks to the blessings that war and state control had conferred upon the export trade. If the government in 1921 chose a moment of severe depression for the coal trade to return the industry to
private hands, cyclical fluctuations certainly were not unknown to the Northumberland coal trade; and recent years had allowed the accumulation of reserves against hard times.

The Ashington Coal Company was a latecomer to the Northumberland coal trade, a product of the burgeoning demand for steam coal and the extension of transport facilities northward from the Tyne. Working royalties north of the River Wansbeck, the original partnership commenced mining operations only in the late 1840s. Deep-mining did not begin until the late 1860s. Thereafter growth was rapid and sustained. Output more than doubled between 1872 and 1882 and increased almost one and one-half times between 1882 and 1892. Two new collieries were opened in the 1890s, and in 1898 the partnership form of ownership gave way to a private company. A fourth colliery opened in 1910. By 1913 the Ashington Coal Company raised more coal and employed more miners than any other firm on the Northumberland coalfield.

The earliest evidence of interest in mining coal at Ashington dates from 1843. In September of that year, Francis Turner compiled a report on the Ashington and Black Close royalties with an "estimated Cost of Winning and Probable Profit." An expenditure of £13,000, Turner reckoned, would permit the profitable working of the Yard seam in six months' time and the Main seam in twelve months' time as well as the construction of a railway to Blyth that would be operative by the time the mining of the Main seam commenced. Turner projected an output of some 53,000 tons and anticipated that production on this scale would yield a return of 17.75 percent on the original outlay. Were a rail link to the Tyne constructed, an increase in output to 80,000 tons would be possible; and economies in working costs would be realizable as the "business of shipping coals on the Tyne is not liable to delays and fluctuations to which the trade of Blyth etc. is subjected" and more regular working of the colliery would be assured. Turner estimated the return to capital on this basis at 20.5 percent, assuming that none of the costs of the railway fell upon the colliery.31

Turner’s enticing projections led to a partnership to acquire mineral leases from the Duke of Portland and to operate the Black Close Colliery. Turner took a 4/32 share of the partnership, William Dickinson a 14/32 share, and Joseph Wright and Richard Short each held a 7/32 share. The first coal shaft was sunk in 1846, and "that was on a very unpretending scale." The seaborne trade upon which Turner had staked his hopes did
not materialize, and by "the early part of the year 1849" the works already had "been for some time laid in." In the same year the partnership was reorganized. George Lee and John Henderson acquired a half interest in the concern, which they divided equally. Of the original partners, Wright increased his share to 8/32, Dickinson decreased his to 4/32, Turner retained his 4/32 share, and Short dropped out. With the change in ownership came changes in management. Initially, Henderson assumed responsibility for mining operations; but in August 1851 he turned management of the colliery over to Harrison, Carr and Company. Two months later the partnership, now styled "George Lee and Partners, owners of Ashington Colliery," entered into an agreement with Harrison, Carr and Company whereby the latter, in addition to managing the works, would contribute £2,500 to the firm's capital account. In return Harrison, Carr and Company would be granted an option to buy one-half of each partner's shares within four years' time. As Harrison eventually became a partner, it seems likely that he exercised this option. He may have done so soon after Wright sold his share of the partnership to "Lee, on behalf of Henderson and Dickinson" in January 1853.32

Despite its new ownership and management, Ashington Colliery was not a success. Between 13 May 1849 and 24 January 1853 the partnership lost £1,423, two-thirds of which occurred before Harrison, Carr and Company took over the direction of mining activities in August 1851. In explaining this disappointing result, the firm's accountants stressed the depressed state of the coal trade and the heavy costs that had been incurred in developing the colliery.33 The firm's financial position must have improved, for it was still in operation fifteen years later. Its scale of operations, however, remained small. In 1867 the output of best coals was only 25 percent greater than the output of best coals in the eighteen months between August 1851 and January 1853.34

In the late 1860s two developments initiated a dramatic transformation in the fortunes of the Ashington Coal Company. Deep-mining began at Ashington in 1867 with the sinking of the Bothal pit.35 Two years later Jonathan Priestman joined the concern as managing partner. The scion of an old Quaker family related by marriage to John Bright, Priestman brought both financial connections and mining expertise to Ashington. His father had been a shareholder in the Northumberland and Durham District Bank, which from the 1830s had played a prominent role in the economic development of North East England; and his father-in-law had
been its managing director. Priestman himself, before moving to Ashington, for twelve years had been managing director of the Consett Iron Company, a concern with extensive colliery interests in County Durham.36

Deep-mining under Priestman’s direction led to a vast expansion of output almost overnight. Production averaged roughly 100,000 tons per annum for the four years 1868–71, of which perhaps 73,000 tons per annum were best coals. Best-coal production in 1867 had been in the neighborhood of only 38,000 tons. The firm’s finances also improved. Profits averaged £5,500 in 1870–71, tantamount to 1/1.32 per ton per annum. Thanks to the boost that the Franco-Prussian war gave to the coal trade, output and profits at Ashington soon reached unprecedented levels. Already in 1872, 154,935 tons were raised. In 1882, 329,687 tons were produced, an increase due in part to the sinking of a second deep mine, the Carl pit, in 1873. Despite the sharp decline in coal prices at the end of the 1870s, Ashington earned average annual profits of £13,602 in the period 1872–1882, equivalent to 1/3.48 per ton per annum. With the dispersal of these earnings, the enterprise began to exhibit the financial conservatism and the commitment to technical excellence that were to be the hallmarks of the Ashington Coal Company. Between 1872 and 1882 the partners poured 71 percent of the firm’s profits back into the works.37

The subsequent decade saw further changes in both the composition of the partnership and the colliery’s operations. During the mid-1880s all of the early participating families except the Lees withdrew from the partnership. Their places were taken by more Priestmans and by several members of the Milburn family, prominent North Eastern shipowners. Of the firm’s seventeen partners in 1898, five were Lees, five were Milburns, and three were Priestmans.38 These changes in ownership did nothing to deter the firm from continuing to expand its deep-mining operations. The Drake pit, its third deep mine, was sunk at Ashington in 1887. Meanwhile the Blyth Harbour Commission had set about renovating Blyth’s docks and harbor. With Blyth’s transformation into a well-equipped, economical point of departure for coal, Ashington was able to redirect its coal shipments away from the Tyne, shortening the rail journey of its coals from twenty-eight miles to less than six miles.39

Together, the strengthening of the partnership, the additional deep-mining capacity, and the reduction in transport costs paved the way to accelerating rates of growth and profitability. Output reached an annual average of 776,109 tons in 1889–93, and it increased by another 31 percent over the next five years (table 1.1). In the process Ashington’s share of
Northumberland’s coal production rose from 8.4 percent to 10.7 percent. Annual profits averaged £41,980 (1/5.88 per ton) for the period 1882–1892, rising to £66,900 between 1889 and 1897.\textsuperscript{40}

When John Bell Simpson, the eminent mining engineer, made a valuation of the Ashington Coal Company’s properties in January 1898, he enumerated the factors that he thought explained the firm’s outstanding results since 1889. Part of Ashington’s success he attributed to labor disputes in other coalfields during the early 1890s. When the abnormal profits that they permitted were discounted, the firm still showed a healthy profit rate of 1/2 per ton per annum. Geology and geography, Simpson maintained, were the more permanent foundations of success. Thanks to the thickness, shallowness, and quality of the coal seams in its royalty area, the firm enjoyed relatively low working costs. Thanks to its proximity to Blyth, the firm enjoyed relatively low transport costs.\textsuperscript{41}

In retrospect it is difficult to have full confidence in Simpson’s judgments about Ashington’s geological advantages. In 1898 all of the company’s coal came from seams less than four feet thick. Taking the Northumberland coal industry as a whole, only 74.5 percent of its output was drawn from seams under four feet. Nor is it clear that Ashington was blessed with especially shallow seams. In 1912, 74 percent of the company’s output was raised from seams less than 180 yards below the surface; but 72.5 percent of Northumberland’s output came from seams less than two hundred yards deep. That Ashington’s seams were of good quality appears more certain. For the nine years 1889–97, the firm’s output of large or best coal averaged 66 percent of total production. There can be no disagreement either about Ashington’s geographical advantage once Blyth Harbour was fully renovated.\textsuperscript{42}

In July 1898, six months after Simpson completed his valuation, the Ashington Coal Company was transformed from a copartnership into a private company. The change in status conferred upon Ashington’s owners the benefits of limited liability. As a private company, Ashington differed from public companies in that it was not required to publish its accounts; and it was forbidden from issuing shares to the public. The company’s shares, though, could be traded privately, provided that the number of shareholders in the company did not exceed fifty.\textsuperscript{43} At the time of its incorporation, Ashington claimed only sixteen shareholders. The company’s nominal share capital was set at £600,000 and was divided between 27,300 £10 5 percent cumulative preference shares and 32,700 £10 ordinary shares. The paid-up capital consisted of 32,640 ordinary shares upon
which £8 were considered paid and 25,600 fully-paid preference shares, making a total of £517,120.44

The way in which Ashington was incorporated as a limited-liability concern bespoke a desire to retain the firm’s previous ownership.45 Of the company’s sixteen shareholders in 1898, seven were Milburns, five were Lees, and two were Priestmans. The remaining two shareholders, both women, may have been related to one or another of the three families. The desire for privacy was to remain as time went on. In the course of the 1920s the number of shareholders proliferated, and the statutory limit of fifty was placed in jeopardy. Instead of accepting the situation and going public, Ashington appealed to its solicitors and accountants to devise a scheme for reconciling the widening dispersal of its shares with the legal requirements of a private company. The joint-ownership of shares provided the solution.46

Ashington’s private status did not prove a barrier to the employment of professional managers. In 1910 Ridley Warham, a twenty-five-year veteran of the Northumberland coal trade who had already appeared before the Royal Commission on Coal Supplies (1903–5) as an expert witness, was named the firm’s general manager. In 1924 Warham became a director. Though the board otherwise remained the preserve of the owning families, Warham was the primary repository of managerial authority at Ashington until his retirement in 1937. He oversaw the firm’s mining operations, negotiated with labor’s representatives, bargained with Ashington’s bankers, represented the concern in the councils of the Northumberland coal industry, and maintained contact with the firm’s customers abroad. During his tenure at Ashington, Warham emerged as the dominant figure in the Northumberland coal trade. Already in 1916 he was appointed to the Board of Trade’s Departmental Committee to Consider the Position of the Coal Trade After the War. From 1924–36 Warham was the chairman of the Blyth Harbour Commission. From 1926–36 he served as vice-chairman of the Northumberland Coal Owners’ Association and from 1937–41 as its chairman. He also found time to serve as vice-president of the Newcastle-upon-Tyne and Gateshead Chamber of Commerce, on the central committee of the Mining Association of Great Britain, and as chairman of the Northern Area Committee of the Coal Utilization Council.47

If Ashington’s private company status failed to block the recruitment of professional managers, it also presented no obstacles to the further growth of the concern. A second colliery at Linton had begun operations
two years before incorporation in 1896. A third colliery, this time at Woodhorn, opened in 1908. Yet a fourth colliery at Ellington began winding coal in 1910. As these collieries came on stream, the company’s output climbed upward (table 1.1). From an average annual output of 1,017,468 tons in 1894–98, production doubled to 2,041,320 tons in 1909–13. Production in Northumberland as a whole grew less than half as fast over the same period so that Ashington’s share of the district’s output grew from 12.4 percent to 14.6 percent. Employment at the company’s mines grew by 78 percent between 1899–1903 and 1909–13, while the employment of coalminers in Northumberland increased by 43 percent. Ashington’s share of coalmining employment in Northumberland rose to 14 percent as a result (table 1.3). In 1913 Ashington produced more coal (2,244,429 tons) and employed more miners (8,955) than any other firm in Northumberland. The company’s smallest colliery, at Ellington, raised 223,229 tons and employed 869 men. By contrast, the average mine in Northumberland raised only 114,884 tons and employed only 470 miners.48

This tremendous growth in Ashington’s size was accompanied by the introduction of the most up-to-date mining technology. The firm installed its first mechanical coal-cutter in 1896. By 1913 no less than 44 percent of Ashington’s output was machine-cut, which represented 48.5 percent of all the coal mechanically extracted in the county of Northumberland. In 1898 Ashington erected its first coal-washing plant, and in 1905 the firm introduced its first coal-conveyor underground. Nor were the technical advances limited to the production side of the company’s operations. In 1904 Ashington arranged with the North Eastern Railway Company for the construction of a number of “special bottom door 40 ton wagons.” The wagons, which were far larger than the eight- to twelve-ton wagons that still dominated the coal trade in the mid-1920s, were designed to minimize the breakage of coal in transit. They also “were able to affect economies in the teeming and handling of coal,” and they considerably increased the standing capacity available to the company in the sidings. Together with the collieries’ proximity to Blyth, the wagons gave Ashington a decided advantage in transport costs. In 1913 the average cost to the company of a ton of coal sent by rail was 6.75d. The average cost to members of the Northumberland Coal Owners’ Association was 7.87d.49

The management of the Ashington Coal Company also gave due consideration to the human aspect of mining coal. Toward trade unionism the company seems to have been accommodating. In 1913, 72 percent of
a work force that was both large in absolute terms and growing rapidly belonged to the Northumberland Miners' Mutual Confidential Association.\textsuperscript{50} Ashington's sensitivity to the needs of its employees was also evident in the company's provision of housing (table 1.4). Since it was the tradition in the North East that mining concerns house their married workmen, and since Ashington's collieries were situated in a rural part of Northumberland, it was inevitable that a firm growing as rapidly as Ashington would have to provide housing on a substantial scale. By 1914 the company's housing stock numbered 2,572 buildings, in which 15,481 inhabitants lived, roughly half the population of the town and villages adjacent to the company's collieries.\textsuperscript{51} Though Ashington's share of the housing stock of NCOA members was slightly less than its share of NCOA employment, there are grounds for suspecting that the quality of the housing provided by the company was above average. First, the average sum that Ashington expended per new house in the period 1904–14 was 23 percent greater than the average sum expended by NCOA members as a whole. Second, a larger portion of Ashington's housing stock consisted of big houses. In 1914, 8 percent of NCOA houses—but 15 percent of Ashington's houses—had five rooms or more. At the other end of the spectrum, 22 percent of NCOA houses had but one or two rooms while only 6 percent of Ashington's houses were so small. Whether because of its acceptance of trade unionism, its generous housing program, or some other reason, industrial relations at the Ashington Coal Company in the years before World War I were generally peaceful. The company's share of the days NCOA members lost to strikes in 1912–13 conformed closely to its share of NCOA employment.\textsuperscript{52}

The one black spot on Ashington's record in the years between incorporation and war was labor productivity (table 1.4). Between 1899–1903 and 1909–13 average output per man per year fell by 20 percent. As productivity in Northumberland in this period declined by only 15 percent, Ashington saw its margin of superiority reduced from 10.8 percent to 4.6 percent. More precise data, figures of output per man per day at Ashington, tell a similar story. On that basis, productivity at Ashington declined by 16 percent between 1899–1903 and 1909–13. Moreover, the figures show that the decline of productivity underground was quite serious, if not as great as the decline on the surface: 15 percent against 19.3 percent.\textsuperscript{53}

In the discussion above about the decline in labor productivity in Northumberland as a whole, stress was laid upon the law of diminishing
returns in coalmining. While Ashington was undoubtedly having recourse to increasingly thin seams, the company’s intensive application of machinery to the task of coal-getting makes it unlikely that diminishing returns can bear much of the blame for the poor productivity performance. Certainly diminishing returns cannot explain the decline in the productivity of the firm’s surface workers. A more likely explanation of Ashington’s falling productivity, and one that encompasses the decline above ground as well as below it, is that the mechanization of coal conveying from the faces to the main haulage roads and the organization of coal handling at all stages in the company’s operations failed to keep pace with the tremendous increase in the firm’s output between 1898 and 1913.

In bringing its produce to market, the Ashington Coal Company realized Francis Turner’s vision of a colliery operation based primarily on the seaward trade. In 1913, 84 percent of the tonnage the firm sold was shipped either abroad or coastwise, the same proportion as for the NCOA as a whole (table 1.2). The composition of Ashington’s seaward trade, however, differed in two respects from that of the NCOA. First, the company relied more on exports, and less on the coastal trade, than the NCOA. Second, Ashington was more involved with cargo shipments than the NCOA, and a smaller volume of its sales consisted of bunker coal. With respect to the 16 percent of its business that was done by rail, more than half went to household and railway consumption. Sales to public utilities and to manufacturing and other industries were less important to Ashington than to the entire NCOA.

That this pattern of sales proved very profitable for the Ashington Coal Company is certain, even though the fragmentary documentation rules out an exact calculation of the firm’s financial results in the period 1898–1913. The years between incorporation and the start of World War I were years of expansion and technological change at Ashington. Two collieries were brought to full production, a third was sunk and equipped, and the transition to machine-mining was made. All this activity was costly. For example, it was estimated in 1898 that an expenditure of £85,000 would be required over the next five years to increase the annual outputs of Linton and Woodhorn collieries to 250,000 and 300,000 tons, respectively. Ashington met these charges, as well as those arising from its other developments, entirely from profits. No issue of new shares was made, no calls were made upon the unpaid portions of the existing shares, and no loans were subscribed. Clearly the firm’s profits were large. An outline of Ashington’s history compiled in connection with the firm’s
claims to compensation for the nationalization of its colliery assets spoke of "profits well over a £100,000 even in those days." If the years 1912–13 are any indication, such profits were sufficient to cover handsome dividends in addition to the costs of capital expansion and improvement. In those two years, the holders of ordinary shares received 20 percent and 25 percent on their investment.\textsuperscript{55}

Between 1849 and 1913 the Ashington Coal Company was transformed from an unprofitable partnership working the shallowest coal measures and selling coals only in the immediate vicinity of its colliery to the largest and perhaps the most financially successful, deep-mining, export-oriented colliery concern on the Northumberland coalfield. The company's prodigious and rewarding growth was undoubtedly facilitated by natural advantages of geology and geography. The coal measures in its royalty area were shallow and free of water and inflammable gas, and they yielded good quality house and steam coals. The collieries' proximity to the port of Blyth gave Ashington a cost advantage in the transport of coal.

Ashington's good fortune, however, extended beyond the beneficence of nature. From the arrival of Jonathan Priestman as managing partner in 1869 through the tenure of Ridley Warham, Ashington enjoyed managers of exceptional quality. Indeed, it was to the entrepreneurs at its helm that the firm owed the position of ascendancy over the Northumberland coal trade that it had won by 1913.\textsuperscript{56} After all, other firms in the county worked shallow seams that were of good quality and free from geological irregularities. Yet none mechanized extraction to the extent that Ashington did. Similarly, other concerns worked collieries close to Northumberland's principal ports. Yet only Ashington moved its coals in forty-ton wagons. The distinctive quality of Ashington's managers was manifest also in their treatment of the firm's labor force. Virtually every coal company in Northumberland had to house its married colliers. How many of these concerns took the pains Ashington did to provide above-average accommodations?

World War I and the postwar period of state control imposed the same strains upon Ashington as upon other coal companies in the county, and the effects were much the same as elsewhere. Output fell between 1909–13 and 1914–20, and employment rose; though Ashington did enlarge its share of both district production and employment (tables 1.1 and 1.3). Output per employee continued to decline; and though the rate of deterioration slowed, it was still faster than the county average (table 1.5).
If there was anything to cheer about in the company's gloomy productivity record, it was that the fall in output per employee underground had been virtually checked. Labor productivity per day underground was only 3 percent lower in 1914–20 than it had been in 1909–13, and the average output per shift of the firm's hewers was actually 3 percent higher in 1919–20 than it had been in 1911–13. This gratifying result was no doubt due to the extension of mechanized coal-getting at Ashington during the war. Between 1913 and 1920 the proportion of the firm's output cut by machine increased to more than 47 percent.57

Labor relations deteriorated markedly at Ashington during the war and its aftermath. Prior to the hostilities, Ashington had been no more strike-prone than the rest of the Northumberland coal industry. Between 1914 and 1917, when patriotic fervor was at a peak in Britain, relations between management and men at the firm had been more tranquil still. Employing 17 percent of the NCOA's labor force, Ashington accounted for only 6 percent of all the days NCOA members lost to strikes. Over the next three years, as the economy's demand for labor pushed up against the limits of supply, the prices of necessities rose sharply, and as revolutions erupted on the continent, industrial relations worsened. The NCOA lost more than forty times as many days to strikes in the period 1918–20 than in the previous three years, and Ashington was responsible for 36 percent of the total. The disputes that afflicted the company during these years, national stoppages aside, concerned working practices. A dispute over cavilling procedures cost the firm a week of production in 1918. Almost three weeks' production was lost in late 1919 and early 1920 owing to a strike over the status of Saturday working on alternate weeks under the term of the Seven Hours Act of 1919.58

Neither such discord nor falling productivity prevented Ashington from profiting enormously from the war and the postwar period of control. Dividends on ordinary shares averaged 44.3 percent for 1914–20, even though not a penny was paid out in 1914. In addition, £391,600 in undivided profits were accumulated in the firm's profit and loss and reserve accounts and then capitalized in March 1921.59 Large though they are, these figures probably understate Ashington's wartime earnings, for they include neither profits that Ashington poured back into the collieries nor monies placed to reserve but not capitalized in 1921.

Though the return of the coal industry to private control on 1 April 1921 occurred at a time of acute depression in the export trade, the Ashington Coal Company entered the interwar years in an exceptionally
The Coalfields and the Companies: Part 1

strong position. It was the largest concern on the Northumberland coalfield. Its recent growth had been far more rapid than that of the Northumberland coal industry as a whole. Its collieries were well above the county average in size in a district of unusually large collieries. Its mines were admirably equipped with the most up-to-date mining appliances, and its transport arrangements were second to none in Northumberland. To be sure, Ashington was not immune to difficulties. Labor productivity had fallen rapidly since the turn of the century and, though the rate of decline had slowed during the war, output per man per year was scarcely above the county average. Nor were industrial relations on the best of footings, as the proliferation of disputes over working practices at the end of the period of control indicates. To the solution of these problems Ashington brought two valuable assets. First, the company was in excellent financial shape. The extraordinary earnings of 1914–20 came in the wake of the exceptional profits of 1898–1913. Moreover, the company was entirely free of debt. Second, the company was in the hands of an experienced and exceptionally competent management. Alert to technological possibilities and sensitive to labor’s needs (if not unyielding before some of its demands), Ashington’s managers had guided the firm successfully through the heady years of rapid growth and the more trying years of war. Noting these assets, an observer of the Ashington Coal Company in 1921 could hardly have been anything but confident about its prospects.

The Throckley Coal Company was a medium-size Northumberland colliery concern. It ranked thirteenth among the twenty-eight members of the Northumberland Coal Owners’ Association in both output and employment in 1913. In respects other than size, Throckley was hardly a typical Northumberland coal company. Located in the oldest part of the Northumberland coalfield, just to the west of Newcastle and to the north of the Tyne, the firm was of recent origin, a product of the last third of the nineteenth century. Unlike its fellow members of the NCOA, four-fifths of whose sales were exported from the district, Throckley sold two-thirds of its coals in Northumberland. Seventy percent of the sales went to manufacturing and other industries, whereas less than half of the tonnage NCOA members shipped by rail was consumed by industry. By virtue of its location and choice of markets, the commercial opportunities available to the Throckley Coal Company differed from those of the export-oriented companies located in the north of the coalfield. That the firm expanded its operations considerably and turned in respectable fi-
nancial performances between 1900 and 1913 indicates that these opportunities, while perhaps not so vast as those facing firms like Ashington, were by no means negligible.

Coalmining was already in progress at Throckley by the end of the seventeenth century, and during the eighteenth century the area seems to have been dotted with numerous small collieries that were connected by wagonways with the waterfront coal depots at Lemington. Proximity to the Tyne proved a mixed blessing. While it gave the collieries the advantage of low transport costs, it exposed them to the danger of flooding. When the exhaustion of the most accessible seams forced deeper workings, leakage posed serious technical and economic obstacles to mining operations. By the early nineteenth century the problem had become so severe that mining had ceased at Throckley. "Somewhat after 1840" a farmer named William Stephenson leased the uppermost coal seams at Throckley for the purpose of making drainpipes and tiles, and "about 1850 he commenced making fireclay goods." During the 1850s and 1860s Stephenson's Bobby pit, from which fireclay and coal for brickmaking were mined, comprised the full extent of colliery operations at Throckley. 60

Coalmining at Throckley was transformed from an activity subsidiary to brickmaking to the principal source of employment in the area as a result of changes on both the supply and demand sides. Demand changed first. In 1822 John Spencer opened a file factory at nearby Newburn. Steel-converting and crucible shops followed, and by 1830 "steel manufacture, properly speaking, had commenced." Here, then, was a market for considerable quantities of coal. To meet this demand from the coal measures at Throckley required improvements in pumping technology. With the substitution of direct-action underground steam pumps for the Cornish engine after 1850, the extension of Stephenson's mining operations became feasible. 61

The supply and demand sides were joined on 18 February 1867 when the brickmaking Stephensons and the steelmaking Spencers came together in a partnership to acquire the rights to the Throckley royalty. William Stephenson's two sons, William Haswell and Charles John, took six of the shares in Messrs. Stephenson and Partners, and John Spencer's three sons, John, Michael, and Thomas, took another six. John Bell Simpson, the mining engineer who was to evaluate the Ashington Coal Company in 1897–98, and E. J. Boyd, another mining engineer, each held one of the two remaining shares. 62 Economically and civically this was to prove
a most illustrious cast. William Haswell Stephenson was to be lord mayor of Newcastle several times as well as chairman of the Tyne Improvement Commission. His economic interests were to include the chairmanship of the Tyne-Tees Steam Shipping Company and the local board of the Royal Insurance Company and membership on the boards of the Newcastle and Gateshead Water and Gas companies. The Spencers were active in Unionist politics, served as local councilors, and were pillars of the local church. Simpson, whose achievements included a stint on the Durham County Council and the presidency of the Institution of Mining Engineers, sat on the boards of three colliery companies besides Throckley. He was also director of Hawthorn, Leslie and Company, the shipbuilders; the Parsons Marine Steam Turbine Company; and several electrical supply and lighting concerns. Boyd, in addition to his interest in Throckley, was a director of the North Walbottle Coal Company and a high sheriff of Durham.63

The partnership, which was launched with a nominal capital of £14,000, anticipated that £18,000–20,000 would be necessary to set up a profitable colliery operation. On 24 April 1867, two months after the partnership formed, Isabella Stephenson broke ground for a new mine that was later to be known as the Isabella pit. The sale of coal from the mine commenced in 1869, and in 1872 the partners received their first dividends. Four years later a second shaft, the Derwentwater, was sunk at Throckley.64

Through its early years, water seepage into the coal measures plagued Messrs. Stephenson and Partners. Already in 1867 the concern approached the Admiralty, a principal royalty owner, with a request that it risk £5,000 in the development of the Isabella Colliery. The Admiralty refused, but in 1868 it offered to loan the firm £800 at 5 percent interest. Before mining began, a large pumping engine was installed to dewater the coal. In 1877 the partnership leased a portion of the abandoned Walbottle royalty adjacent to its own royalty area to control better the flood of water into the Thockley workings. In 1887 a still larger pumping engine was installed. Evidently these efforts were successful, for in the two years 1888–89 profits represented a 15.9 percent return on the firm’s capital.65

On 29 July 1891 Messrs. Stephenson and Partners registered as a private company, the Throckley Coal Company. The firm’s nominal capital was set at £119,000, divided among 1,190 £100 shares. The sum of £75 was called up on each share, making for a working capital of £89,250. The distribution of the new company’s shares suggests that incorporation was seen purely as a means to the end of limited liability. The eight share-
holders consisted of two Stephensons, four Spencers, Simpson, and Robert Fenwick Boyd. The proportions of the shares held by the two families, Simpson, and Boyd were identical to the proportions they had held of the partnership’s shares. Over time, as the shares traded privately, the list of Throckley’s owners came to include various spinsters, widows, and minors—possibly unrelated to the original owners—and a few solicitors. The hold of the original owners, however, never weakened. As late as April 1939, the combined shareholdings of the Stephensons, Spencers, and Simpsons accounted for at least 74 percent of Throckley’s ordinary shares and 81 percent of its preference shares. Unlike Ashington, Throckley never permitted the transfer of managerial authority to professional mining men from outside the original group of owners. Between 1891 and 1939 two outsiders were admitted to Throckley’s board. One was a solicitor, and one had been the company’s secretary. The direction of the company, therefore, remained firmly in the hands of subsequent generations of Spencers, Stephensons, and Simpsons, only one of whom qualified as a mining engineer.

For its first eight years, the Throckley Coal Company led an unassuming existence. Its mining operations were limited to the two pits at Throckley, the Isabella and the Derwentwater. Dividends during the period 1891–98 were modest, averaging on the order of 7–8 percent annually. From 1898 the pace of development quickened; and the firm’s operations expanded considerably, perhaps as a result of the stimulus that the Boer War provided to the coal trade. In 1899 Throckley began the redevelopment of the Blucher pit, a mine that dated back to the late eighteenth or early nineteenth century and that lay within the firm’s royalty area. Coal-winding began at Blucher in 1901. The following year the company acquired the Margaret pit at Heddon, which had first been worked in the eighteenth century. Access to this colliery allowed greater control over the flooding of water into the Throckley pits, and its purchase had been pursued by Throckley for several years. In 1906 Throckley merged with Wm. Stephenson and Sons, the brickmakers, and sank a third mine at Throckley, the Maria pit.

This enlargement of Throckley’s operations required additional capital. A resolution passed at an extraordinary general meeting in March 1900 authorized the creation of “500 new shares of £100 for the purpose of colliery extension.” Throckley’s nominal share capital was thus brought to £169,000, and by March 1901 paid-up capital had been increased to £134,125. In the fall of 1906, Throckley’s shareholders authorized the
creation of 1,000 £100 6 percent preference shares, thereby raising the firm's nominal capital to £269,000. The revenue generated by the taking up of 598 of these shares, together with calls on the unpaid portion of the ordinary shares, brought the firm's paid-up capital to £218,660. In the years between 1900 and 1914, then, Throckley increased its paid-up capital by 145 percent.\(^{70}\)

By the time its capital expansion program was completed, the Throckley Coal Company was raising coal from four collieries. Two of these collieries had been built from scratch by the company: the Isabella and Derwentwater pit (their operations had been consolidated) and the Maria pit. Two of the collieries were old workings that the company had re-opened: the Blucher pit and the Margaret pit. Total production in 1913 was 491,264 tons, equal to 3.3 percent of the tonnage raised in all of Northumberland. Total employment was 2,254, 3.7 percent of coalmining employment in the county.\(^{71}\)

While increasing Throckley's output and employment substantially, the firm's program of pit sinking and colliery renovation did not result in an efficient enterprise. Output per man per year in 1913 was 10.6 percent below the average for Northumberland (table 1.5). Surprisingly, the low level of productivity at Throckley cannot be attributed entirely to the fact that two of the company's mines had been laid out at an early stage in the development of mining practice. Productivity was indeed low at the Margaret pit, but annual output per employee at Blucher was second only to that at the Maria pit among Throckley's four collieries. At the heart of the concern's productivity problem was the Isabella and Derwentwater pit, a large mine and of relatively recent origin. In 1913 this colliery, which accounted for 39 percent of Throckley's tonnage, recorded an average annual output per man 16 percent lower than that of the county as a whole.\(^{72}\)

Two factors, one relevant to all of Throckley's collieries and one specific to the Isabella and Derwentwater pit, explain the low level of labor productivity at the company. Consider the general factor first. In 1917–18 Throckley worked six coal seams, the thinnest of which was two feet two inches thick and the thickest of which measured three feet nine inches.\(^{73}\) Like Ashington, then, Throckley extracted all of its coals from moderately thin seams. Unlike Ashington, which by 1913 was extracting almost half of its output by machine, Throckley continued to work all of its coal by hand. Indeed, there is no evidence that the firm even contemplated introducing mechanical coal-cutters before the mid-1920s. As
Throckley was working just the sorts of seams in which the use of mechanical coal-cutters was most profitable, the failure to introduce them must be accounted a managerial lapse. At the Isabella and Derwentwater pit the inefficiencies resulting from the firm’s choice of technique were compounded by the less-than-optimum layout of the underground workings. According to an engineer’s report of 1917-18, many of the coal faces were an extraordinarily long way from the pit bottom. Consequently, the number of haulage workers required was higher than would have been the case had a more rational plan of underground workings been adopted. The additional haulage men, of course, drove down labor productivity and drove up the costs of production.

That the Throckley Coal Company attained a comfortable level of financial success between the turn of the century and 1913 may explain management’s apparent indifference to best-practice mining arrangements. Between 1900 and 1907 Throckley’s dividends on ordinary shares averaged in the neighborhood of 17-18 percent per annum. From 1908 through 1913 the firm earned £161,650 in profits, exclusive of charges for depreciation and interest on loans. At 1/1.59 per ton per annum, Throckley’s profitability was at least commensurate with that of the British coal industry as a whole during what was one of its more lucrative periods.

The pattern of trade that underlay Throckley’s financial success was markedly different from that pattern to which the Northumberland coal industry as a whole owed its prosperity in the years before World War I (table 1.2). In 1913 44 percent of the firm’s total sales and 70 percent of its railborne sales were made to manufacturing and other industries. Though no figures are available to confirm the point, it seems likely that the bulk of the 189,440 tons consumed by industry was bought by Spencer’s Newburn steelworks. Regarding the remainder of Throckley’s railborne sales, the firm sold proportionally less of its coal to domestic consumers than did the NCOA as a whole and more to public utilities and railways. The pattern of such seaborne sales as Throckley undertook also diverged from the trade pattern of the NCOA. Throckley shipped a larger share of its seaborne coal coastally than did the NCOA and sold a larger share as bunker coal.

During the prosperous years before the First World War, industrial relations at Throckley were good. Bill Williamson, in his biography of his grandfather, a Throckley miner, suggested that the majority of the company’s workmen took the “general view that this was a good company to work for.” Whether this is an accurate assessment or not, Williamson
was undoubtedly right when he wrote that “most of the time [the] Throckley pits were peaceful.” In the two years 1912–13, Throckley accounted for 4 percent of NCOA employment but for only 1.6 percent of the days NCOA members lost to strikes. This lack of militancy was manifestly not a function of a low level of organization among Throckley’s miners. In 1913, 74.5 percent of the work force belonged to the Northumberland Miners’ Mutual Confident Association.  

In Williamson’s view there were two explanations for the exceptionally peaceful tone of labor relations at Throckley: the relatively long periods over which wages were stable at Throckley owing to the firm’s limited participation in export markets, and the paternalism of the management, particularly the Stephasons. As an explanation of the fact that Throckley’s labor relations were even more pacific than the harmonious Northumberland norm, the appeal to wage stability is of little value. Wage rates in Northumberland, as Williamson noted elsewhere in his study, were determined at county level, not company level. Consequently they could have been no more stable at Throckley than at other collieries, whatever the pattern of its sales. In support of his argument about the paternalism of Throckley’s management, Williamson offered various pieces of evidence. The Stephasons lived close to the village of Throckley, and “the big house . . . was not inaccessible.” They built chapels in Throckley, Newburn, and Blucher, and they maintained local schools. They donated money to the pit brass band. William Ernest Stephenson, the son of Charles John Stephenson and eventually managing director at Throckley, “occasionally played football for the local team” and “sometimes took some of his employees shooting.” His wife “went sick visiting and took a special interest in visiting women with small babies to give them advice on child rearing.” The problem with such evidence is to determine what it actually amounts to. How accessible is “not inaccessible”? How frequent were “occasionally” and “sometimes”? How many of the families dependent on the company for their livelihoods were affected by these actions? Were they grateful for them?

A look at Throckley’s record as a provider of housing to its work force, the one aspect of the firm’s paternalism about which there exists some concrete evidence over time, indicates that management’s paternalistic impulses may have been weakening as World War I approached. From the outset, the firm was involved in housing its employees. Of its initial capital of £18–20,000, £8,000 was earmarked for the construction of houses. Contemporary observers judged Throckley’s first buildings very
favorably. The *Newcastle Weekly Chronicle*, in a series of articles on mining villages, noted on 16 November 1872 that the company's houses in Throckley were "the best kind as yet erected for pitmen and all have the proper conveniences."

By January 1904 the firm's housing stock consisted of 507 buildings, in which 2,651 people lived. The distribution of the houses by size compared unfavorably with the size distribution of the NCOA's housing stock (table 1.5). Whereas 32 percent of the NCOA's houses consisted of four or more rooms, only 18 percent of Throckley's houses were so large. On the other hand, 47 percent of Throckley's houses had only two rooms, compared with 32.5 percent of all NCOA houses. Throckley's houses may also have been deficient in quality. The local medical officer of health reported about Throckley in 1906 that "there are in every part of the district beams and brickbats thrown together in the shape of the houses. Naturally they are damp, many ill lighted, badly ventilated . . . which go to make them unfit for habitation." Between 1904 and 1914 the company built 82 houses and renovated another 113. The size distribution of its houses at the later date was scarcely more favorable in comparison with the distribution of NCOA houses than it had been ten years previously. Now only 16 percent of its houses had four or more rooms (compared with 40 percent for the NCOA) while 63 percent had three rooms (against 38.5 percent). Throckley's outlay on new houses in the period 1904–14 was commensurate with the sums spent by the NCOA as a whole, but its expenditure on renovations was paltry compared with the NCOA average. In the light of the judgment of the medical officer of health in 1906, it seems unlikely that such a large disparity in renovation costs can be explained by the superiority of the housing stock that Throckley had at its disposal for renovation purposes.

In 1913 the Throckley Coal Company was a medium-size Northumberland colliery company. It had expanded rapidly since the turn of the century; and though productivity at the firm was low, the company had been profitable. Atypically for a Northumberland concern, its primary trade orientation was toward domestic industry, chiefly iron and steel production. Labor relations at the firm were very good, though there is reason to believe that management's interest in the welfare of its workpeople was no longer as strong as it had been.

World War I and the postwar period of state control saw Throckley improve its standing within the Northumberland coal industry. The company's share of the county's coal production increased and so too did its
share of mining employment in the district (tables 1.1 and 1.3). Productivity fell only slightly at the firm in the period 1914–20, and the gap between output per man per year at Throckley and in Northumberland as a whole narrowed to 3.1 percent (table 1.5).

Throckley's wartime profit record, however, failed to match the firm's output, employment, and productivity performances. Total profits, excluding interest charges and depreciation, were only £78,081 between 1914 and 1917. Average annual profit was 27.5 percent lower than in the period 1908–13, and profit per ton per annum fell by 22 percent. By contrast, profit per ton per annum for the British coal industry as a whole rose 109 percent between 1909–13 and 1914–17.82

The management responsible for this state of affairs came under careful scrutiny in 1917–18. At this time Messrs. John Spencer and Sons, owners of the Newburn steelworks, contemplated purchasing the Throckley Coal Company "lock, stock and barrel." With the purchase in mind, Ralph Spencer, chairman of Spencer and Sons and a Throckley director, commissioned William Armstrong and Son, Chartered Surveyors, Mining Engineers and Mineral Valuers, to conduct a thorough evaluation of the colliery company. Armstrong and Son's report was highly critical of the ways in which Throckley's production and commercial affairs had been conducted. "The general condition of the plant and machinery is fairly good," the surveyors judged, "but it is not by any means what could be considered up to date." More serious than the state of the works was the arrangement of the workings underground. As noted above, some of the coal faces worked from the Isabella and Derwentwater pit were far distant from the pit bottom. Heavy charges on underground transport and high costs of production were the result. In the view of the Armstrongs, it would have been more economical to reequip and reopen the Coronation pit, a mine that had been sunk in the late eighteenth or early nineteenth century and that had been idle for more than fifty years but which was much closer to the coal faces in question than was the Isabella and Derwentwater pit. Throckley's marketing record also came in for censure. "The prices realized for the produce in past years have been less than we would have expected for coal such as has been worked at these collieries." The net result of Throckley's managerial shortcomings, Armstrong and Son concluded, was that "the profits in past years have in our judgment been insufficient having regard to the thickness and qualities of the seams worked."83

The Armstrngs' evaluation apparently deterred the Spencers from
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buying the Throckley Coal Company, but it did spur Throckley’s management to action. Taking advantage of the large proceeds the firm accumulated in 1918–20, Throckley’s managers began to implement some of the Armstrongs’ recommendations. In December 1918 the firm secured permission to redevelop the Coronation pit, and an application to the coal controller for permission to spend £10,000 to reopen and dewater the mine followed. By June 1919 work to widen the Coronation pit’s shaft was in progress, and six months later the expenditure for the electrification of both the Coronation and the Isabella and Derwentwater pits was authorized. In addition, tenders for the renewal of the headgear of the Isabella and Derwentwater pit and for the construction of a coal-sizing plant were accepted, and it was decided to lay down a rail line connecting the Blucher pit with the wagonways at the Newburn Sandhills. Altogether Throckley spent £23,795 to improve its works between January 1919 and January 1921.

While Throckley’s management belatedly tried to put the works in order, labor relations at the firm worsened. Between 1914 and 1917 not a single day’s working had been lost to a strike at Throckley. Between 1918 and 1920, however, strikes cost the firm 84,457 days. The final years of war and state control were tumultuous for the entire Northumberland coal industry, but Throckley, like Ashington, suffered more than its share of industrial conflict. Employing just 4 percent of the NCOA’s work force, the firm lost 9 percent of all the days that strikes cost NCOA members. In large measure the disputes of 1918 and 1919 at Throckley reflected the tensions inherent in the wider industrial environment. The strike over the places to be cavilled at one of Throckley’s pits in July 1918 that cost the company 518 days had its analog in a stoppage at Ashington a month later. The dispute of 1919, when 2,111 of Throckley’s miners downed tools for a day to protest the rise in the price of coal, the continuation of conscription, and the deployment of British troops in Soviet Russia, was a sign of the times.

The troubles at Throckley in 1920, however, were something else entirely: a contest concerning the acceptability of trade union activism to the Throckley Coal Company. On 10 January the miners at the Blucher pit left the colliery idle and demanded the removal of the company’s weighman, the official responsible for recording the tonnages each miner handled and whose figures served as the basis for computing earnings. Almost a month later, with the strike still in progress, the firm initiated court proceedings against the Blucher miners’ checkweighman, Dickie
Browell, for falsifying the weighing books in favor of his relatives. Browell, a magistrate, Labour county councillor, chairman of the district council, and a member of the executive committee of the Northumberland Miners' Mutual Confident Association, was a popular figure; and Throckley's action was widely viewed as an attempt to rid itself of such an activist. On 19 February the company's three other pits struck in sympathy with Browell and the Blucher miners. When the case came before the assizes in March, Browell was acquitted. The village of Throckley, the Colliery Guardian reported, "had a weekend of rejoicing," the company's weighman was relieved of his responsibilities, and the pits reopened on 8 March. Altogether Throckley lost 45,808 working days as a result of the dispute, 27,600 at Blucher and 18,208 in sympathy strikes. Moreover, the affair generated among Throckley's miners a lasting suspicion about the company's toleration of trade union activism. When financial difficulties forced the closure of the Blucher pit in 1924, "local pitmen alleged that the purpose of the closure was to get rid of Browell." Indeed, when former Throckley colliers were interviewed more than fifty years later, they still voiced suspicions that the company's action was intended as victimization.87

At the end of the period of state control over the coal industry, the Throckley Coal Company faced prospects that were not entirely favorable. Its record over the past twenty years had certainly been respectable enough: rapid expansion of its operations to include four collieries, generally pacific labor relations, and sustained profitability. These achievements, however, owed more to the advantages conferred by location and ownership—shallow seams of moderate thickness, proximity to transport facilities, and intimate connections with large-scale industrial consumers—and to the buoyancy of the coal trade than to the performance of the firm's management. In fact, managerial shortcomings had prevented Throckley from taking full pecuniary advantage of the possibilities open to it. Throckley's managers had failed to equip the company's mines with the most up-to-date appliances. They had failed to arrange the workings underground so as to minimize production costs. They had failed to sell Throckley's coal as dearly as its quality ought to have permitted. Finally, those responsible for the firm's fate had squandered the good will of Throckley's employees. Toward such failings Throckley's management was by no means indifferent. By March 1921 the company had devoted considerable sums to the righting of its technical wrongs. Much still remained to be done in this area, as in commercial and labor matters.
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Whether enough would be done to continue Throckley's record of financial success into the postwar years would depend on the rediscovery of enterprise and technical skill by Throckley's managers and on the economic climate in which these qualities would have to be exercised.

The two Northumberland coal companies under scrutiny in this chapter carried superficially similar past records into the postwar years. Despite the differences in their sizes, locations, and market orientations, both the Ashington Coal Company and the Throckley Coal Company had expanded rapidly in the decades immediately preceding World War I, more rapidly than the Northumberland coal industry as a whole. Both firms had been plagued by low levels of labor productivity and had experienced bouts of exceptional labor unrest in the years 1918–20. Finally, both firms had been sufficiently successful financially so as to accumulate reserves that could be mobilized in attacks upon those problems.

There was, however, one significant difference in the records of the two companies; and this was to be found in the performances of their respective managements. Whereas Ashington's managers endeavored to keep the firm's operations in line with advances in mining technology, Throckley's managers were content with traditional mining techniques and less-than-optimal underground layouts. Whereas Ashington's managers combined a firmness toward labor's demands with a sensitivity toward its needs, Throckley's managers had undermined labor relations at the firm by arousing suspicions of their antipathy to trade union activism. The result of these differences in managerial performance was a fundamental disparity between the pre-1921 records of the two firms that far outweighed the similarities: while Ashington had made the most of its geological and geographical endowment, Throckley had squandered its advantages. Consequently, the two firms were in very different positions when the coal industry returned to private control on 1 April 1921. Ashington, its house in order, was well equipped to meet the challenges of the postwar years. Throckley, by contrast, faced the imposing task of remediying its past technical and commercial deficiencies.

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