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*W. M. Thomas*

DEPARTMENT OF TRANSPORT  
2 MARSHAM STREET LONDON SW1P 3EB

The Rt Hon William Whitelaw MP  
Home Secretary  
House of Commons  
LONDON  
SW1

13 June 1979

*see Willie DEVAINE*

LONDON UNDERGROUND STRIKE

Angus Maude and I saw Horace Cutler this morning to get his latest assessment of the strike prospects and to ensure that the GLC were clear about and agreed the limits of their own responsibility and that of the Government. We also discussed the line I would take in the statement which CCU agreed I should make to the House tomorrow afternoon.

Mr Cutler confirmed the view we took yesterday at CCU that there was little prospect of averting the strike. He is determined that any settlement with the underground men should produce real improvements in productivity and he believes there is no case for going beyond the offer already made on this basis. He is prepared to stand firm, even if, as seems likely to him, the strike drags on for some time. His present estimate is ten weeks. This will be very costly in lost revenue and may well permanently lose London Transport some passengers.

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He accepts that responsibility for the handling of the dispute and presentation of the employer's case is for the GLC and the London Transport Executive. But he has promised to keep me in close touch with developments on this front. Subject to your and colleagues' views, I have undertaken to be the immediate point of contact on this and will aim to report day to day developments direct to the Prime Minister. Mr Cutler has also given me the enclosed text of the press Statement he is issuing today on the implications of the wages settlement for fares. This, as you will see, covers only the implications of the settlement offered and not the NUR claim. But Mr Cutler will be building up his case on this. He has undertaken to see that the employers' case is presented forcefully through the media and will be appearing on the BBC Nationwide programme this evening. The London Transport Executive are proposing to place advertisements in the press setting out the rates of pay which have been offered.

Mr Cutler felt very strongly that the Government should be seen to take primary responsibility for contingency planning for the effects of the strike. But he will obviously want to keep in very close touch and I have arranged that he and I can be in 24 hourly contact from now on and arranged for similar arrangements at official level. I have outlined to him the main points of our plan, and he was in agreement with them. He promised us his full support. He has undertaken to see that the GLC takes action to stagger working hours to ease the effects of the strike and to ask the London boroughs to do the same. He will also co-operate in the search for suitable additional parking sites near British Rail Suburban stations.

Finally, Angus Maude and I discussed with Mr Cutler the statement which I am planning to make in the House tomorrow. He was very much in favour of the general line I proposed and suggested only that more might be made of the advice that might be given to motorists on car sharing. He suggested paid advertisements in the main and suburban London papers. He also undertook to display stocks of the proposed leaflet on car-sharing in the GLC bookshop.

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Copies of this letter go to the Prime Minister,  
The Chancellor of the Duchy of Lancaster, the Secretary of  
State for Defence, Employment, Environment and Energy,  
the Paymaster General, the Minister of State, Civil Service  
Department, and to the Chief Whip. I am also sending  
copies to Sir John Hunt and Sir Clive Rose.

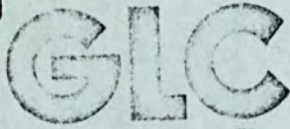
*Yours ever*

*N*  
*Norman*  
NORMAN FOWLER

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Greater London Council  
The County Hall  
London SE1 7PB

public information branch  
news service

01-633 7700 (Housing)  
7866 (Planning &  
Communications)  
2032 (Policy & Resources)  
7977 (Recreation,  
Community Services)

June 12, 1979

No. 155

LONDON TRANSPORT FARES TO RISE

Following the recent London Transport bus wages settlement and in view of the current rail pay offer, London Transport tube and bus fares will need to be increased between 12 and 13 per cent in September, said Mr Horace Cutler, Leader of the Greater London Council, today.

The bus wages settlement comprised a basic increase of 9.6 per cent, plus a real productivity element ranging between two and four and a half per cent related to the GLC's capital investment in London Transport which this year amounts to £81.4 million.

END

Press contact: (01) 633 7866



## NOTES FOR SUPPLEMENTARIES

### 1. Energy supplies

#### DERV

My latest information is that fuel supplies do not at present pose special problems for London Transport or for British Rail. We are keeping in close touch with them, and should difficulties arise, I shall immediately take this up with the Secretary of State for Energy. His department have for some weeks been running special co-operative arrangements to help public transport operators in a tight supply position, and my rt hon Friend's recent actions to help BR and ambulance operators are examples of our readiness to take action where this is justified.

#### PETROL

For the reasons explained by my rt hon Friend last Monday, the Government do not believe that the right way to tackle present shortages is to set up a massive bureaucratic machine. I quite recognise that travel-to-work in London in the event of a disruption in public transport will create special difficulties for those who have no alternative but to get out their cars. We shall watch this along with the general position.



## 2. The Government's Role

This is not the Government's dispute. It is a matter between the London Transport Executive and the Rail Unions with whom they negotiate, and the GLC which has the overall financial responsibility for London Transport. I am sure none of those who are directly concerned would expect the Government to interfere in their well established machinery <sup>for</sup> settling pay. Nor do I have any intention of doing so. There are proper procedures for settling <sup>dis-</sup>agreements, including arbitration, and they should be followed as part of the process of responsible collective bargaining. The Government has already made clear that it has no intention of going beyond its financial limits to finance pay settlements in the public sector. The only available ways of financing higher pay are higher productivity or higher prices.



3. Action by Government  
Departments

Government Departments are encouraging staff to travel outside rush hours as far as possible and to use alternative forms of public transport rather than their own cars. Those staff who find it essential to use their cars are being asked to give lifts to their colleagues and pooling arrangements have been made to facilitate this.



Private car drivers can legally offer lifts in their cars and to share expenses with their passengers subject to 4 simple rules:

- 1 - the car must have no more than 7 passenger seats
- 2 - the driver must not make a profit - but contributions can cover the full cost of the journey
- 3 - the journeys must not be previously advertised to the general public - but adverts at the driver's place of work or in church or club magazines or notice boards are allowed
- 4 - the driver cannot go out looking for passengers and carry them for hire as a taxi does.

All motor insurance policies cover liability for injury to passengers, so car drivers need not hesitate to offer lifts on this account. And insurance policies allow drivers to accept contributions from passengers provided the driver does not make a profit.