House of Commons

Transport Committee

Oral evidence: Rail strikes, HC 581

Wednesday 11 January 2023

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Watch the meeting

Members present: Iain Stewart (Chair); Mike Amesbury; Mr Ben Bradshaw; Jack Brereton; Paul Howell; Chris Loder; Grahame Morris; Gavin Newlands; Greg Smith.

Questions 256–331

Witnesses

I: Mick Lynch, General Secretary, RMT Union; Frank Ward, Interim General Secretary, TSSA; and Mick Whelan, General Secretary, ASLEF.

Written evidence from witnesses:

- Rail, Maritime and Transport Workers Union
- Transport Salaried Staffs' Association
- Transport Salaried Staffs' Association

Examination of witnesses

Witnesses: Mick Lynch, Frank Ward and Mick Whelan.

Q256 **Chair:** Welcome to this session of the Transport Select Committee. Before we start, can I ask colleagues if anyone has any declarations of interest, for the record?

Chris Loder: I have been a member of two of the three unions represented here today: the RMT and the TSSA. I have worked indirectly for two of the witnesses in panel 2.

Grahame Morris: In former times, before privatisation, I worked for British Rail. I was a member of the NUR, which was a forerunner of the RMT. I was also a member of the TSSA. I am a member of a number of trade union groups, including ASLEF and the RMT parliamentary group.

Mike Amesbury: I am a member of the RMT parliamentary group.

Chair: Thank you. Good morning to our panel. Thank you for your time this morning. For the record, could I ask you to give your name and position, starting with Mr Whelan?

Mick Whelan: Good morning, Chair. I am Mick Whelan, general secretary of the train drivers' union, ASLEF.

Frank Ward: Good morning. I am Frank Ward, interim general secretary of the TSSA.

Mick Lynch: Good morning. I am Mick Lynch, general secretary of the RMT.

Q257 **Chair:** My colleagues and I have a number of questions for you all this morning. We will delve into what is quite a complex situation. Before we do, I want to put the session in context.

We are hearing from yourselves in this part of the session. Later, we will be hearing from Network Rail and the Rail Delivery Group. Next week, we will have the Rail Minister in front of us. What I am hoping we get out of these sessions is some greater clarity on where we are with the dispute and what the prospects of resolution are, sooner rather than later.

Before we delve into the specific issues, can I ask the three of you in very broad terms how close we are to having these disputes resolved? On a scale of one to 10, where one is that you remain on different planets, to 10 being that I can go out and buy a hat for the wedding, where are we?

Mick Whelan: Thank you, Chair. I think you should include zero in your one to 10. We are further away than when we started.

Chair: That is clear. Mr Ward?

Frank Ward: I wouldn't disagree with that.

Chair: Mr Lynch?

Mick Lynch: I wouldn't be able to say. It depends on discussions. I am not going to use a scale, but we do not have an agreement until we get an agreement, and we are not close to it really.

Q258 **Chair:** That is not as optimistic as I had hoped. Are discussions happening at the moment?

Mick Whelan: No.

Frank Ward: We have been invited to discussions tomorrow.

Mick Lynch: We had a discussion with Network Rail yesterday. We will be having one with the RDG—Rail Delivery Group—for the TOCs on Thursday.

Q259 **Chair:** We will start with you, Mr Lynch, because you seem to be the most positive of the three, although it is relative. Where do you see a possible landing zone for an agreement? Is it on pay? Is it on the wider conditions or industry reform? Where do you see a possible zone for coming to an agreement?

Mick Lynch: All of those issues have to be dealt with. Our dispute, which we put to the companies, is based on job security. They wanted to make thousands of redundancies. That may change to the lower thousands or to hundreds—we do not know. That is Network Rail and the TOCs.

We have an issue about what they are calling "modernisation". There are some aspects of modernisation—development of the railway and development of working conditions, terms and conditions and contractual elements—but we are a long way off on pay.

The inflation rate that we use for this year is currently in excess of 14%. That is the one that the railway uses. The previous offer we had was 4%. The cumulative inflation for 2022 and 2023 will be in excess of 20%. We have been offered, on the TOCs, 8% for those two years, so that is less than half. We have been offered 9% by Network Rail, which again is less than half. But let's not forget, we have not had a pay rise in many of these companies for three and four years. We are having our wages and spending power reduced at the supermarket, with the energy companies and everything else year on year, and it gets worse with every week that passes.

They are also seeking such drastic changes as the elimination of ticket offices in Britain. Under their current proposals, which are sponsored and put forward by the Department for Transport, there will be no ticket offices. In the last version of the offer that we had from the TOCs there will be no guards either.

These are very stark choices, plus they want to dilute virtually all of our contractual terms and conditions. It is a very strong challenge for us. Even if a revised package comes forward on that basis, which includes elements that the Government want to be addressed—this is completely directed by the Government in every element—I do not know if any of our members will go anywhere near accepting those proposals. They are such profound changes that they will be very difficult for any union to accept.

One of the previous times I was here, we had the P&O chairman who said to this Committee that "no union, in its right mind, would accept what I want to propose," or would have proposed. We are in similar territory with the railways at the moment.

The landing zone, as it is called, will have to deal with all of those elements, but I cannot see the landing zone from here. We will have to see what the talks say. I do not know what our members will make of that when they get to read the stuff in detail.

Q260 **Chair:** Mr Ward, your union settled one of the disputes, with Network Rail, but you remain in dispute with the RDG.

Frank Ward: Yes.

Chair: From what you agreed with Network Rail, can you see a spillover—if that is the correct phrase—to reaching a settlement with the RDG?

Frank Ward: We had two agreements with Network Rail. One was on behalf of management staff, which we entered into last August, and then one on behalf of general grades and controllers, which was settled in December. The concerns of our members were addressed in those claims. We put both offers to the members and they voted overwhelmingly to accept them.

We are in a totally different situation with the RDG. We talk about talks with the RDG, but the reality is that we continue in talks with the RDG and we get to a stage where we think there has been some progress made, but then they go back to talk to their paymasters and everything unfolds in front of us. We got an offer from the RDG that bore no relationship in parts to the talks that we had just concluded.

The offer that was on the table is significantly different from what we settled on with Network Rail. Does the Network Rail one form some sort of template? Yes, it probably does. It is something that we could look at. There are different parts of the package that we would have to discuss with the RDG. It suggests a way forward, but nothing more than that.

Q261 **Chair:** Thank you. We will come on to specific negotiations with the RDG in a moment. My final question for the moment is this. Mr Whelan, you said you were at zero in terms of likelihood of a settlement. Can you expand on that a little, please?

Mick Whelan: Yes. Last week, late on Friday evening, leaked to the press before we had even had a chance to look at it, see it or open the email, was a deal that was sent out and which contained many of our red lines, many things we had not discussed, and actually smashed the enabling agreement we have.

We do not deal with the RDG. We do not recognise the RDG. We are working through a group called the RIRG, and the three trade unions signed up to an enabling agreement with them. Part of that enabling agreement, of course, was that certain parts of the railway were excluded from severance, including signalpersons, guards and drivers. I received a deal telling me that there are going to be no compulsory redundancies until 2024. The deal also told us what our people would do, where we would negotiate, and broke the arrangements in the enabling agreement about how we would cascade any broadbrush agreement that we might have made at a national level.

My board—my executive committee—will deal with that next Monday. Naturally, I am being questioned all the time on what my view is on that deal. I am incredibly open that I cannot recommend any one element of it and it may destroy the ability to go back to those talks in future.

Chair: We will delve into some of these points. Obviously, we have the other side of the table coming to us in just under an hour's time. I hand over to Paul for the next question.

Q262 **Paul Howell:** I have to say that I do not envy anybody trying to do these sorts of negotiations in the public domain, which you guys have to. I am going to direct this particularly to Mr Lynch and Mr Ward in the first instance.

Mr Ward, I want to understand why you rejected the Rail Delivery Group's initial offer. You said it contained elements that had never been discussed, and then that it omitted "significant points that had…been negotiated." Can you elaborate a bit more on that?

Thank you, by the way, for the submissions that we got.

Frank Ward: Driver-only was not a part of the discussions that we had been having recently with the RDG. The talks that we had been having made some progress. When they came back with the formal offer and references to driver-only, it came out of nowhere for us. So much so that I asked their negotiators, "When did we start talking about this?", and I was told quite categorically that we had not been talking about it at all.

Q263 **Paul Howell:** There had been no reference at all to DOO?

Frank Ward: No. There are things within the offer that were totally unacceptable to us. It is a pay offer of 4% for last year and 4% for this year. As Mr Lynch rightly referred to, inflation for the rail industry is running at 14%; 4% will not help a lot of our lower-paid members. The deal that we did with Network Rail was 5% in 2022 and 4% in 2023, but with a minimum £1,750 for lower-paid workers. There is no bottom for lower-paid workers in the RDG offer.

We are asked to make commitments in terms of delivering on the "modernisation", as they refer to it, within the railway and that we will not take any industrial action between signing off the agreement and April 2024. At the same time, we are being given a commitment that there will be no compulsory redundancies before 1 April 2024. They can come and propose compulsory redundancies in January 2024 and enact them in April 2024 without us being able to take any industrial action about it until after those people have been made compulsorily redundant and have left the industry. It is not acceptable.

In addition to that, there were offers from Network Rail on improved terms and conditions, but we do not get anything from the Rail Delivery Group on terms and conditions. There is not even a sweetener for our members as far as that is concerned.

The Network Rail no compulsory redundancy agreement ran to January 2025. Clearly, members working for train operating companies are asking why employees in the rail industry who work for Network Rail have no compulsory redundancies to January 2025 and theirs is only April 2024, and what plans their employers might have for them.

It creates a lot of uncertainty. It does not address the concerns with regards to pay. There was nothing else that would sweeten it, as far as our members were concerned. We consult with our representatives before we decide what to do with any offer that we get from the employer. Every single one of our representatives turned to us and said that this just would not wash.

Q264 **Paul Howell:** I am not trying to put words into your mouth too much, but, in terms of the structure of a deal, the way that the one you have accepted sat with a bias towards the lower-paid employees getting a slightly higher percentage, that is the sort of thing that could be a step in the right direction. Is that a fair comment?

Frank Ward: It would be a step in the right direction. What would also be a step in the right direction would be an offer for management staff and an offer for controllers.

Paul Howell: Which you have not received yet.

Frank Ward: We have not received any offer for management staff and controllers. It is notable that, when we did the deals with Network Rail, the first deal that we settled was for management staff. That was the first offer we got. We settled with them on that. We have not even had an offer, and we have asked repeatedly for offers for both those groups of staff. We have been told that they do not have the authority from the DFT to make us any offer.

Q265 **Paul Howell:** Coming back to driver-only operation for a second, you said that had suddenly been brought into the discussions at a late point. I think any casual observer of what is going on in the railways at the moment would be aware that there is pressure from Government and others to come up with more driver-only operation, so I am a little bit surprised that it was a surprise, if you see what I mean, although I understand what you are saying in that it does not seem to have been specifically looked at.

I have one question on DOO. Is it something that you do not see as being feasible at all, or is it the fact that you are worried about its being pushed too comprehensively? I note from some of the submissions that you talk about cases where combining DOO with a ticketless station puts all sorts of vulnerability risks because of the two. Are there spaces where you would see that driver-only operation is still practical, or is it completely a no-no? I am trying to understand whether it is a partial stop or a full stop.

Mick Lynch: Who are you asking, because Frank does not have guards in his union?

Frank Ward: I was going to say that.

Mick Lynch: We will not accept driver-only operation in any company without a fight. We will never sign up to accept DOO. It will never happen while I am the general secretary. It will never happen as long as the RMT exists.

In my opinion, it is not very clever in a negotiation. It is the DFT that has insisted on this and not the executives that are coming to see us. They have to do what they are told because that is what the contract says. The contracts that these train operators have with the DFT say that, first, the Secretary of State is entirely responsible for their industrial mandate, their negotiating mandate; secondly, he has to approve a dispute handling programme; and, thirdly, they will make no communication with the trade unions without his prior approval, including writing a business as usual letter.

If I write to any train operating company, they have to inform the DFT of the contents of that letter within three working days. That includes phone calls and discussions as well, according to the contract. Nothing happens in this industry without the Secretary of State and the 50 people in the DFT today who are working on this dispute and what they call "workforce reforms". There are 50 people working full time, besides the politicians, right now.

They insisted right at the end, and, if the executives involved in this industry told you the truth, they would tell you that they knew before they put it on the table that it would be rejected. Mr Whelan will speak on his behalf because there are two sets of people on these trains. It is just not very bright to do that. If you are seeking a solution to a serious industrial dispute that is high profile, would you wait until a Sunday afternoon at 4 o'clock to put nine clauses into a document that were not in the previous version? It is daft. To me it is sabotage.

They wanted these strikes to go ahead. They knew that going forward with the imposition of change in Network Rail, and DOO, would provoke a reaction. They got the reaction. They let the strikes go ahead over Christmas. They did not lift a telephone or lift a finger to get them off. They brought forward stage-managed releases in the last week about minimum service levels, disruption and all the rest of it, and about me and various other people in the industry. It was all primed through certain press outlets. The whole thing has been completely stage-managed, leading up to one of these sessions with the trade unions, as far as I can see. It is a deliberate torpedoing of the talks that could have developed. That is why DOO was in there. It was not because it would have helped resolve the dispute.

Q266 **Paul Howell:** I am going to try to stick to the question that I asked in the first place, which was about DOO. I know that my colleagues are going to come back with questions about Government intervention or not, and you will have the opportunity to go through that in a little bit more detail then.

You are saying that there is absolutely no way that any train will run with DOO.

Mick Lynch: We will never accept them introducing the removal of more guards from trains, no. We will not accept that. We will not continue with any talks that have that as a prerequisite.

Paul Howell: I will leave that one there, Chair.

Chair: Thank you, Paul. Jack Brereton.

Mick Whelan: Chair, would you like to know the view of the train drivers' union on driver-only operation?

Chair: My apologies.

Mick Whelan: I didn't want to cut across you, if you did not want to know. Quite simply, I have given evidence to this body before in the Southern dispute. Our position remains the same. The train drivers who do it hate it and feel it is unsafe. We believe it is inherently unsafe.

Prior to the pandemic the whole industry was moving in a different direction. All the travelling public, Passenger Focus and everybody wanted a visible and safe presence on every train. We have seen sexual assaults on our railway increase by 180%. We have county lines and drugs. We have areas with people refusing to move without security guards on trains at certain times of night. Unfortunately, society has not got more polite or safer.

Since then, the Rail Safety and Standards Board has designated train drivers lone workers, so every role has to be re-evaluated in the light of us being lone workers. Where there are no staff on stations, where there is nobody in booking offices and where there is nobody on trains, we do not believe it is a safe railway for the travelling public. Also, we believe that you need everybody in all those positions to run a safe railway. We will not be supporting DOO if it comes forward as part of this deal or any future deal.

Q267 **Chair:** I will come to you, Jack, but first I have one quick question. Is there a difference from your perspective between driver-only operated and driver-controlled—that is, that there is another person on the train, but they might not be opening and shutting the doors?

Mick Whelan: No. It is about dispatch. It is about our Victorian infrastructure. DOO was delivered at a time when we had three-car trains and you dropped the window on the side and could see back along the length of the train. It was not designed for 12 or 13-car trains with 1,300 people on and one body to protect them, and if that one body gets injured or has a medical incident, there is nobody to look after the travelling public. That was not what DOO was designed for.

Initially, DOO was for intensive urban areas, where there was a station every couple of minutes. Modern proposals are for DOO everywhere, with 27 or 30 minutes or even an hour between stations, when anything can happen to the travelling public and there is no protection. We cannot support that.

Q268 **Paul Howell:** That is a slightly different position that has been taken there, Chair, and I want to come back on it. You are saying that it is not appropriate for the long, big trains but for the little ones where it was introduced in the first place. Is there therefore not still a window for some use in certain environments?

Mick Whelan: I don't believe so. I think the real problems with the nature of modern society, the dangers to the public and to the staff on the railway preclude anybody from working alone.

Q269 **Jack Brereton:** My questions are mainly to Mr Whelan. First, on pay and conditions, have you received an offer from RDG?

Mick Whelan: The first I knew was when my media person rang me up and said, "What do you say about the offer?" If I can go slightly backwards to explain the chronology, it might assist.

I had been approached by Mr Montgomery, who you are going to speak to later, the Friday of Christmas week saying, "Can we meet next week?" I had met Mr Harper and Mr Merriman prior to that. They said that they were going to put Mr Merriman in to facilitate the talks, and we were awaiting that meeting before we went into further talks. We thought that was due decorum, and we needed to understand the role of the Rail Minister in the facilitation of the talks.

We pointed out at that point in time that, unfortunately, like anybody else, my negotiating team had rights to take leave and we had no availability. Two of the three—I am one of the team—were out of the country and not available, and we could not have met anyway. I then, not surprisingly, very quickly received an email from the Rail Minister's Department saying could we meet. We met on Monday, which was the first available slot, for the same reason that I gave to the negotiators of the RIRG.

To my surprise, I had a text from Mr Montgomery on the Friday morning saying, "Could we talk?" He was on my list of people to ring back when I had finished the other things I had to do that day. My first knowledge of the deal that contained so many red lines and so many things we had not discussed was when we were being asked by the press about our view on the deal.

I went back through my emails later, after having said I had not seen the deal, to find out that I had been sent an email at 15.18. The press release went out 20 minutes later.

Q270 **Jack Brereton:** In terms of the deal that you have been offered, which aspects of that are acceptable to your members and which aspects are not?

Mick Whelan: There is not one line in that deal, from the opening comments to the final full stop, that I could recommend. The deal basically says that we rip up every agreement we have for local and national, and forever and a day have no right to negotiate in future, and it will be forced upon our members and the TOCs. That was not what we agreed in the enabling agreement. What we agreed as joint trade unions in the enabling agreement was that we would agree at a higher level that things be passed down to our 15 negotiating groups on the TOCs, and then they would negotiate separately on those items if they could. If they could then make a recommendation, we would put that to our members in those different companies.

Part of the difficulty we have is that there is not a one-size-fits-all deal. I have companies, because of the fractionalisation of the railway and the cutting and carving up of the map, with three sets of drivers on different conditions in one company. Every deal and every aspect of a deal may impact upon those terms and conditions and the ability to do a deal in a different way.

Q271 **Jack Brereton:** What would you like to see in a deal so that it would be near to something you would accept?

Mick Whelan: I think we are very much getting to the point where, after four years without a significant pay offer, we need a clean pay offer to move forward, to get out of the current strife that we are in. We need to go back to the table clean and look forward. There is no modernisation in that deal. There is no reform. It is basically a productivity grab. It is hundreds and hundreds of millions of pounds of productivity for nothing, for a 20% cut in pay. Strangely enough, I see the role of trade unions as to protect the standards of living of the people they represent.

Q272 **Jack Brereton:** Do you recognise that there is a need to modernise certain terms and conditions?

Mick Whelan: In the areas where we have to modernise. I think I am the person who signed off ATO on St Pancras. Both of my colleagues have made public statements about where we have facilitated modernisation before. There has not been a major project in the UK in the last 23 years that has not happened without the buy-in and willingness of the trade unions. We want to grow railways. I do not want my people dying because there are no toilets on trains, and using Tena products. I do not want my people using semaphore signals and going to two-colour lights, three-colour lights and then ATO. I want a green railway that is at the centre of a green revolution and that we decarbonise and deliver—Kyoto, Paris and whatever. What we are unfortunately currently seeing is not modernisation. It is a pure productivity grab of a wish list of all the things that various companies could not achieve in the last two and a half decades because, on many occasions, they could not afford them, unfortunately.

Q273 **Jack Brereton:** In terms of pay increases, given that the average driver salary is more or less double the average salary in my constituency, would you expect that it is right for my constituents to have to pay more to fund these increases to driver salaries?

Mick Whelan: I find it rather intriguing, because we do not work for DFT. We do not work for the Treasury, and we do not work for the Government. I have 15 different disputes with 15 train operating companies who are declaring profits and paying dividends. In any other economic organisation you would do your fixed costs, including pay, first, before you declared any dividends or any profits. I look around the industry and I see the high profits of the ROSCOs and the venture capitalists. It seems very much to me that we find ourselves in a very Monty Python-esque world, whereby you now want the funders to fund the profits of the shareholders to keep the private interests within the industry itself. That is not going to happen.

Q274 **Jack Brereton:** I do not think you have answered that question, but in terms of driver salaries, do you not think that drivers are already relatively well paid?

Mick Whelan: No. If I can explain why—

Q275 **Jack Brereton:** What would you consider to be a fair pay?

Mick Whelan: If drivers were on whatever salary they were within the range four years ago, I would at least like to see them stand still.

Q276 **Jack Brereton:** What sort of figure would you like?

Mick Whelan: We have not put a figure on it. We deliberately have not, because it was also part of the enabling agreement that it would go down to the various companies to be discussed. There is not a one-size-fits-all solution. You could only do a broadbrush range of things for people to discuss that would facilitate a deal going forward. We have never put a price on it. Ultimately, the opportunity cost of either the productivity or the high cost of living will be determined by the people who vote on the deal.

Q277 **Jack Brereton:** You are trying to negotiate when you do not even have a figure of how much you want to accept.

Mick Whelan: I may have a figure in my head but—

Jack Brereton: You are not willing to share it with us today.

Mick Whelan: I have not shared it with the media. I have not shared it with anybody in the last 12 months or more. We are waiting to see what can be achieved in the negotiations we have and what people are putting on the table. What was thrown out to the press last week and sent to us by email was not even part of the discussions we have had. Where it had been part of the discussions, many of them have been red lines. Again, echoing what Mr Lynch said, people deliberately scuppered any chance of a deal by putting out things that had already been declined.

Q278 **Chris Loder:** Good morning, gentlemen. I would like to start with Mr Whelan. Mick, are you a member of the Labour party's executive committee?

Mick Whelan: I am.

Q279 **Chris Loder:** Could you also confirm if you are chairman of the Labour party group of affiliated trade unions, otherwise known as TULO?

Mick Whelan: It is my proud privilege to be the chair of the Labour affiliated trade unions.

Q280 **Chris Loder:** Do you receive any direction from the Labour party in these discussions with—

Mick Whelan: Excuse me for laughing. Unfortunately, no, I have had no discussions with anybody. We have briefed people in the shadow Cabinet on our position as a trade union, but there has been no direct discussion or policy in relation to this dispute coming from the leadership of the Labour party. I think it is a matter of public record as to my view on MPs and others attending picket lines, which is in direct opposition to my leader at this moment in time.

Q281 **Chris Loder:** I understand that the RMT has attended four meetings with the Department and/or the Minister. Could you tell us how many meetings you have attended, please?

Mick Whelan: With which Minister? I have had three in a month.

Chris Loder: One of the Ministers for Transport. How many meetings have you had with the Department for Transport?

Mick Whelan: In recent times? I never met Mr Shapps in person. I am trying to work it out for you, so bear with me. I had one meeting agreed with Anne-Marie Trevelyan but, unfortunately, she was not there very long. I met Mr Harper for the first time once before Christmas. I have met Mr Merriman, the Rail Minister, twice—once with Mr Harper before Christmas and once at the meeting I alluded to earlier this Monday.

Q282 **Chris Loder:** So you have met the DFT twice.

Mick Whelan: I have not met the DFT at all.

Chris Loder: Ministers of the DFT.

Mick Whelan: The question was, had I met the DFT? I have not met the DFT in any capacity. There have been members of the DFT writing down every word I say when I go into these meetings with the Ministers, but they have not spoken. They have not contributed. They have not asked any questions and we have not had any dialogue with them, if that is your question.

Q283 **Chris Loder:** Thank you. Could you tell us what is the best offer you have received so far from the RDG in respect of a TOC?

Mick Whelan: The only offer we have received in four years was the one that was leaked to the press last Friday.

Q284 **Chris Loder:** I understand that ASLEF refused a 19% pay offer from Merseyrail. Could you tell us why that was?

Mick Whelan: We have done a deal on Merseyrail. I do not recollect the 19% offer.

Chris Loder: I understand it was 19% over two years.

Mick Whelan: We have done a deal with Merseyrail. We have accepted it and the deal has gone out to ballot. We are waiting for the result of that ballot. We have recommended that deal to our members.

Q285 **Chris Loder:** In which case you have accepted an offer—

Mick Whelan: No. Sometimes people do not understand how trade unions work. You have been a member of two of the rail unions so you know that when an offer is made it goes to the people who have to actually do the conditions, whatever, and they decide whether it is acceptable or not. We have a member-driven policy that we do not put any deal out that we cannot recommend. If we can recommend the deal, we put it to the people who have to do it and then they tell us whether it is viable or not.

Q286 **Chris Loder:** That deal has been done and you have agreed that offer for Merseyrail?

Mick Whelan: I think the result comes in next week, to my knowledge, but if that is incorrect I will come back to you.

Q287 **Chris Loder:** And that is the only operator you have accepted an offer from?

Mick Whelan: No, we are currently doing deals in Hull Trains. Quite obviously, because it is a Westminster problem, we have done deals in Wales and Scotland. We had a number of long-standing multi-year deals in place. We have done deals with Crossrail. We have done deals.

Q288 **Chris Loder:** Are you in dispute with any freight operators?

Mick Whelan: Yes.

Q289 **Chris Loder:** Which ones?

Mick Whelan: We represent all the freight operators.

Chris Loder: But they are separate companies.

Mick Whelan: With most freight operators we have had above RPI offers with no strings.

Q290 **Chris Loder:** Have you accepted any?

Mick Whelan: I would have to go back. In the last couple of years, we have done deals with various freight operators. I can provide the actual content of those deals to the Committee subsequently, no problem.

Q291 **Chris Loder:** We would be grateful for that. Currently, you are not in dispute with any of the freight operators?

Mick Whelan: No.

Q292 **Chris Loder:** That is fine; thank you very much.

Frank, could I come to you next? You collectively represent management bands 1 to 4 of Network Rail. Could you tell us what the highest salary is within that band that you collectively bargain on behalf of?

Frank Ward: No, I would have to come back to you in writing on that.

Q293 **Chris Loder:** I understand the highest salary to be £190,000.

Frank Ward: That may well be the case. I would have to go and check it and come back to you. There are people in Network Rail who are paid more than that as well, outwith bands 1 to 4. The CEO is paid over half a million.

Q294 **Chris Loder:** You accepted or came out of a dispute quite early on with that management band, did you not?

Frank Ward: Yes, we did.

Q295 **Chris Loder:** Can you tell us why that was?

Frank Ward: Our management members voted to take industrial action for the first time ever in my recollection. Ultimately, when we started talking, we got an offer. As is our normal practice, we put the offer to the representatives, who believed it was worthy of going to the members. We put it to the members and the members voted overwhelmingly to accept it. That is why we came out of the dispute.

Q296 **Chris Loder:** Thank you. Mick Whelan, one final question. In October last year we understand that the general secretaries of a number of trade unions, as well as members of the shadow Cabinet, attended a fully funded visit by the TUC to Spain to meet your counterparts there to discuss the sorts of issues you face and, in effect, get—

Mick Lynch: I missed out on that.

Chris Loder: —hints and tips. Would you confirm for us whether or not you joined that visit, or any representative of ASLEF joined that visit?

Mick Whelan: No representative of ASLEF was on that visit.

Q297 **Chris Loder:** Mick Lynch, can I come to you next, briefly?

Mick Lynch: Certainly.

Chris Loder: In December, Network Rail put an offer to you on behalf of your members of 9% over two years, with a minimum—

Mick Lynch: Three years, beginning last year, in ’21.

Chris Loder: With a minimum of £1,750 value for 2022. Am I right in saying that those who were paid under £35,000 would in effect have had a better offer than that because of the minimum threshold?

Mick Lynch: Yes, there is what we call an underpin. It is RMT’s policy that there should always be an underpin or some mechanism that advances the lower paid because continued percentage increases give them, over an evolving period, a worse deal. That is something we are seeking from all employers, and we have been successful in over 20 years or more in improving lower-paid wages. It is not an offer of pay. It is an offer of, as the DFT calls it, reform modernisation. It is a package deal; it is conditional on accepting major changes to a whole range of things.

Q298 **Chris Loder:** Would you be willing to share the details of what that offer has been with us, so we can see it?

Mick Lynch: Yes. It is in the public domain, I think. It is on the Network Rail website. It is on our website. It is sent to all our members. I think it is broadly available. It is quite a long document. There is a document with it called “Modernising Maintenance”. There are some elements for signallers and others, and station grades as well.

Q299 **Chris Loder:** Would you confirm to us why the RMT only gave a period of six days for the referendum on the last offer rather than the standard 14 days that you would typically do?

Mick Lynch: We do not have a standard. We arrange the referendums in the way that suits the needs of the dispute. What was happening in Network Rail at that time was the commencement of change that we had not agreed. They told us that they were due to go to local or second-level consultation on the changes, which would mean the actual rearrangement of the teams and the cuts to the jobs that they wanted to bring in, and the initiation of—

Chris Loder: Just to come back to the specific—

Mick Lynch: That is the specific. We needed to get the referendum result in before those changes happened. The clock was set ticking by the company, who said to us, "We are going to implement these changes from 15 December." We needed an answer as to whether it was found acceptable before that happened.

Q300 **Chris Loder:** I understand that on 6 December an increasing number of groups of members of the RMT broke the strike. Could you tell us what percentage of members did actually break the strike on those days?

Mick Lynch: We do not have a report of any increase in people breaking the strike. We know that, as you have just heard from the TSSA, the managers, Unite and the white collar and supervisory staff have gone back to work. They are not on strike. They had been on strike previously. Our picket lines are solid. The action that we have taken has had the same effect as it had on day one and as it has had in the last week or so.

Q301 **Chris Loder:** Are there any final points you would like to share with us in terms of your current negotiating position with Network Rail?

Mick Lynch: We will continue to talk to Network Rail and it will continue to be a challenge. You are going to hear from Tim Shoveller. I spoke to him yesterday afternoon. We are always talking to the companies to try to work up solutions to the problems that we jointly have. We will continue to do that, but it remains a challenge. The demands that are being made on us are very difficult for us to accommodate.

Ultimately, we feel that those demands and the inflation rate mean that our members' work is being undervalued by vast amounts. That is a deliberate policy of the Government in this country at this time. It is to lower the wages of working people right across the spectrum, especially where they have an influence, and to make them poorer than they used to be. I think that is a direct result of Government policy.

Q302 **Gavin Newlands:** I probably should declare before I start that I am unencumbered by entreaties from the Labour Front Bench and was proud to support the workers at Glasgow Central last week.

Moving on to the role of Government in the dispute, bizarrely, during the dispute we have had three entirely different ministerial teams at the DFT. Mr Whelan, what role has each of those teams played in the dispute thus far? What difference has there been between the approach of the three teams?

Mick Whelan: I think there has been constant interference in the free collective bargaining process by all the teams. Increasingly, there seems to be generation of bad faith driven from behind the scenes. We have seen that in what happened by putting clauses into the RMT deal that had not been discussed and, I believe, the leaking in putting the deal out to us last week. I do not believe that has been done without any discussion because, as we know, anything that comes out of discussion has to happen with the DFT and the relevant Minister. We believe that everything that is happening is currently Government driven. We have no way of affecting that.

Q303 **Gavin Newlands:** Has there been any improvement with the new ministerial team compared to the previous two iterations?

Mick Whelan: We have had an offer from Mr Harper that Mr Merriman will help facilitate future talks. Unfortunately, that has been scuppered by what happened last Friday because at this moment in time there are no future talks for him to facilitate. We would have hoped there would be an ownership role within those talks. I think Mr Merriman made it quite clear that he was just there to facilitate meetings and how it would work in future. We live in hope that it will help.

Q304 **Gavin Newlands:** Mr Ward, the same question to you on the different approaches.

Frank Ward: Mr Shapps was non-existent, as far as we were concerned. We foresaw difficulties with our 2022 pay claim as early as December 2021. We submitted claims to the majority of employers and got no responses whatsoever. We repeatedly contacted employers asking for meetings. There was very little movement from the employers on that. We wrote on a number of occasions to Mr Shapps and asked him if he could use his influence to engage the employers before we went into dispute. We got no responses whatsoever. As far as we were concerned, he was not there.

Ms Trevelyan was not there long enough to make a difference, to be honest. The dispute almost went into hibernation during the Tory leadership campaign. There is not much more to comment on that.

The current team is slightly different. They engage. We have had a number of meetings with either the Secretary of State or the Rail Minister. They continually offer to use their offices to try to facilitate an agreement. However, the evidence that we get from the RDG in particular is that they cannot make any agreement without sign-off from the DFT and Government Ministers. Consequently, any time we make any progress it goes back and is changed again.

Q305 **Gavin Newlands:** Mr Lynch?

Mick Lynch: I believe this whole situation—the dispute and all the elements of it—have been conceived in the DFT, going back to when Mr Heaton-Harris was the Rail Minister under Mr Shapps. This is Mr Shapps's project, if you like. This dispute is his bequest to the rest of us. We all have to deal with it. I believe he is still involved quite heavily. When the documents go round Whitehall, I think there is a steer from the Business Department, and that is fine.

Mr Harper and Mr Merriman are very pleasant to deal with. I think we would all say we have a much better relationship on a one-to-one basis. Dealing with the employers, it is a much better relationship, but I always say it is about product. The template has been set by previous Administrations in the DFT. There is a strong hand of the Treasury on top of all of that, about what is going on. They say to us directly that they cannot move very far on this—the merits of our dispute—because of what it will say about health, education and every other public servant involved with all the issues going on now.

You can tell it is, because we have made a settlement in ScotRail. We have all made settlements in Transport for Wales. Merseyrail is outside their bounds, and we have a settlement. Tyne and Wear Metro is outside the DFT and there are settlements. London Transport: settlements. Everywhere that the DFT's hand is not on the tiller we have made settlements in this industry. We have made them in the private sector. As far as I am concerned, we still deal with private engineering companies, even cleaning contractors, bus companies and ferry companies. All sorts of people in transport make settlements with our unions apart from those directly controlled by the DFT.

It is in the contract. The service contract that they have with the Department for Transport gives the Secretary of State ultimate power in the negotiating room, even though he is not there. The entire project is a conception of the DFT.

Q306 **Gavin Newlands:** You have said previously to the Committee that it is your impression that Scottish politicians want to resolve the issue—obviously, since then those issues have been resolved—but politicians down here want to exacerbate the issue. Could you elaborate on that with any specifics with regard to some of the issues at play, whether it is driver-only operation, Sunday working practices or no compulsory redundancies, and so on? What is your take on the different approach? That obviously applies to Wales as well.

Mick Lynch: And I think it is true in the devolved authorities, in Merseyside, other areas and in London. They want to find solutions. What we get from the DFT is provocation in language and what is put into the documents.

You can see it in the way that they have run the railway. When there is a Network Rail strike, they shut Scotland and large parts of Wales. They choose to run the parts that connect to England. In my view, it is quite cynical the way they work it. I know, because I have met Scottish Transport Ministers and we engage with senior people in the transport portfolio in the Welsh Government, that they are seething about the way they are treated. They do not get an input into what is a GB-wide infrastructure. We all need to connect up our communities and economies. They get no say whatsoever from the DFT. It is not a partnership arrangement between the Transport Ministers or portfolio holders. We know that the northern Mayors are absolutely seething about the transport services they get on non-strike days and strike days.

It seems to me that there is almost a Stalinist obsession—if I can say it—in the DFT about central control. You can see that in the contracts. British Rail would never have tolerated the amount of interference from the Secretary of State. The chairman of British Rail would have been told to get on with running that business and be accountable to bodies like this, and to the Minister of course and to Parliament, but on a report-back basis, not an interference basis. The DFT is not allowing the Scottish and Welsh authorities to have any influence on this dispute even though they are completely affected by it.

Q307 **Gavin Newlands:** Have ASLEF or TSSA anything to add to that? I am conscious that I need to move on to minimum service levels.

Mick Whelan: We have seen the massive briefing process that has gone on through the media and elsewhere. It can only be happening from the Ministry—the DFT. Every time that happens, it hampers any ability to realistically sit down in good conscience to try to find a way forward.

Q308 **Gavin Newlands:** Let me move on to the introduction yesterday of the minimum service levels legislation. Given the point that Mr Lynch has just made—essentially, the point I made in the Chamber yesterday as well—that Avanti West Coast and TransPennine can barely deliver minimum service levels at the best of times at the moment, it is quite something. What is ASLEF's take on this legislation as it stands?

Mick Whelan: Quite naturally, we have an antipathy towards it. We will see what legal avenues we can take to challenge it. It will not solve the current dispute because by the time it comes through Parliament, goes through the Lords and becomes law, and after the various activities associated with all the different companies sitting down and agreeing the separate levels, we are an awful long way away from having any current impact. What it does is exacerbate the current situation.

I do not see how it can operate safely. I remember, when there was a national fire brigades dispute, we came together as an industry and said we had to run the whole railway as we did normally, otherwise it would be unsafe. If you are talking about running the railway partially, you have already decided nationally that it would be unsafe to do so. We await events.

Gavin Newlands: And the TSSA?

Frank Ward: I heard the Minister selling it across all the airwaves yesterday as a safety measure. I invite the Committee to ask the Transport Minister if he has had any safety concerns during the process of this dispute that would cause him to believe that such legislation is actually necessary.

Gavin Newlands: Mr Lynch?

Mick Lynch: It tickles me that they will put non-qualified people into signal boxes to break strikes and they will have safety incidents, which they have every time they have a strike, when managers break the rules and break their competency basis, but it is the unions that are endangering safety. It is the attempt to break the strikes that imports more danger than anything else.

It is an infringement of civil liberties. The right to strike is something that any democratic society will have. If they want to run the signalling system on Network Rail during a dispute in the way that they will, they will have to get all the signallers to work. They will command them and conscript them to work. If they were doing that in Putin’s Russia, in Iran or China it would rightly be condemned. Conscripted workers going to work against their will is an outrage, and that is what this legislation will bring forward—that either we would name them, or the companies would name them. Even the Secretary of State may name individuals who have to go to work on strike days. I do not understand how that is democratic and free in a free society. We will have to challenge it in every way that we can. It will have to be repealed as soon as there is a change in Government.

Q309 **Gavin Newlands:** I have a very brief last question before we move on. If you were to have the Secretary of State or the Rail Minister in front of you, what is the one thing you would need from them to advance this situation?

Mick Whelan: I think we would be consistent in saying that it is only the Government or the Rail Minister who can take the shackles off the employers in the negotiations. I previously reported to you that we were stunned when we found out that our employers had signed a deal with the Government where they could not offer more than 2% in pay. We never even got offered the 2% in the last four years. Constricting free collective bargaining and then indenturing people if they dare to have a voice in it later on is a very difficult direction for any society.

Q310 **Gavin Newlands:** Do any of you differ from that view?

Frank Ward: No.

Mick Lynch: No, not really.

Frank Ward: The employers need to be free to negotiate. At this moment they are not.

Gavin Newlands: We may well be asking them that in the next panel.

Q311 **Mike Amesbury:** Frank, you recently accused the Secretary of State, and I quote, of "actively blocking any improvements to a possible deal." Why do you think this Tory Government would actively block any improvements to a possible deal?

Frank Ward: As Mr Lynch said earlier, I think it is something they inherited from a previous Secretary of State for Transport. This is an agenda that is being pursued by the Government. It is very much anti-trade union. We saw the evidence of that yesterday. I think they have been looking for particular disputes on which they could hang this particular legislation, and it has been encouraged over the last nine months. We have gradually worked towards the situation that we find ourselves in now.

Q312 **Mike Amesbury:** Thank you. Can I ask the same of Mick Whelan and Mick Lynch? Do you feel that they are blocking the deal? What are the motives?

Mick Lynch: I think they have dictated what the companies say. I do not think even they can deny that. It is there in law. It is in the contract. They have got themselves stuck. They thought that the public would hate the trade unions. They thought this would all go away in June. Instead, the reverse has happened. More unions have joined in the campaigns against poverty. I believe this is a campaign to drive poverty into our communities.

Last week and in the run-up to Christmas, I think the whole thing was choreographed and stage-managed so that the action went ahead and so that these announcements could be made according to a timetable. It started with Mr Sunak on Tuesday, and then there were the announcements of the draconian anti-trade union laws this week, ending with the choreographed sessions on Monday. The whole thing has been pre-arranged. It is almost as if there has been some kind of stage director running the dispute. That is why we could not make any progress before Christmas, even though I know that the companies wanted to. They wanted to come to us with developed proposals, and they were not allowed to by the Department for Transport.

If anyone says that is not the case, they are not telling you the truth. I will put that on the record. They have stopped the development of proposals deliberately at every stage in this dispute. Every time we make a suggestion they have to go and ask the DFT—the 50 people working on this—whether they can make a change to the text, or indeed the principles of the proposals. It takes weeks every time.

Mike Amesbury: And you, Mick?

Mick Whelan: It is quite obvious what has occurred from the chronology. I echo Mick's sentiments. Quite simply, our employers know how the rail unions operate. They know that we here are just the face of the trade unions. We have executive committees and boards who decide whether things are viable or whether they go to our members. By the very activity of leaking a deal to the press last Friday, before it had the opportunity to be properly considered by the trade union and to articulate a response back to the industry, they knew exactly what they were doing. They must have been doing it at the behest of somebody else. Otherwise, why were they set up to fail?

Q313 **Mike Amesbury:** Singling out the DFT—essentially the Secretary of State—if the process is hardwired into the system and the buck lies with them, what is the motivation? What do they need to do to ensure that there is a compromise, a win-win solution and a resolution to this dispute? What steps do they need to take, and why on earth are they driving it? What is your assessment of the motivation?

Mick Lynch: The DFT are not free actors themselves. The Treasury has always run this dispute, whether or not it was Mr Sunak in his previous incarnation. There are spending limits and all the rest of it. They decided to defund the railway by £2 billion, plus £2 billion in London Transport. We have loads of problems over there that have been slightly hidden by the national dispute. The defunding of the railway system in general is at the bottom of this.

I believe there is an attempt to defund a lot of services. That is what is at the heart of all the public sector disputes at the moment. They are not funded properly, and people are not paid properly. People are getting poorer every week. I believe that is a deliberate policy to transfer wealth from working people to people who have already got money. It is all part of a game that is being played in front of us. This is how it plays out in detail. That is their motivation.

Mike Amesbury: Frank?

Frank Ward: I have nothing to add beyond what I said earlier. I think the whole thing has been choreographed in order to allow what happened yesterday, for the Business Secretary to stand up and say, "I'm going to clamp down on trade unions." That is the motivation.

Q314 **Mike Amesbury:** Does anybody want to add anything?

Mick Whelan: It does appear ideological. I hear stories from the Government about wanting skilled, high-paid workers, and then their activities across all sectors—not just the rail sector—seem to want to challenge vocational people and all the people with skills and keep them down. There was the fact that we had not had a pay rise for four years. We were not seeking a pay rise for the two years of the pandemic; we only went to Mr Heaton-Harris when inflation started going through the roof and when it hit 5.2%. If our members were demanding a pay rise, not having had one for the previous two years, when inflation was 5.2%, how do they feel when they find inflation going to 14% last year, into massive double digits, and possibly going higher than 14% this year?

How could any trade union sell the idea to anybody they represent that 4% and 4% for every condition that we have ever had—because that is what the current deal does—means a 20% pay cut in real terms for no future and no say about what you can do in the future? I do not understand it.

Q315 **Greg Smith:** From the answers you have given so far it does not seem that there is an end in sight for this particular dispute. If we take that as read, how much longer can you, your members and the entities that are your respective unions financially sustain this dispute?

Mick Whelan: I have said repeatedly that we are in it for the long haul. Our members will do this, because it is their futures, for as long as it takes. I rather flippantly said in the press the other day that I would like to see it resolved before I retire. I go in three years' time. I would like to resolve it tomorrow, quite honestly. Our people do not want to be on picket lines; they do not want to be on strike. I would rather go back to doing my day job of trying to rebuild this industry than be where we are now.

When people want to take away everything that you may have generated over 140 years in one fell swoop, and pay you less than you were getting three or four years ago for it, why would they sign up to that? It is not going to happen, is it?

Q316 **Greg Smith:** But specifically to my question, I understand everything you have said—

Mick Whelan: We can financially sustain this for an awfully long time.

Greg Smith: And your members?

Mick Whelan: And our members.

Q317 **Greg Smith:** Mr Ward?

Frank Ward: Respectfully, I would probably turn the question on its head and ask how long you think the DFT can afford to financially sustain the losses that the train operating companies in particular will be incurring as a consequence of this, which they are contractually bound to do, given their hand in managing these disputes.

As far as our members are concerned, at some point in the future we are going to be balloting our members. They will tell us at that point how long they are willing to continue with this. It is really down to our members. At this moment in time, they seem to have the backbone to continue this for a long time, if necessary.

We have had some members out for as many as nine days straight as a consequence of this dispute, so they are suffering in their pay packet. Some of them are low-paid workers. We hear a lot about train drivers' salaries and some managers' salaries—£190,000 and all that—but the brunt of the changes that are being brought into this industry are going to be forced on to the lower-paid workers.

It is stated that booking offices are going to close across the country. A lot of those employees are getting paid around £20,000 a year. A 4% pay offer to them is less than £20 a week as an increase; 4% to someone who is on £200,000, or even half a million in the case of Network Rail, will make a big difference, but £20 a week is not going to help a lot of our members to address the financial uncertainty that they are facing at this moment in time. They still have the backbone to stand up there and say, "We are not putting up with it any more."

Q318 **Greg Smith:** I am going to come back to all three of you on one point you made in a minute, but what do you say on that first question, Mr Lynch?

Mick Lynch: Our members have re-balloted—43,000 of them—and they have voted for a further six-month mandate. We do not want to exercise that mandate. We are looking to develop a settlement. They will ultimately decide through a referendum vote the final resolution to the dispute.

We do not finance our members. We give them some dispute payments, which is money that is collected. They do not get strike pay; they finance it themselves. They will make their decisions, but at the moment, our action is having the same effect as it did on day one. We will consider it, once we have had the discussions with the Government on Monday and discussions with the companies.

We go to our people and have mass meetings of reps all the time. We met 400 reps last week immediately after the action. We will meet them again when we get more proposals. It is not just a diktat. They decide, in effect, through their elected people, on the pursuit of the dispute, what action we should take, when we should take a pause, when we should go back to it and when we should have a referendum. It will be sustained as long as they want it to be sustained.

Q319 **Greg Smith:** Let's take as a possibility that that six-month mandate goes six months. Maybe there is a fresh ballot, and it goes longer than that. How much damage from the existing industrial action and potential future industrial action is being done to the railways in the most generic sense, full stop?

We know that covid brought massive damage and that it fundamentally changed the habits of passengers. We are seeing a lot less rush hour use, more social use and more weekend use of the railways post covid. If you add in uncertainty on the part of consumers as to whether the train will even be running because of industrial action, how much damage is being done to the railway, particularly from consumer choice, which then plays to Mr Ward's point about losses to the operating companies as a result not just through industrial action but from changed habits?

Mick Lynch: Loads of damage is being done, but, as I say, the damage is conceived and controlled in the Department for Transport. This is their project. They knew that there would be an industrial response from the trade unions. They decided to make what they thought was a great leap forward by provoking and attacking the workforce. The damage has been envisaged in Whitehall by people who know very little about the railway. Rather than trying to get consent and the evolution of the railway, they went for this great leap forward and it has blown up in their faces. The damage is being conceived by this Administration and they are inflicting the damage.

They also brought forward a set of legislation that they quickly abandoned on the future structure of the railway. Maybe they will come back to that—I don't know—or maybe there will be a new Transport Minister who will have another idea. The damage is being caused by the inconsistent and reckless policy of the people who are in control of the railway, who are the current Administration. It is not being caused by the workforce, who are prepared to work through change that is considered and agreed, rather than imposed.

Q320 **Greg Smith:** You wouldn't expect me to agree with you. You will understand—

Mick Lynch: Most people do agree with it. Most people think our railways are in a terrible state and that Government policy is useless.

Q321 **Greg Smith:** Let me put this into a question. I understand the perspective you are coming from, but surely you must agree that by making the railway uncertain in its operation in the eyes of the consumer—the people who pay a lot of money—

Mick Lynch: Are you talking about when we are on strike or when we are not on strike?

Greg Smith: When you are on strike.

Mick Lynch: What about the days when we are not on strike, when it is absolutely useless as well?

Greg Smith: That is a whole other evidence session.

Mick Lynch: No, it is not. Since the timetable change that came in a couple of years ago the whole thing has been a disaster.

Q322 **Greg Smith:** Mr Lynch, you must accept that people are being driven away from the railway because—

Mick Lynch: Yes, and I think it is your Government's fault.

Greg Smith: —of the uncertainty of knowing whether it is running and whether you are on strike or not. People are going back to their cars. They are going to coaches. They are just not travelling. We have seen the evidence from UKHospitality; the hospitality sector took an absolute bath in December because people predominantly could not get into London.

Mick Lynch: That is not a question, is it, but when you get there the answer is that I think it is your Government's fault.

Q323 **Greg Smith:** Are strikes driving people away from the railways?

Mick Lynch: No, you are—your Government.

Q324 **Greg Smith:** Mr Ward?

Frank Ward: Clearly, if there is uncertainty about the service it will drive people away. There has always been uncertainty about the service in the railway in recent years, for different reasons, but Mr Lynch is right; it is the policies of this Government that are creating that uncertainty. This dispute has been prosecuted by the Department for Transport. They are making this happen. If they took their hands off the tiller as far as the employers were concerned and allowed them to negotiate in good faith, we could find resolutions to this. They will not do that, and the employers cannot negotiate with us in good faith because any attempt on their part to do so will effectively mean that they will not be compensated for the loss of revenue or the fall in profits that they are going to sustain going forward.

It is notable that despite the fact that we have come through covid, with all the emergency arrangements and agreements that were put in place, all the companies that came under that managed to make profits. They managed to pay dividends to their shareholders. They never gave pay increases to their workers. Now we are in a situation where the Government are saying they have to cut back expenditure on the railway. Their answer is, "Let's get the workers to pay for it." This is political. This is not industrial.

Q325 **Greg Smith:** To the question, though, the more the railway is not operational because of industrial action, the less people are going to choose to use the railway, even when there is not industrial action, which is going to fundamentally undermine the entire future of the railway, is it not?

Frank Ward: Absolutely, and that seems to be Government policy.

Mick Whelan: I am going to echo my colleagues, but I hope to say it in a slightly different way and not bore you all. I am quite sure that we were the stakeholders who campaigned against the RPI increase in fares last year. We were the ones who said we did not want the truncated timetables that are not serving the north-west and north-east, where some people are only getting one train a day. We have tried to work within the changing nature of the industry because it is a seven-day, 24-hours-a-day industry and always has been.

We had seen footfall coming back. We had seen demands, even from Government Departments—particularly Jacob Rees-Mogg—that people do not work from home. We had seen more and more companies feeling that that was not effectively giving them the productivity that they wanted. We have seen a growth in leisure travel and we have seen a drift back post covid in normal traffic.

Basically the railway itself, because of how it is currently operating and sustained on a daily basis, is not attractive. Of course, we are going to go into next January when there will be a further 5% increase in fares. We will see a further increase in what we call transport poverty and people's ability to afford to travel on our railways.

Is the choice for a trade union, when your employer and the Government deliberately cause a dispute, to not react and to do nothing? This was a fully expected political and industrial reaction from the bad actors who set this up in the first place. The companies who decided to sign the new contracts in the post-pandemic world knew exactly what they were doing. They knew how we organised and how we have bargained with them for the last two and a half decades. The Government, in doing what they did, knew that there was going to be a reaction from the trade unions. I think what they did not expect was for us still to be here six to eight months on. For many people in this industry this is existential.

Greg Smith: Understood. Thank you.

Chair: Jack wants to ask a supplementary question before I come to Ben for the last section.

Q326 **Jack Brereton:** Thank you, Chair. This is about what Mr Lynch said a few moments ago, initially around the reduction of funding to the railway. You just suggested it was around £2 billion. NAO figures show that the amount of Government funding to the railways actually doubled between 2015-16 and 2019-20, so where do you get your figures from?

Mick Lynch: I get them from the employers. They have told me that they have been asked to reduce their costs by £2 billion. I get it from the London Mayor when I meet him and the Commissioner for London Transport. They say they have been told to reduce their budget by £2 billion. That is what the savings are for.

You have increased the funding, but it does not go to our people. It goes to the private sector operators and to Network Rail. We do not get all the money. The pay bill in the railway industry is quite modest. The staffing is at a low level.

Q327 **Jack Brereton:** But do you recognise that the Government are putting more money into the railway?

Mick Lynch: The Government are putting money into it. They will probably all have to put money into it. I would ask why they put money into the railway and allow rolling stock companies, train operating companies and Network Rail subcontractors to extract billions of pounds of profit since the 1990s straight into people's pockets through dividends.

You will do the same with health and all the rest of it eventually, when you get the opportunity. You will fund them, but you will shovel it into the private sector. That is what you have been doing. They made profit every day during the pandemic, and they have made profit on every day of these strikes. They get protected against the loss of revenue, and their bottom line has not been affected. Two of the companies are subject to takeovers by speculators. One of them has been taken over during this dispute. There is loads of money in the railway. It is being made by private sector operators. Get Porterbrook and all of them down here, and ask them what they have done with all the money. You have funded that completely.

Q328 **Jack Brereton:** A minute ago you suggested that the public are behind you on that. That is not what the latest figures show. They show that public support is waning and that you no longer have the support of the public for these strikes. Is that concerning to you?

Mick Lynch: It depends on which poll you read. I went on "Good Morning Britain" the other day, where Richard Madeley was in attack mode. They did a poll shortly after that and there was 75% support for the RMT, so it depends on which poll you read as to who is winning this.

What was expected in the DFT was that we would have zero support and would be back to work with no strikes by the end of June. Once your friends in the *Daily Mail*, the *Telegraph* and all those other journals followed me from my house to the station, invaded my children's Facebook pages and all the rest of it, they thought we would be public enemy No. 1. We are not. I am a more popular person than many of the politicians in this room, unfortunately, for the public.

The fact is that we have a lot of support. It is difficult to get support during industrial disputes. If you ask the public whether they sympathise with people getting a decent pay rise and the protection of contracts of employment and conditions, they will say yes. It is difficult to keep that support going fully during intense industrial action, but there is broad support for all the people involved in disputes at this time. There is very little support for the people who are opposing the disputes and trying to make people poorer.

Q329 **Jack Brereton:** Are you concerned about the increasing number of your members who are now turning out during strike days and turning up to work?

Mick Lynch: We do not have those reports. That is what we would call propaganda. We are being told that.

Jack Brereton: These are actual figures.

Mick Lynch: Figures from who?

Jack Brereton: Figures from Network Rail showing that an increasing number of members of your unions—

Mick Lynch: Figures from Network Rail?

Jack Brereton: —are actually turning up to work on strike days.

Mick Lynch: How do they know that they are members of our union?

Jack Brereton: Well—

Mick Lynch: That is a protected characteristic.

Jack Brereton: There are more people who are turning up to work—

Mick Lynch: That is a protected characteristic.

Jack Brereton: —on strike days—

Mick Lynch: But how do they know they are members of our union?

Jack Brereton: —than there were previously—

Mick Lynch: But how do they know they are members?

Jack Brereton: —so this is a pure fact.

Mick Lynch: One union has settled. There are 43,000 people who work for Network Rail; 21,000 of them are members of my union, so there would be more people at work than not on any strike day.

Q330 **Jack Brereton:** Figures show that more people are turning up. So it is not concerning to you, then, that more are—

Mick Lynch: We do not have those reports. I get reports from picket lines all over the country that they are well attended and that the action we take is having the same effect as it did on day one.

Mick Whelan: If I could contribute briefly on that, Chair, our reports are that we are 100% solid. What we are intrigued by, of course, is that on non-strike days other grade groups are being paid to drive trains and setting the new rate of pay for the industry. On top of higher pay than we get, they get £500 a day in LNER, and I believe in one of Mr Montgomery's companies they are getting £300 a day on non-strike days for driving trains when we are not in dispute with them. If that is going to set the tone and the level of what people should be paid in this negotiation, it will become increasingly interesting.

Q331 **Mr Bradshaw:** Frank, you articulated the problem with the percentage increase a moment ago, when you compared the wages of ticket office staff and a senior manager. You are all very experienced trade unionists. I do not know whether you saw the article by two veteran Government negotiators, Joe Haines and Bernard Donoughue, on Friday in *The Times*, suggesting that a flat-rate cash payment reflecting the increase in the cost of living for everybody might be a way to address the pay issue in this dispute. Is that at all feasible in your view? Yes or no answers would do.

Mick Lynch: There is an element of that in one of the offers that we have. We are not averse to any sensible proposal. We will consider it. It depends on what it is. The format does not particularly bother me. We will see whether it matches up to the problem or not.

Mick Whelan: We would give due consideration to any offer that would put a dent in the cost of living crisis. We would be obliged to.

Frank Ward: It is how we settled the pay claim for our own staff this year. We would consider it, yes.

Chair: Gentlemen, thank you very much for your time this morning. We have slightly overrun, but we have had a good airing of the issues. You are very welcome to stay for the second panel, if you wish, where we will be putting some of the points raised to them. For now, thank you for your time.