

## **Balsall Common U3A Social and Political History Group**

### **Beeching and the Car Industry- May 2020**

Dr. Richard Beeching was appointed as Chairman of the new British Railways Board in 1962 under the Transport act 1962.

The Board was directed under section 22 to run the railways so that its operating profits were “not less than sufficient” for meeting the running costs.

The Beeching report was published on 27<sup>th</sup> March 1963 entitled “the reshaping of British railways”.

The National Union of Railwaymen published their retort entitled the “Mis-shaping of British Railways”.

Losses of £130 million became losses of £100 million a 23% saving.

### **Where and when did the troubles start for the railways?**

In 1801 Richard Trevithick pioneered the Steam driven vehicles on Road in 1801 and Rail in 1804.

He only looked at railways because of the atrocious state of the road system. It is arguable that rail would not have featured if the roads had been passable.

### **Steam railways take off**

In 1825 the Stockton & Darlington railway opened; Steam was used for freight and horses pulled passenger trains.

Then came Rocket in the Rainhills trials of 1829 and the Liverpool & Manchester railway's adoption of steam powered locos opened the floodgates for the years of railway mania.

In Victorian times the railway not only reshaped society but became the backbone of it.

The railway network expanded to its maximum size by the dawn of the 20<sup>th</sup> century. In an effort to connect everywhere the light railways act of 1896 allowed rural railways on the “cheap”. 30 local standard and narrow-gauge railways were built under its powers by 1904.

In contrast the last mainline railway was built in 1899 The Manchester, Sheffield and Lincolnshire railway opened an extension to Marylebone from Nottingham. The last mainline railway before the Channel Tunnel link from St Pancras a century later,

### **The Big Threat emerges**

In parallel road surfaces were revolutionised by the invention by Scotsman John Loudon McAdam in 1820 of the “macadam” surfacing (tarmac). It still took 60 years for this to generate interest in self powered vehicle to run on wheels on the tarmac.

German engineer Karl Benz who is generally hailed as the inventor of the modern car, got a patent for his four-stroke gasoline engine in 1885. Between 1888 and 1893 he sold 25 cars. In 1896 he patented the first internal combustion flat engine and by the end of the century his

company Benz & Cie was the world's largest automobile company. The first production automobile in Britain came from the Daimler Motor company in 1897

Industrial scale car production began in the USA in 1902 at the Oldsmobile plant in Lansing Michigan.

Henry Ford's model T Ford came on the scene in 1908 and soon his Detroit factory was producing a car every 15 minutes with his revolutionary production line technique. He had made the car affordable by 1914 when the 250,000th model T was sold. An assembly line worker could buy one for 4 months pay.

Ford Britain was founded in 1911 and in 1921 Citroen became the first European company to adopt Fords production line technique. By 1930 every company was production line manufacturing.

At first the car was regarded as a rich man's plaything with rail travel the primary option for most of the population.

### **Railway Companies started competing against themselves!**

The early 20<sup>th</sup> century saw that motor road vehicles would shape the future of transport later if not sooner.

Great Western Railways (GWR) started providing bus services to get passengers to their train stations in 1903. They did not want to invest for a light railway to Lizard Town and decided to try a bus service. This proved so popular and profitable that other routes were soon being organised. In 1928 the GWR (road transport) Act was passed when GWR had a fleet of 36 buses. On January first 1929 the GWR routes in Devon and Cornwall went over to the Western National Omnibus Company. This was 50% owned by GWR and the other half by the National Omnibus and transport company.

GWR continued to compete with its rail offering in 1933 they launched their first Air service from Cardiff to Exeter and Plymouth. GWR and other rail companies built up extensive fleets of lorries and vans to supplement their rail offering.

What would happen when the road offering started to carry freight from start to finish without the railway?

### **Road freight blossoms after the first world war**

Demobbed soldiers bought up army surplus lorries and vans and set up haulage businesses. They were cheaper than rail and door to door. Thus, they undercut the railways.

This led local authorities to build more roads for the increased traffic. Railway profit margins began to suffer. The railways were also hampered by their original charter from the 1840s and 1850s to act as common carriers, and legally were unable to refuse unprofitable cargoes and lower their transportation costs accordingly.

A series of Royal Commissions into the problem held in the 1930s failed to find a solution.

So, the Government of Neville Chamberlain increased vehicle excise duty leaving the hauliers paying all of the annual road fund. This proved a big boost to the railways but

before they could capitalise on it the Second world war broke out. Furthermore, the common carrier obligations were not removed until 1957.

### **Did Dr Beeching invent main line rail closures?**

The process began a century before he came along. World war one saw a number of closures of rural lines with the rails taken up and used for the war effort. The 1930s saw a swathe of closures. These were mostly rural fringe lines built under the light railway act. Few could be regarded as mainstays of the network and it could be argued that they should not have been built. Road transport offered a better alternative.

### **Nationalisation: The “Big Four” become One**

World war two saw the network operated as a single entity. The big watershed in the history of Britain’s railways came in 1948 after the 1947 Transport Act. GWR, LMS, LNER and Southern combined to become British Railways under government control.

It was clear from the start that closures would be needed. A modest program of closures followed each year. In 1950; 150 route miles were closed. 1951 saw 275 miles and 1952; 300 miles.

### **Steam steaming on**

Britain was slow to convert to diesel and electric trains and lagged behind other major countries. Diesel started to be introduced but despite the economic attractions BR still ordered more steam locos. Diesel Multiple Units (DMU) were trialed in 1954. In the same year the first electrification was started.

Alongside these developments the Haulage industry was denationalised in 1951 after a conservative election win. Road took off again.

### **The British Railways modernisation plan 1955.**

The plan heralded Diesel and electrification. It also went for closure of unprofitable routes and duplications. The report proposed to spend £1,240 million over 15 years. In 1956 a government white paper confidently predicted the modernisation would help eliminate BR’s financial deficit by 1962. However, BR were still ordering and taking delivery of steam locos up to March 1960! Did the right hand know it had a left hand? History records that the deficit did not disappear. It is said that the modernisation plan failed as it tried to outdo road transport and did not address the needs of the consumers in a changing world.

It is arguable that the modernisation plan did not fail because its poor implementation but because of the 1955 Rail strike. BR lost out as their clients went to road haulage and never came back after the strike. The strike actually only lasted 16 days but the damage to the railways was huge. 5 years later a government commission led to higher wages and a shorter working week. However, ASLEF had driven a nail into the coffin of the railways as they were.

The failure of the modernisation plan to claw back the promised £85 million a year and the fear of government that ASLEF was too powerful led to a shift in government policy from rail to road. The Marples master plan included the building of motorways. The M6 Preston

bypass was opened in 1958. It was swiftly followed by the M1 in 1959. Marples owned a road construction company and was forced to sell his shares as he was Minister for Transport. He did sell them, to his wife!

This change of policy had led to a string of unprofitable line closures throughout the 1950s. 1953 saw 275 miles closed and around 500 miles between 1954 and 57 and 150 miles in 1958.

1959 saw the first closure of a complete system the Midland and Great Northern lines some 300 miles. The track began to be lifted in 1960.

The growth of cars and motorbikes was inexorable and also led to the axing of the tram networks in London and Birmingham in 1952.

### **Finances, cutbacks and Subsidies?**

Harold McMillan said in March 1960 “Railway usage was declining and road transport increasing. The public must accept the need for changes in the size and pattern of the railway industry. This will involve certain sacrifices of convenience, for example in the reduction of uneconomical services”

An independent panel reviewed the British Transport Commission (BTC), finances. A member of the panel was one Dr Richard Beeching. This led to a white paper in December 1960 splitting the BTC and forming the new British Railways Board.

It was stated that the heart of the financial problems lay at the door of the railways. They were at least £60 million short of covering their running costs before the need for £75million in interest charges were taken into account. In 1961 the operating losses were £87million. On March 15<sup>th</sup> (the Ides of March!) Marples appointed Dr Richard Beeching as the first chairman of the British Railways Board. This was some 157 years after Trevithick started the competition between Rail and road.

Beeching was a physicist and was paid more than the Prime Minister and 250% more than the heads of any other nationalised industry. Beeching’s brief was simple: “Return the Railways to profitability without delay”. Beeching presented his report on the Reshaping of British Railways on 27<sup>th</sup> March 1963. The National Union of Railwaymen presented their Retort entitled The Mis-shaping of British Railways.

Beeching proposed that there would be 5,000 miles of closures out of the 18,000 route miles that made up British Railways. A total of 2363 stations and halts would close including 435 already under consideration before his report was published 235 had already been closed.

The report claimed that implementation would eradicate the Railway deficit by 1970. The report also stated that rail was competing with buses and private transport and that it was a losing battle.

Private car ownership in 1938 was 1,944,000. In 1954 it was 3,100,000 and by 1961 it was 6,000,000 and was expected to be over 13,000,000 by 1970. The 1970 figure was about 76 vehicles per 100 families.

## **The rationale and the results**

Dr Beeching's medicine only saved £30 million; nowhere near the over £100 million losses. His Mark 2 report in 1965 suggested more drastic closures. It was such an embarrassment to the government that he left before the end of his 5-year tenure.

In 1962 there were 475,536 people employed by British Railways, by 1968 there were around 307,000.

Beeching's actions look normal under the comparison with other countries who were also cutting railway services. But Britain ripped up the rails and sold the land. This did not allow for the possibly changing future. Some countries including France kept the routes for use when things changed.

Beeching assumed that travellers would use their private cars to get to main-line stations for their onward journeys. This proved to be ill-founded.

## **What If Beeching had not been appointed?**

Would the lines have had to have been closed anyway but in a more haphazard way?

Would there have been a more drastic rationalisation as losses spiralled out of control as predicted in the Serpell report in 1982.

Nothing could have been done to stem to growth of the private car and road transport with its alluring door to door options.

In the final analysis Beeching was the accountant! The Conservative and Labour governments were the owners. It is they who were responsible for the outcome not Dr Richard.

Perhaps he was the "fall-guy" they needed to divert attention.

It could be argued that without Beeching's foundation, there would not have been High Speed One and the channel tunnel. There might also not have been the basis for High Speed Two. Well there's a thought to end on.

I leave you to decided: Was Dr Richard Beeching The Axeman, Villain or Hero? OR was he just the Fall-Guy?

Ian Hedley

May 2020