

TRANSCRIPT FROM THE BILL GOOD SHOW, CKNW RADIO, VANCOUVER

Interview with Lew Adams, Board Member, Strategic Rail Authority, UK

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MR. GOOD: Welcome to those of you joining us on the chorus radio network. When we saw a union leader was coming to speak to the Board of Trade about the benefits of public/partnerships, we just had to meet him. Lou Adams is the former secretary general of the Train Driver's Union. He's now a board member of the Strategic Rail Authority and Chairs the National Route Crime Group in Great Britain.

Good morning and welcome.

MR. ADAMS: Good morning, Bill.

MR. GOOD: You headed the union during what was a turbulent transition. Tell me a little bit about it.

MR. ADAMS: Well, it was. I mean, we were in a situation where the government had decided that they intended to privatize Britain's rail industry and of course I, as a trade union, were totally opposed to it. And I argued against the privatization process.

MR. GOOD: Including you?

MR. ADAMS: Including me. I mean I was vehement on the argument that we wanted to stay in the public sector, and of course there were all the usual concerns that trade unionists have in regards to the question of privatization, safety issues being paramount, job losses, concerns about the protection of the conditions of service that you have and of course pensions and other issues. So we were rather skeptical when the government said they wanted to privatize the rail industry.

And it was a conservative government that had a policy of perhaps

railways were not going to be part of the general infrastructure of transport throughout the U.K.

MR. GOOD: But your rail system is very complicated. It's big, and a lot of people rely on it.

MR. ADAMS: Well, it's the biggest one in Europe. In truth, we are the busiest railway in Europe. A massive number of people travel into London; some six million people are travelling into London each day using the overhead train services, and of course throughout the whole of the U.K.

I mean, last year, for the first time since 1946 we carried over a billion passengers.

MR. GOOD: Wow. Now, you had 17,000 very reluctant members.

MR. ADAMS: Well, that's right. I mean the union was really concerned. We'd seen the privatization of --water, electricity and gas and other utilities had been privatized, totally privatized, sold off to the private sector, and we were concerned about that. I mean, we'd heard lots of problems regarding the question of they wanted increased productivity for increased profits, and that's one of the concerns that we obviously had, that it meant job losses.

MR. GOOD: But I read this morning that you were here to speak to the benefits, to the benefits that workers can gain from public/private partnerships.

MR. ADAMS: Well, you see, the thing is, Bill, when they privatized the rail industry, it was an Act of parliament, the 1993 *Railways Act*, and if you're a democrat, you've got to accept the will of parliament. So that was obvious that -- and make no mistake, I was involved in my share of industrial action when we were in the public sector, no doubt about that, and I had a membership in the union of 99.9 percent. So we were fairly strong.

But having accepted the will of parliament, it was time to have a look perhaps Tony Blair argument of the third way, so we said to the management

that then were in the process of privatization, "Well, if that's what you want, this is what we want." And we were coming from a fairly strong point in terms of -- you know, a strong position. And we argued, "Well, if you intend to privatize the rail industry, we want these certain satisfactions met in terms of the protection of pensions, protection of conditions of service."

But today the truth of the matter is that I cannot argue against the fact that with the private entrepreneur coming into the rail industry and several guises of PPP and privatization et cetera, that were involved, we are actually running 1,700 more trains per day since it was privatized.

MR. GOOD: So the business grew.

MR. ADAMS: The business actually grew. The entrepreneurs came in and where government had actually turned around and said that they wanted to reduce the size of the services, when the entrepreneur came in, they said, "Well, we're going to build on this." And they built on it to the extent that we are having to build more infrastructure to cope with the traffic that's now on the rail industry. And that's a fact.

I mean, I can't -- I wouldn't -- I mean what is true is true: Around 46% increase in freight and 4.2 billion pounds spend on new trains. I mean, we never saw that in all the years. I've been in the rail industry a long while and all the time it's in the public sector, all we got were cuts, cuts, cuts. And today there are more members in the trade union, more train drivers and more trains running. So I mean, you can't odds that.

I mean, and my job was not to be a political pawn in all of these arguments. What I was was an industrial trade unionist that argued for the benefit of the members I represented, and their first priority was job protection, job security.

MR. GOOD: But all we hear here from labour is what a disaster the public/private

partnership in Britain has been..

MR. ADAMS: Well, I mean, if that's what you hear, that's what you hear, but I can assure you that as far as the rail industry is concerned -- I mean, we protected the question of safety, we certainly argued the protection of the conditions of service that our members have, we have now improved, and I would not obviously on the live broadcast exaggerate this at all, there is no train driver in the U.K. earning less on his basic rate of pay in excess of 30-odd thousand pounds, and that's something in the region of about \$70,000. They are on a 35 hour week, three and four days a week they work; six weeks annual leave; and most, and I think virtually all now, are on a 100% pensionable pay. So it's -- I mean that's a fact.

MR. GOOD: So there have been benefits to the worker.

MR. ADAMS: There's been -- of course there have been benefits, yeah.

MR. GOOD: And to the public.

MR. ADAMS: And the public, of course, are using the railways more and more with 4.2 billion spent on new trains. We've upgraded -- I mean, we couldn't do this in the public sector. We hadn't got money. There was no money for railways. Where are you going to get the money from?

Well, of course, when the private sector came in -- and yes, I can argue the case about borrowing money and the interest played, but what happened, what has actually happened is we've upgraded the whole of the southern region which commutes into London. I mean more power so bigger trains. We've now virtually finished the highspeed link between London and Glasgow in the west coast main line. There's been a massive amount of money gone in there, all new trains, tilting trains. The link to the channel tunnel right through to Paris is nearly up and running at 300 kilometres per hour all the way through, and of course there are many other aspects, Bill, where there have been

improvements.

But we were -- I mean let me -- I'm going to be perfectly honest about this, it wasn't all rosy. There were mistakes made. But we are now talking in ten years after the privatization process. Things have changed, modifications have been made. Yes, we've had to pull things back and now I think we're in a situation where the vast majority of the general public are seeing returns on the investments that are being made.

MR. GOOD: Lou Adams, my guest. I would be delighted to hear your calls, questions, or comments. 604 280-9898 is my number. Around the Province on the Chorus Radio Network, toll-free 1-877-399-9898. Back with your calls.

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MR. GOOD: Talking with Lou Adams, former secretary general of the Train Driver's Union, now a board member of the Strategic Rail Authority. He chairs the National Route Crime Group, was ordered the Order of the British Empire. So I'm going to have to be especially nice to him apparently.

I welcome your calls. He lived through privatization of the British Rail System in part bought by Canadian Pacific.

MR. ADAMS: That's correct. I mean they own the freight business. It's ironic in some respects that -- I have to say I'm not sure you've actually paid for it yet, but they've invested in 250 new locomotives. The shame about that was they were American locomotives from -- what's it called? I forget the name of the locomotives that they brought in, but they are certain -- General Motors locomotives.

MR. GOOD: Okay. Globalization.

MR. ADAMS: Globalization with 18,000 new wagons and I think many of them were produced in Europe and some were built in the U.K., and it's a big improvement in the freight. It's upgrade by 46%, yeah.

MR. GOOD: To calls. Thomas, good morning.

THOMAS: Hi, Bill.

MR. GOOD: Yes, go ahead.

THOMAS: Hello to your guest. I've just caught the last bit of it. I was in London last week and what an excellent system. We took the train right from downtown London to Paris and it was an absolutely enjoyable right. And I've never been on a train that's such a highspeed and such a reliable service. They were to the minute on take off and arrival in Paris. It was just an excellent, excellent system.

MR. GOOD: It is impressive, isn't it?

THOMAS: Very impressive. We used the subway system extensively and the Heathrow Express, and you know, it's just incredible the amount of people they move every day. I can only wish we had that kind of system in the Lower Mainland here.

MR. GOOD: Good to hear. Thank you, Thomas.

THOMAS: Thank you.

MR. GOOD: Did you have a question?

THOMAS: No, that was it. I just wanted to comment them on the system they have there, and I just hope that people get an opportunity, in one time of their life to try it out. It's a great system.

MR. GOOD: Thanks, Thomas. Len Adams, you have argued that the service has grown and it's gotten better since privatization. No one would argue that it didn't have its hic-ups, didn't have its problems.

MR. ADAMS: Of course, I mean, when it first was privatized, we were able to tell you as the trade union that was opposed to the privatization, "Well, we told you so," because initially when they came in, I'm not sure that those people that had invested in the rail industry had the expertise to cope with the amount of work

that there was to be done within the railways. You've got to remember one thing. The facts of life are that the Tory government was looking towards the reduction in the rail infrastructure in terms of the overall transport infrastructure of the U.K. So it had been rundown. It was in a pretty poor state, there's no doubt about that.

But a lot of the private sector was blamed for that, and I don't think they knew what they had bought in the initial stages.

But since then, we have seen real terms investment coming into the rail industry. I am still -- I mean I understand the trade unionist arguments about the utilities, schools, hospital, housing. They are essential parts of -- if we have a social conscience, then we should certainly be providing facilities for hospitals, schools and housing et cetera.

Now, I understand all of those arguments, but the biggest concern that I have is that the failure to provide money to keep those infrastructures repaired, to enhance them, to perhaps build more infrastructure, if the government hasn't got the money, I have to ask you the question, "Well, where are you going to get the money from?"

Now, providing we can get a reasonable attitude adopted by the private sector when it comes in in terms of the way in which they are responsible, and have a social conscience, fair enough, but I think the politicians have a part to play in ensuring that we have a level sort of playing field, so that the workers that are concerned about the movement from public to private, are protected.

MR. GOOD: Rob, good morning.

ROB: Hello?

MR. GOOD: Yes, go ahead.

ROB: Yes, hi. Bill, I just really wanted to commend you for having this guest on your show. I think it takes some guts to have this point of view broadcast.

MR. GOOD: I don't know why that would be. We have the other side broadcast all the time. I mean you certainly hear from the B.C. Federation of Labour and the B.C. Government Employees Union and from the Health Employees Union. I think it's a responsibility to hear all sides.

ROB: Well, my point is, Bill, is that we only usually hear the other side though. I just have never heard this side broadcast quite like this, and I think a lot of it has to do with the articulation -- the ability to articulate that Mr. Adams has.

And I would add, that he was able to change his view in the face of evidence, quite easily, apparently, and that's probably why they knighted him.

So I'm saying thank you, number one. And number two, Mr. Adams, I'd just like to ask you how we can get out of this loop that we are caught in here in B.C. where anything or anybody in private industry is considered to be evil?

MR. ADAMS: Well, thank you for your comments, but let me just say that I didn't come easily to this point of view. I'm a pragmatist and I was never a political trade unionist, I was more an industrial trade unionist. I had done a consensus of my member -- my union done the consensus of members, we done a poll on numerous occasions and asked them what their priority was. Was it pensions? Was it wages? Was it conditions? And top of every poll that we ever did was our members was job security. They were concerned, they wanted a job at the end of the day.

Now, we went through that period of time where the government hadn't - - and argued they hadn't got the money to invest in the rail industry and the infrastructure was failing us and we had increased in numbers of accidents, et cetera, and of course it wasn't until -- and my view was changed. I mean, I'm not saying that panacea of all things. If the government had invested the same amount of money as the privateers have put in, then of course perhaps we would have delivered the same thing, but that wasn't the case.

I mean Tony Blair -- and I have to say this, that we've got a Labour government in power in the U.K. They are still continuing with this policy. I think we've got full employment. I mean the only down side to it is the pound is getting stronger and it seems that exports can be affected, but we have full employment and the infrastructure is building up.

So that third way that's been argued by government and Tony Blair particularly, Gordon Brown, the Chancellor Exchequer, they divested themselves of the responsibility of upgrading perhaps the infrastructure in the U.K. and providing the -- they still hold the contracts. I mean this is the good part about it. The politicians in the U.K. dictate what is required from the private sector.

MR. GOOD: It's still a regulated industry.

MR. ADAMS: Of course it is.

MR. GOOD: They have to meet safety regulations and all kinds of others.

MR. ADAMS: We've got rail regulators, we've got hospital regulators and they've got to deliver on time and within that contract those facilities. That's part of the contract. Their failure to do that, and which I'm on the board of the Strategic Rail Authority, as you've said before, Bill, and we took the contract away from one train operating company because they failed. And we are going to relet that franchise.

Now, I have to say that the reality is it's worked, and we've protected jobs, we got more jobs, and I tell you the way I look at this. If a private company is making more money, I look at that from a trade unions point of view, "Well, that looks like a wage increase to me." And we can argue that.

And the more secure they are and the more productive they are in terms of delivering train services, well, that means more jobs. So I came to the view as a industrial trade unionist, my responsibility was to my members. And I

argued the case that their job security was the first priority.

MR. GOOD: Gary, good morning.

GARY: Yes, good morning. I have a question regarding the tracks. My understanding is that the tracks in Britain are somebody else's responsibility?

MR. ADAMS: Yes, what happened is that -- to answer that question, the infrastructure was sold off to a company that, they called themselves Railtrack, and shares were floated on the stock exchange and indeed many railway people bought shares into it, but it didn't live up to what the expectation was. And I said earlier that there were things that didn't necessarily go right in the first instance, and a network rail was folded up by the government. And there's a new company -- Railtrack was folded up and a new company called Network Rail who provide the rail infrastructure.

GARY: And Railtrack were credited with causing accidents?

MR. ADAMS: Well, what happened, I think, and this is a point, that Railtrack that came in initially took over an infrastructure that hadn't had a lot of investment and of course as the -- it's a difficult one to try and illustrate, but the train operators who were different companies ran more trains, and more trains were going on an infrastructure that hadn't been cared for to a high standard for a number of years.

GARY: And it would appear that it wasn't cared for after, either.

MR. ADAMS: Well, I can assure you now that a lot of investment has gone into Network Rail, and we've upgraded the whole of the west coast mainline. That's upgraded. The southern region has had its power upgrades, and the statistics have proved it, that there have been less accidents in the rail industry over the last two years than there as in the previous three or four years. And it's gradually getting better.

MR. GOOD: I take it your feelings are not unanimously shared by members of the

Train Drivers Union. Someone has just faxed me something that indicates that the "Rail Unions Summon Trade Unionists to Make Rail Public Ownership of the Network the Centre of Next Year's General Election Campaign". Do they want to roll the clock back.

MR. ADAMS: Well, there are those that -- and on to -- that's a different trade union that you're speaking of there, that are not necessarily arguing from the same point of view as myself. I mean we've got to take on board the various points of view, and there are those in the trade union movement that still want to go back to those days when we were in public ownership, but I have to say I was there when the railways had an employment of some 600,000 people and it came right down to 100,000 in that period of time that I worked in the rail industry, and now we are expanding on jobs.

I mean, I know who we are talking about here, and he's got a political view that is a totally invariance to my political points of view.

MR. GOOD: Well, I'm glad to have heard yours today, and thank you again for being here.

(END OF INTERVIEW)