

# London Tram drivers in Croydon strike against real terms pay cut

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Trams drivers in Croydon, who run a network of 39 stops across 28 kilometres of track in south London, took strike action Tuesday and will do so again on Wednesday.

Members of the Aslef union, the 150 workers rejected a 3 percent pay offer from operator First Group and voted almost unanimously to strike, on a turnout of 86 percent. With inflation at 11.7 percent RPI, the company's offer amounts to a deep pay cut.

Services were severely disrupted, affecting the Wimbledon tennis tournament, with no trams running between Croydon and Beckenham Junction, Elmers End or New Addington, and only at 20-minute intervals between Croydon and Wimbledon. A second round of strikes is planned for July 13-14.

First Group has a contract to run the service on behalf of Transport for London until 2030. It receives a fixed fee from TfL, pegged to November's RPI—7.1 percent in 2021. The company has a market capitalisation of over £1 billion and is listed on the FTSE 250. Having collapsed at the start of the COVID pandemic, its share price is now back above where it was in February 2020.

Overall, First Group made an adjusted operating profit of £226.8 million in the last financial year, up from £220.2 million the year before, increasing its profit margin from 3.2 percent to 4.1 percent. Its First Rail division alone—running Avanti West Coast, Great Western Railway, SouthWestern Railway, TransPennine Express, Hull Trains, Lumo and London Trams—made £87.8 million, and £108.1 million the year before.

Executive Chairman David Martin commented in First Group's 2022 Annual Report that the company had “delivered on our commitments this year to... unlock value for shareholders... The Board's confidence in the prospects for the Group is reflected in the

decision to commence dividend payments.”

The first annual dividends, to be paid to shareholders this August, will total £8.1 million. An additional £500 million was distributed to shareholders last year following the sale of its Greyhound and other businesses.

CEO Matthew Gregory is to be rewarded with a £635,000 base salary this year, with a pension allowance of 15 percent, car allowance, medical and life insurance, plus a bonus plan for up to 150 percent of that salary and a long-term incentive plan which last year paid out an additional £137,883. Chief Financial Officer Ryan Mangold receives £420,000 in base salary, plus the same perks, and Martin £289,000.

First Group's employees are worked to the point of exhaustion to build these fortunes. On November 9, 2016, a London tram came off the rails at Croydon in a crash which killed 7 passengers and injured 51. The Rail Accident Investigation Branch concluded in its original report that the drivers' loss of awareness was possibly due to a “microsleep” lasting several seconds.

Inspectors also found that First Group took no action following a similar speeding incident on the same stretch of track just 10 days before the crash. Their statement read, “the risk of trams overturning on curves was not properly understood by the tramway and so there were insufficient safety measures.”

Drivers were raising concerns about fatigue as far back as March 2014 through a Confidential Reporting for Safety (CIRAS) whistleblowing system. Its report reads, “It is felt that the shifts... and the activities involved increase fatigue amongst staff and the likelihood of microsleeping, which could lead to an operational accident.”

CIRAS also records, “The reporter comments that the structure of the roster is the main reason for fatigue; a

week of very early shifts is followed by a week of very late shifts. Normally, staff are given two full days' rest in between but there are a number of weeks in the roster where only one full day is provided."

A TfL audit the same year listed "fatigue management" as one of the trams' seven main weaknesses, noting that fatigue management measures did "not match current Office of Rail and Road expectations".

In 2017, a BBC investigation found four drivers who said they had fallen asleep at the wheel, with one citing irregular shift patterns as a cause. They raised concerns about the failsafe system supposed to bring trams to a halt. An ex-driver told *The Times*, "I was always in a bit of a daze and that is because the way the shifts work doesn't allow the drivers to get a regular sleep pattern."

Now First Group expects workers to take the pressure of a real terms pay cut on top of this dangerous workload.

The company has used the pandemic to carry out attacks on its workforce elsewhere, particularly its bus drivers, who operate 20 percent of the routes in the UK. After at least 14 were killed by COVID, drivers faced cuts to their wages and conditions.

Workers are in a strong position to take the fight to First Group and its rampant exploitation. Fatigue is rife across the London transport network, with 20,000 London bus workers represented by Unite voting by 97 percent for a strike over the issue in February 2020—which the union used the pandemic as an excuse to shelve, while leaving drivers exposed to the new risk of COVID-19. Tens of thousands of other rail workers just completed a week of national strikes in which pay and safety are two of the main issues at stake. There is a strong sentiment throughout the working class for a joint struggle against the employers and the hated Johnson government standing behind them.

But the Aslef union has kept action strictly limited, calling the London Trams action for three days after the conclusion of last week's national rail strikes—more than a week after the Rail, Maritime and Transport (RMT) union and Unite's one-day Tube strike.

Instead of making an appeal to other workers at First Group and in the transport sector, the union has appealed to Labour Mayor of London Sadiq Khan. Finn Brennan, Aslef's London organiser, pleaded, "The Mayor of London and the board of TfL should be

intervening to stop this abuse and make Tramlink treat its staff fairly."

Khan and TfL's attitude to striking rail workers is clear. He said earlier this month, "I don't want the underground strikes to take place, I don't want the national rail strikes to take place next week", accusing workers of "punishing the wrong people" and decrying the "economic cost". Trish Ashton, TfL Director of Rail and Sponsored Services, said he was "disappointed" with the action and turned Aslef back to "the operator, to try and resolve this matter and avoid disruption to our customers." They will back the operator to the hilt in enforcing a below-inflation deal.

Calls to Khan, like the RMT union's call to Labour leader Sir Keir Starmer to support the rail strikes, are an attempt to pull the wool over workers' eyes, painting their enemies as their friends while dividing them from their real allies.

For all rail and transport workers, in the capital and across the country, the only way to defend wages, jobs, conditions and passenger safety against the private looters who run the networks and the government holding the purse strings is to organise a joint fight for demands democratically decided on by workers themselves. They know what is needed to run a safe service and to provide for their households. The cost can be paid from the fortunes First Group and the other operators.



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