

Knock-on effect of Tube strike will last all week

Dick Murray
Transport Correspondent

TUBE passengers are facing a week of disruption after strikes were ordered on the Jubilee, Northern and Piccadilly lines.

The RMT union today called a series of walkouts by maintenance workers in a row over pensions and working conditions. They will start at 4pm next Tuesday and continue until the same time on Friday 27 April – but knock-on disruption will continue throughout the following weekend.

The strike comes a week before the mayoral elections but RMT leader Bob Crow said this was “coincidence”. A spokesman for Mayor Boris Johnson – who has said he will “take on” the Tube union barons if re-elected – said:

“It will come as no surprise to Londoners that a week before the mayoral election, Ken Livingstone’s RMT friend Bob Crow is trying to hit hardworking Londoners and businesses.”

Disruption could spread across the entire network with Emergency Response Units – teams of specialist engineering trouble-shooters who deal with breakdowns, signal failures and stranded trains – also ordered to walk out in the same dispute.

Mr Crow warned the strike would have a “serious and widespread impact across the system”.

The strike move follows demands for improved pensions and free-travel facilities among more than 1,000 staff at Tube Lines, the former private maintenance giant responsible for the three lines and the ERU teams. Tube Lines

was taken over by Transport for London two years ago as a wholly owned subsidiary but, says the RMT, staff do not receive the pension levels or free-travel facilities enjoyed by TfL staff.

The strike means breakdowns either won’t get repaired or take much longer than usual. Overnight maintenance of trains won’t take place meaning they are not fit for service the following morning. Train drivers, who are not directly involved in the , could then refuse to take out trains on safety grounds. There was a 4-1 vote in favour of strike action.

Furious London Underground bosses immediately condemned the strike.

Lee Jones, Operations Director for Tube Lines, said: “A strike is completely unnecessary and will not achieve anything.”

Tube crews to strike

Maintenance crews on London Underground will strike for three days from next Tuesday, the RMT union said yesterday. The dispute involves 1,000 workers on the Piccadilly, Northern and Jubilee lines who want the same pension rights as other Tube workers. Transport for London said it planned to run a full schedule.

2

HOME NEWS

LONDON UNDERGROUND

Staff to strike for same terms as colleagues

by Adrian Roberts

LONDON Underground maintenance workers voted overwhelmingly yesterday to strike amid a dispute over pensions and benefits.

Rail union RMT, which represents around 1,000 Tube Lines staff, said its members backed walkouts by 4-1.

The staff work on the Piccadilly, Northern and Jubilee lines and provide services including upgrade work and emergency repairs across the entire network.

RMT wants all staff at Tube Lines – a failed privateer taken over by Transport for London (TfL) – to be allowed to join the Transport for London pension scheme and receive the same travel concessions as those who work for London Underground.

The union executive will consider the next move, including whether to set dates for strikes which officials said would cause “widespread disruption.”

General secretary Bob Crow

said: “This is a massive mandate for action following a straightforward demand for parity with other Tube staff.”

“This dispute is about justice and about ensuring that all groups of staff under the umbrella of London Underground receive the same rights and benefits.”

“We have gone through all the negotiating channels on both these issues but Tube Lines has refused to budge and have refused to engage in meaningful talks and that pig-headed approach has raised the temperature on the shop floor and is reflected in this result.”

Former employees of failed privateer Metronet have been given these pension and travel rights.

Mr Crow said there was “no excuse” for denying Tube Lines staff the same deal.

“The union remains ready to talk, and this strong mandate for industrial action shows Tube Lines and TfL the depth of anger there is over this blatant lack of fairness and justice.”

newsed@peoples-press.com

National strike set for 10 May on pension reforms

400,000 public sector workers agree fresh wave of industrial action over “cruel and unfair cuts”

By LIAM O'BRIEN

The government is facing a fresh wave of industrial action as almost 400,000 public sector workers agreed to strike next month over the George Osborne’s controversial pension reforms.

Public and Commercial Services (PCS) union and Unite members will take action on 10 May, the day after the Queen’s Speech, when a Parliamentary bill on pension changes is due to be announced.

The PCS, which has 290,000 workers in 200 government departments, promised further action after 90.5 per cent of those balloted voted to reject the Government’s pension offer. Both national and regional protests are expected, as well as a further strike in June.

Unite said its 100,000 NHS members faced paying £30 extra per month into their pension pots amidst a backdrop of pay freezes and the prospect of a regional pay scale. Their combined memberships mean that 10 May could signal the biggest strike since 30 November last year, when more than a million public sector workers took industrial

action. PCS general secretary Mark Serwotka said: “The ongoing programme of industrial action with other unions we have agreed sends a clear message to government ministers that we do not accept their unnecessary plans to force public servants to pay more and work longer for less in retirement. We will continue to show that there is an alternative to this Government’s cruel and unfair cuts that clearly aren’t working.”

Speaking on behalf of Unite’s health members, who voted by more than 9-1 to reject the pension changes, national officer Rachael Maskell claimed the Government was “picking the pockets of health workers”.

“In the face of continued attacks, health workers will be stepping up their campaign and looking to join other public sector workers in taking action on 10 May,” she said.

In a separate dispute, strikes are due to take place as early as Tuesday when workers who maintain London’s Tube lines walk out at 4pm on 24 April, and return at the same time on Friday. The disruption is expected to affect the Piccadilly, Northern and Jubilee lines. The Rail, Maritime and Transport union (RMT) general secretary Bob Crow said his members were simply seeking “basic rights” in being allowed to join the Transport for London pension scheme.

BBC NEWS**LONDON**

17 April 2012 Last updated at 21:13

London Underground workers to strike for 72 hours

Workers who maintain and upgrade lines on London Underground (LU) are to go on strike for 72 hours next Tuesday.

Talks aimed at averting the action are to be held on Thursday, conciliation service Acas said.

The strike follows a row over pensions and benefits, the Rail Maritime and Transport Workers (RMT) union said.

The union, which represents about 1,000 Tube Lines staff, added workers had voted 4-1 in favour of the strike which begins at 16:00 BST.

The RMT has written to LU bosses to demand safety assurances during the strike.

A letter RMT general secretary Bob Crow said: "During this period not only will there be no track patrolling or signal maintenance on the Jubilee, Northern and Piccadilly lines but more critically for the whole network there will be no Emergency Response Unit (ERU).

"Should you attempt to run a service during the period of industrial action I shall advise RMT members of their option to remove themselves to a place of safety should they feel that their working conditions place them at risk of 'serious or imminent' danger."

Earlier, a spokesman for Tube Lines said the strike on the issue was "completely unnecessary".

Union members want to join Transport for London's (TfL) pension scheme and receive travel concessions.

The union says other people who work for LU receive these benefits and it was time "all groups of staff under the umbrella of LU receive the same rights and benefits".

Tube Lines operations director Lee Jones said: "A strike on this issue is completely unnecessary and will not achieve anything.

"We urge the RMT leadership to end their strike threat and return to talks, as it will only be resolved through constructive discussion."

He added: "Should a strike go ahead, we have plans in place which will enable LU to operate Tube services on all three lines and to minimise any disruption."



It's all for one and one for all on the London Underground as Bob Crow and the RMT union gear up for potentially crippling strikes next week. Ken Livingstone is to blame, says mayor Boris Johnson. No, Boris is to blame, says Ken. In four years as mayor, the Tory has yet to meet the union for as much as a coffee and a garibaldi. Boris has indeed kept the RMT at arm's length, but his huck may run out if, as polls predict, he wins next month's mayoral election. Among fringe parties seeking the platform within City Hall is the Trade Union and Socialist Coalition (Tusc), a leftwing grouping shaped by the Socialist party (né Militant). It needs just 5% of the poll to join the London Assembly, and noting the success of Gorgeous George Galloway, they suspect a grouchy electorate might provide it. Tusc's talisman was expected to be Nick Wrack, the PR-savvy barrister, past chair of Galloway's Respect party and a member of Michael Mansfield QC's radical chambers. But the money and the muscle for much of Tusc's high-profile campaigning is coming from the union. So after votes and jockeying in a smoke-filled room, down slipped Wrack, from No 1 on the party's putative candidate list to No 2, and up went Alex Gordon, Bob Crow's confidant and the RMT's president. Come 4 May, it is he who expects to shake his fist at Boris in person. As for the people's choice Nick Wrack - oh well.

Metro 18/4/12

NHS staff to join civil servants in fresh strikes over pension changes

by AIDAN RADNEDGE

STRIKES by civil servants and NHS staff will take place in the next two months, putting public sector workers on a fresh collision course with the government over pension reforms.

Members of the Public and Commercial Services union and Unite will stage walkouts on May 10, the day after the Queen's Speech which is expected to include a parliamentary bill on the pension changes.

The PCS said its programme will continue with another strike at the end of June and industrial action across the civil service, health and education sectors.

National and regional protests and co-ordinated industrial action in employer groups and sectors will also be held.

PCS general secretary Mark Serwotka said: 'The ongoing programme of industrial action we have agreed with other unions sends a clear message to government ministers that we do not accept their unnecessary plans to force public servants to pay more and work



Mark Serwotka

longer for less in retirement.

'The government must talk to us with the genuine aim of reaching a settlement but if it refuses we will press ahead with strikes and protests across the country in the coming weeks and months.'

Unite said its 100,000 NHS members, including health visitors, pharmacists and paramedics, face paying an average of £30 a month more for their pensions.

Officials said the pension reforms came against a backdrop of pay freezes and cuts in the public sector, and the prospect of regional pay being introduced.

The NUT said its teachers will not be taking action on May 10 but will offer support to other unions.

Meanwhile, talks aimed at averting a 72-hour strike over pensions by London Underground maintenance workers are to be held tomorrow.

Tube workers set for



TRANSPORT union RMT confirmed yesterday that London Underground Tube Lines workers will mount a 72-hour strike over next Tuesday in a dispute over pensions and benefits.

Following a decision of the union's executive all RMT members have been instructed to stop work at 4pm on Tuesday April 24 and return to work for

M 560 18/4/12

72-hour walkout

shifts starting after 4pm on Friday April 27.

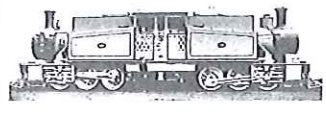
RMT has been demanding that all Tube Lines staff, including ex-Alstom workers at Stratford Market depot and the emergency response unit, be allowed to join the Transport for London pension scheme and receive the same travel concessions as those who work for

London Underground, including former Metronet staff.

General secretary Bob Crow (left) said: "This dispute is about justice and about ensuring that all groups of staff under the umbrella of LU receive the same rights and benefits and our members have no choice but to strike to secure those basic rights."

Eye 20/4/12

SIGNAL FAILURES



Immaculate concession

LONDON's mayoral election is highlighting the double standard of having tightly-controlled public transport within the capital and the shambles of rail franchising and bus deregulation elsewhere.

Tory candidate Boris Johnson and Labour rival Ken Livingstone both say London's local trains should be removed from larger franchises and managed by Transport for London, copying London Overground's (LO) improvements to services formerly in the Silverlink franchise.

A consortium of DB (German state rail) and MTL (Hong Kong Metro) runs LO under a Transport for London-controlled "concession", not a franchise. TfL pays the consortium a "fixed amount", applies its logical fares system and keeps 90 percent of revenue; bidders don't inflate prices to cover uncertainty and risk (Eye 1308).

Johnson says rail fragmentation is "totally inefficient", and franchisees' "risk premiums" increase costs. Devolving local services would allow TfL to improve stations and scrap the "Byzantine" fares policy.

What effect has that condemnation of franchising had on Tory rail policy overall? None, judging by the government's invitation to bidders for the next west-coast mainline franchise, which will introduce a "flexible franchise agreement". That'll give the profit-driven franchisee even more freedom with timetables and Byzantine fares.

Similarly Labour has never explained why it created the LO concession but continued entrusting most services to franchisees like Stagecoach, which handed shareholders a £340m windfall last year (£88m for founders Brian Souter and Ann Gloag).

Both parties have kept bus deregulation outside London, but if it's such a success, why aren't Johnson and Livingstone promising to wrest London's buses from TfL control and deregulate them? Perhaps they're afraid that would create traffic chaos as firms flood the lucrative routes with buses, or that firms would create cushy private monopolies by respecting each other's "perceived core territories" (Eye 1301) - giving Londoners a taste of what others have endured for decades.

THE £4m fine for Network Rail (NR) this month over railway maintenance failures that led to the Grayrigg derailment will come out of funds for, er, railway maintenance.

Margaret Masson, 84, of Glasgow, died after the Virgin train derailed on the West Coast Main Line in February 2007 after going over a "degraded" set of points. Some 88 people were injured, 26 of them seriously. An inquest last year into Mrs Masson's death heard that track inspections were a shambles and safety took second place to getting the line upgrade completed in time (Eye 1301).

Passing sentence at Preston crown court, Mrs Justice Swift said the incident could have "easily led to greater loss of life". She reduced the fine from a potential £6m because the company pleaded guilty - but the £4m will come out of money allocated for maintenance of the railway network.

Rail union chief Bob Crow told the Eye that punishing NR by taking its already thin resources for the actual upkeep of the railway lines away was "absurd" and simply left it with £4m less to spend on improving safety.

The threat of such fines doesn't seem to be much of a deterrent either. Five enforcement notices have had to be issued so far by the Office of Rail Regulation to force NR to follow new procedures imposed following the Grayrigg derailment.

'Dr B Ching'

Minister's bus lane talks with Tory donor minicab firm

Robert Booth

The chairman of a minicab company that wants access to London's restricted bus lanes was granted a private meeting with the transport secretary at which they discussed the matter after his firm donated £250,000 to the Conservative party.

John Griffin, the chairman of Addison Lee, met Philip Hammond last October and raised the question of access to the lanes. He also pushed the idea that the government should outsource chauffeur services for ministers to private companies.

Addison Lee, which has 3,500 vehicles in the capital, gave the Conservatives £100,000 last year, and £50,000 a year in each of the three previous years.

Minutes of the meeting with Hammond, released under the Freedom of Information Act, sparked opposition calls for the government to explain whether the donation and the meeting were linked.

"There are serious questions for ministers to answer about the level of access given to a major donor to the Tory party who at the same time was bidding for lucrative government contracts," said Maria Eagle, the shadow transport secretary. "The public have a right to know if ministers gave preferential treatment to John Griffin and other 'premier league' donors who sought to use access to ministers to advance their own interests."

A spokesman for the Department for

Transport said neither Hammond nor his successor, Justine Greening, had met the bosses of any other private hire taxi firms but denied that the donation had helped secure the meeting. "It is entirely appropriate for the secretary of state for transport to meet large transport operators from different sectors in order to understand how their industries work," the spokesman said.

A spokesman for Hammond said: "Mr Hammond does not recall having any information about donations to the Conservative party at the time or when he subsequently met Mr Griffin in October 2011 to discuss issues in the private hire car sector."

Griffin denied any suggestion that the meeting with Hammond was secured with the help of his company's donation. "I honestly think the minister wouldn't have known I made a donation," he said. "Why shouldn't I see him? I am in the transport business and we turn over £250m a year. I see no evidence that people get favours lined up."

The ban on private taxis using bus lanes is a major issue for Addison Lee. It believes it is prevented from competing on a level playing field with black cabs, which can use the lanes. This week, Griffin ordered his drivers to defy the law and said he would indemnify them against fines.

Transport for London said it was a criminal offence and drivers could have their taxi licences revoked.

Addison Lee used a similar tactic over the M4 bus lane, resulting in more than 200 tickets and 130 court summons against its drivers. These were dropped when the lane was ordered to be closed by Hammond in October 2010.

Million jobs lost in sectors vital for young workers

TUC report

Almost 1m jobs have been lost since 2007 in sectors that employ large numbers of young people such as manufacturing, construction, retail, hotels and restaurants, the Trades Union Congress said.

Business and financial services was the only sector among those studied by the TUC to have expanded since the eve of the recession - gaining 93,000, up 2 per cent.

Manufacturing jobs fell 14 per cent or 406,000 between the last quarter of 2007 and the final quarter of 2011, while construction lost 12 per cent or 281,000. The retail, hotel and restaurants sector, which employs four in 10 young workers, lost 3 per cent of jobs or 221,000.

Wages rose 11.3 per cent in finance and business

services but just 0.2 per cent in construction and 6.7 per cent in retail, hotel and restaurants.

However, with the retail prices index rising 13.5 per cent over the same period, the wages of all workers have fallen in real terms.

"The UK desperately needs more jobs and the return of decent pay rises," said Brendan Barber, the TUC general secretary.

"A recovery in retail, hotels and restaurants is particularly important for young people as this is where they are most likely to find work.

"Unfortunately these jobs are heavily dependent on people's disposable incomes."

The TUC wants the government to offer a guarantee of a paid job or training for any young person out of work for six months or more.

Brian Groom

Value of minimum wage falls below 2004 level

Inflation

This year's increase in the minimum wage will leave it lower in real terms than in 2004, according to research to be published today.

Inflation in the past few years has outstripped both minimum wage growth and median income growth, leaving workers worse off in real terms. Late last year, the Institute for Fiscal Studies forecast that real median net household income would be lower in 2015-16 than in 2002-03.

The national minimum wage, which will increase from £6.08 to £6.19 an hour in October, rose more quickly than median earnings between 2001 and 2007 and reached 52 per cent of the hourly median wage in 2010.

Since then, it has only

kept pace with median wage growth.

Alan Manning, head of economics at the London School of Economics, whose report was commissioned by the Resolution Foundation think-tank, proposed focused changes.

These included a "premium" minimum wage for people over 30 that was 5-10 per cent higher than the standard minimum.

This would be aimed at low-income households, he said, because only about 40 per cent of 22-year-old minimum wage workers were heads of households compared with more than 80 per cent of 30-year-olds on the minimum wage.

Prof Manning also suggested a higher minimum wage for London and the south-east, where median incomes and the cost of living are higher than the national average.

Sarah O'Connor

Business

Inflation rise puts accuracy of forecasts of forecasts in spotlight

Kathryn Hopkins

Five months of declining inflation came to an abrupt end yesterday, bringing into question the Bank of England's projection that consumer prices will fall below its official target by the end of the year.

The rate rose to 3.5 per cent last month, from 3.4 per cent in February, the Office for National Statistics said, fuelling fears that hard-pressed shoppers will be squeezed for some time to come. The goal is 2 per cent.

Pressure on the Bank is growing because it has missed targets repeatedly. The average rate of inflation for the first quarter is 3.5 per cent, against forecasts of 3.35 per cent in February and 1.48 per cent two years ago.

Simon Ward, chief economist at Henderson, said that yesterday's statistics confirmed the prospect of another big "inflation-forecasting miss". He added that that his present belief that the consumer prices index would end 2012 at 2.75 per cent may now be optimistic.

The Centre for Policy Studies calculated that since the end of 2007 the Bank had forecast inflation one year ahead to be 2.1 per cent, but the average outcome has been 3.4 per cent.

"Yesterday's shock rise indicates the Bank may have underestimated the stickiness of inflation again this year. Once more, we are told this is driven by temporary factors, but the Bank risks losing credibility on whether it is serious about inflation with these continual forecast errors in one direction," Ryan Bourne, a research economist at the CPS, said.

The ONS said that the greatest pressure on prices was from food. Supermarkets had backed down from the recent price war.

The rise in inflation will rattle Sir Mervyn King, Governor of the Bank of England. Economists said that it could prevent the Bank from unleashing a fresh round of quantitative easing when the Monetary Policy Committee meets next month.

Retail prices inflation, used as the benchmark for many wage deals, fell from 3.7 per cent to 3.6 per cent.

Eurotunnel bids to run Calais

L'List 18/4/12

ROGER HAILEY

CHANNEL Tunnel operator Eurotunnel has applied to manage the French channel ports of Calais and Boulogne.

Eurotunnel chairman and chief executive Jacques Gounon has confirmed that the French-headquartered company filed its application on Monday as part of the tendering process initiated by the French regional authority which owns both ports.

In 2007, the Nord Pas de Calais Regional Council became the owner of the port of Calais, which is the fourth largest in France with 38m tonnes of cargo, 10.5m passengers and 1.6m freight vehicles.

Mr Gounon said that Eurotunnel has offered to manage the French ports "alone or with some other

partner, including the existing operating company".

Eurotunnel, which is now profitable at an operating level despite historic construction debts of €3.8bn (\$5bn), would not take a

and Boulogne ports

the economic growth of the Calais and Dover regions under its 100-year concession, which ends in 2086.

Eurotunnel is also a bidder for up to three of the defunct SeaFrance ferry fleet, which is up for sale, with Mr Gounon suggesting that the outcome of the sealed auction will be known by mid-May.

Commenting on the ports application, Mr Gounon said: "Now that the Channel Tunnel is built we have the responsibility for the best use of infrastructure in the region, in order to make all the infrastructure the most profitable as possible.

"Boulogne port is losing money and I believe that there is a better way for Boulogne, Calais and the tunnel itself to work together."

Port of Calais has plans for a €400m expansion programme that will double its capacity, with the first

new ferry berths entering service on reclaimed land in 2018.

There are also plans for a €220m public-private sector rail-connected 160 ha logistics park near Calais.

The Eurotunnel boss, however, ruled out any interest as a potential investor in the protracted Dover trust port privatisation process, saying that Eurotunnel will confine its port management ambitions to the French coast only.

Eurotunnel, which operates passenger and freight shuttle trains between Calais and Folkestone, says that it has the necessary skills as an infrastructure manager and transport operator to run both French ports.

It transports 10m shuttle passengers through the Channel Tunnel and handles a further 10m on behalf of train operator Eurostar. ■

www.lloydslist.com/ports

financial stake in the ports but would act purely as a manager.

Mr Gounon says that the management bid for Calais and Boulogne is consistent with Eurotunnel's obligation to promote

Georgian Railway poised for IPO

FT 17/4/12

INDUSTRIAL TRANSPORT
By Robert Wright, Shipping and Logistics Correspondent

Georgian Railway, which claims to be one of the world's most profitable rail operations, yesterday outlined plans to become the first quoted state-controlled railway monopoly by listing on the London Stock Exchange.

Irakli Ezugbaia, Georgian Railway's chief executive, said the ex-Soviet state's government would use proceeds from the listing, expected in May, to invest in the Caucasian country's infrastructure. An exact date for the initial public offering - under which Georgian Railway will list global depository receipts representing 25 per cent of

its capital - would depend on market conditions, the company said.

Two other railway operators from the former Soviet Union - Globaltrans, a private Russian rail freight operator, and TransContainer, the container arm of Russia's state-owned rail company - are already listed in London. However, it will be the first traditional state railway monopoly - with an infrastructure-owning arm and freight and passenger operations - to list its shares anywhere in the world.

Mr Ezugbaia said the company was listing itself as an undivided, integrated organisation to mimic the structure of large North American railways, such as Union Pacific and CSX. Those companies own their

own track, locomotives and wagons, instead of dividing the infrastructure and operations as normally happens in the European Union.

"We found that this exact strategy is the way to be oriented to successful growth for the railway operations," Mr Ezugbaia said. The company's profitability depends on its handling of freight traffic, particularly oil moving from Azerbaijan and Kazakhstan towards western Europe.

The company enjoys a state-sanctioned monopoly but is allowed to set its own charges

Freight provided 95 per cent of Georgian Railway's \$286m revenues last year, the company said. Its earnings before interest, tax, depreciation and amortisation were \$156m and net income \$104m in the period. The ebitda margin of 54.4 per cent for the year was one of the highest such margins worldwide, the company said.

The company had undergone a five-year restructuring to transform its management practices, Mr Ezugbaia said. Its organisation was now based on "profit maximisation".

The other ex-Soviet rail companies listed in London depend on RZD, the Russian state-owned train operator and infrastructure owner to provide access to its network and, in many cases, to

haul their trains. Regulatory rules stipulate how much RZD can charge.

Georgian Railway will be a listed company enjoying a state-sanctioned monopoly in its industry but allowed to set its own charges. This position allowed Georgian Railway to maximise shareholder value, Mr Ezugbaia said.

"This has to be more interesting for private shareholders," he said.

Mr Ezugbaia played down the risks to the company of a renewal of conflict between Georgia and Russia over the breakaway region of South Ossetia. The two had reached an agreement over the region that had allowed Russia to join the World Trade Organisation, Mr Ezugbaia pointed out.