

TRANSPORT POLICY - A SUMMARY1. THE STRATEGY

As far as possible transport should be paid for by the user and decisions between modes of transport should be taken by the user. Our policy should aim to be objective as between modes of transport - neither "pro-road" nor "pro-rail" - and we should aim to remove restrictions on the most appropriate form of transport. We should recognise the importance of the car - 55% of households now own cars and in rural areas the figure is higher.

Transport must be expected to contribute to public expenditure cuts. We should however, recognise that to a substantial minority public transport is necessary for mobility. Some subsidy may be necessary to provide this. We must recognise the interests of those who work in the transport services.

Competition and free choice are preferable to Labour's "integrated" transport system.

2. PROPOSALS(a) Railways

The central aim of policy must be to reduce British Rail's operating deficit. It is basic to this policy that British Rail's accounts should show a full break-down of costs on a service and line basis. In reducing the deficit our starting point should be to eliminate the freight deficit - the published deficit figure is £70 million but the true figure is considerably greater. Rail freight should pay its full track cost - as too should road freight. The National Freight Corporation's deficit of £31 million should be eliminated; and the duplication of services by different nationalised carriers reviewed.

Wherever possible passenger operations should cover their costs. The option to close down some "green field" lines should be retained but the decision should await the full information required above. If it is necessary to close lines then the public must be assured that replacement services will continue as long as needed. In any plan for labour reductions it is important to be even-handed and to reduce the administrative staff. The present level of investment must at least be maintained if there is to be union agreement to labour reductions. An important aim of policy is to achieve a more certain future for those working in the railway industry.

(b) Road Construction

First priority should be given to economic routes like routes to the ports. Priority should next be given to environmental routes like lorry routes. There are strong reasons why the road programme - which is productive investment - should not be cut further. If cuts are necessary they should be concentrated on expenditure by local transport authorities.

(c) Road Passenger Transport

In both urban and rural areas there is a need to be met for those without access to cars. Bus is less expensive than rail at meeting this need. In rural areas the licensing system should be changed to enable new services to develop. In urban areas also licensing can be relaxed. The licensing position of mini-buses run by voluntary organisations and schools should be changed so that a simple system of safety checks on drivers and vehicles replaces PSV licensing.

A decision on policy regarding concessionary fares (now costing £55 million) should await the current Government review. In Government we should review new bus grants (£30 million) and bus fuel grants (£35 million).

(d) Road Haulage

The privately owned road haulage industry neither depends on subsidy nor is overmanned. We reject Labour plans for further nationalisation; and policies aimed at taxing freight from road to rail. Policies to enable the nation to live more successfully with the lorry should be pursued. These include lorry routes - it should be emphasised that these require the building of new roads - lorry parks and continuing work on the development of quieter lorries.

(e) The Motorist

We reject deliberately anti-motorist policies - like taxing office car parking spaces - and recognise the strong desire of families to own a car. The Conservative Party should campaign to protect the legitimate interests of the motorist.

(f) Road Safety

As a Party we should put our emphasis on seeking to prevent accidents rather than seeking to introduce new restrictions. A special effort should be made to prevent child casualties.

(g) The Ports

The present varied organisation of the industry leads to competition between ports. Nationalisation would eliminate competition and reduce local control. Felixstowe should be returned to private enterprise. It should be an aim of the next Conservative Government that all the major port authorities should achieve an adequate financial return.

3. FINANCIAL IMPLICATIONS

Total public expenditure on inland surface transport in 1975/76 is just under £2,400 million at 1975 survey prices. The major elements in this are:-

- (a) Capital expenditure on construction and improvement of roads and car parks - £710 million.
- (b) Current expenditure on road maintenance, etc. - £585 million.

- (c) Expenditure on subsidies to transport operators - £600 million (of which £410 million is railway expenditure - but includes expenditure on pensions and infrastructure costs).
- (d) Investment by nationalised industries £432 million - of which £242 million is railway investment.

The Government plan to reduce public expenditure in real terms to just under £2,000 million. Their strategy has been to cut road investment substantially while having passenger subsidies relatively untouched.

The greatest potential for savings must be in the subsidies to transport operators - railways (about £261 million at 1975 survey prices) and bus and underground services (£143 million). Further savings are possible from concessionary fares (£55 million), new bus grants (£30 million) and bus fuel grants (£35 million). It seems likely that this Government will have exhausted the potential for savings in road building and maintenance.

In some areas - like the elimination of subsidies on freight - it is unlikely that this Government will achieve their goal and thus an incoming Conservative Government will have to fight to achieve Labour's goals.

4. LEGISLATION

The only immediate legislation required is a bill to relax licensing regulations; and a bill to restore Felixstowe to private enterprise.

5. PRESENTATION

The unions clearly present a major obstacle to achieving cuts in public expenditure. There would also be very considerable public opposition to cuts in services or fare increases. However, we can campaign :-

- (a) to eliminate the true freight deficit of British Rail - and also the deficit of the National Freight Corporation. Our campaign here is helped by the fact that Crosland has acknowledged that there is no justification for subsidising freight - although Shore now finds this statement an embarrassment.
- (b) to discover the true facts of British Rail's financial position. This approach is not opposed by the unions and allows us rightly to keep open our options on line closures.
- (c) to relax licensing restrictions particularly in rural areas; and to change the position for voluntary organisations and schools. There is great public interest on both these issues.
- (d) to defend the legitimate interests of the motorist. Here a well publicised committee followed by a published report would attract attention.

- (e) on road safety and the prevention of child casualties.
- (f) against nationalisation in the road haulage and ports industries.

There are here six main themes which can be developed in speeches, pamphlets and articles. The development of them will in itself help with the unions who wish to see the party taking a serious interest. Clearly we should also emphasise our concern for those working in transport.

Conservative Research Department,
24 Old Queen Street, London S.W.1.

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