Labour Mayor Sadiq Khan agrees to austerity package for Transport for London

Tony Robson 3 December 2020

London's Labour Mayor Sadiq Khan has agreed to austerity measures as part of the Johnson governments grossly misnamed £1.8 billion bailout of Transport for London (TfL). TfL is the agency which oversees the capital's transport system including rail, buses, tram and roads.

A last-minute deal was agreed October 31, following a widely publicised spat between Khan and Transport Secretary Grant Shapps. The government relented on some of its most unpopular demands, but only after Khan pledged to prolong austerity measures agreed during May's £1.6 billion bailout and endorsed a financial restructuring plan across the transport network.

The Johnson government and Khan established common ground on one central question—that the budgetary crisis of TfL triggered by the pandemic is to be offloaded onto the backs of working people.

Shapps relented on demands to hike fares above the retail price index (RPI +1) and to expand the Congestion Charge zone on car users from the central zone to outlying suburbs which would have levied fees on an additional 4 million people.

In return, Khan agreed to keep in place a 30 percent rise in the Congestion Charge introduced as a temporary measure in May, from £11.50 to £15, extending its hours of operation from 07:00 to 22:00 hours, including weekend journeys for the first time.

From January 2, fares on buses, tube services, trains and trams will increase by 2.6 percent in a city which has the highest public transport costs in Europe.

The government only withdrew its demand to remove free travel passes for over 60s and under-18s on condition that Khan agreed future funding would be met through an increase in the Council Tax, a tax which he has previously described as regressive.

Khan has also ceded to the government's core demand for driverless trains on the London Underground (LU) based upon an "expert led" review. The elimination of tube drivers would result in over 3,000 job losses. The mayor also agreed to impose a further £160 million cut to operating costs over the next six months.

The combination of fare hikes, regressive taxation and budget cuts agreed by Khan make a mockery of his claim to have "killed off the very worst government proposals."

TfL's finances have collapsed since the elimination of the central government grant in 2015. London is the only major transport network in western Europe which does not receive a central grant for day-to-day running costs. Around 72 percent of its revenue is generated by fares.

During the first wave of the pandemic and the lockdown in spring, passenger numbers on the London Underground fell to as low as 5 percent, rising to 30 percent by October. But the second lockdown in November will have meant a further hit to fare revenues.

The Johnson government's short-term cash infusions to TfL are in marked contrast to the blank cheques offered to private train operators who were handed £3.5 billion earlier this year. Handouts to companies including FirstGroup and Go-Ahead imposed no onerous strings, protecting them from all financial losses.

Transport is a linchpin of the Johnson government's herd immunity strategy aimed at keeping the economy open no matter what the toll in illness and death. Backed by the transport unions—Unite, Rail, Maritime and Transport Workers (RMT) and ASLEF—Khan has kept services running, herding workers and their

children into unsafe schools, universities and businesses and piling people onto buses, tube and rail despite the heightened risk of transmission.

In addition to the normalisation of infection and death, the British ruling elite is exploiting an economic crisis of their own making to restructure economic and social relations to guarantee more wealth to the oligarchy. The Labour mayor and trade unions are fully complicit in this criminal enterprise.

After TfL's bailout deal was reached on November 1, Unite Regional Secretary for London and Eastern Peter Kavanagh said: "This is a short-term deal which is fair for Londoners and fair for the employees of TfL."

RMT's Regional Organiser for London Transport John Leach spoke from the same script stating, "We can actually take stock at the moment, as of today, that there are no proposals to attack any jobs, terms and conditions of employment."

In fact, Leach revealed that in their joint discussions TfL Commissioner Andy Byford made clear that further operational efficiency would be sought, adding that it may be necessary to prepare for industrial action at some future date. But this is lip service, with RMT having served alongside ASLEF and Unite as reliable instruments in policing job losses and increased exploitation.

In a briefing document circulated by Unite in October, the union was full of praise for cuts enforced in the name of efficiency by Labour's Mayor, "In the four years Sadiq has been Mayor, he has fixed the financial mess he inherited at TfL from the previous Mayor. He has reduced the operating deficit of TfL by 71 per cent and increased cash reserves by 13 percent"

The RMT's backing for Khan is equally clear. Its recent report "A future for Public Transport" details the impact of recent cuts but is silent on the role of the Labour mayor.

RMT officials enforced Khan's cuts on the London Underground. Between 2016 and 2017 almost 900 station staff jobs were cut as ticket offices were closed, while cleaning jobs across the network were outsourced to a private company, ABM. By the time the pandemic hit, the London Underground had 139 fewer cleaners.

In October, RMT revealed that productivity of London Underground workers has risen this past decade by 45 percent and on London Overground by 77 percent—all of this resulting from cuts to jobs, pay and

conditions enforced by the unions.

While Unite and RMT claim the bailout is a "stop gap" to save jobs and conditions, the Johnson government has made clear that £1 billion is conditional on passenger usage reaching 65 percent of pre-pandemic levels. This can only mean that transport workers will be once again be placed on the frontline of a resurgent pandemic that has already claimed 75,000 lives in the UK since March.

The unions have allowed TfL and the Johnson government to flout the most basic safety measures. Social distancing of 2 metres was reduced in July to "1 metre plus". Social distancing has since become a dead letter. London Underground staff have been instructed by management to turn off their Test and Trace apps, with the RMT issuing no call for action against this criminal negligence. On London buses, TfL's directive that social distancing does not apply on school services has been supported by Unite. Meanwhile, the unions are involved in a wholesale cover-up of infections and deaths among transport workers.

Whether it is the protection of their lives and those of their passengers or the fight against austerity, transport workers confront the need to break from the stranglehold of the unions. These organisations are beholden to the profit motive and accept the subordination of economic life to the financial oligarchy, which can only be countered through class struggle methods and a radical redistribution of wealth. We urge transport workers to support the fight waged by the London Bus Drivers Rank and File Safety Committee and to form independent rank-and-file committees across bus, rail and underground, aimed at uniting workers in the struggle for socialism.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact