

Mr Jones

Transport

Prime Minister

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CONFIDENTIAL

*We were worried
of this; but it
is still a large
increase.*

PRIME MINISTER

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BRITISH RAIL FARES

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£/10*

I wrote to you on 27 September to tell you of my discussions with Sir Peter Parker about British Rail's proposals for rail fare increases in January 1980. Sir Peter has now told me that his Board have agreed to the level of increase I discussed with him of around 18%. The Board considered very carefully the various specific increases proposed, such as a small reduction in season ticket discounts. But they have decided that these were inescapable if the overall increase was to be limited to 18%.

Sir Peter Parker plans to announce the rises in November, as he did last year. But I understand that when the new tickets are printed, which will be in the next few days, the news may become public. These increases will, of course, attract publicity whenever they are announced. But I am sure that our recent announcement of the investigation of commuter services by the Monopolies and Mergers Commission will have done much to show how concerned we are about the effects of rail fare increases on the travelling public, and in particular the commuter.

I am sending copies of this minute to members of the Cabinet, the Chief Whip and Sir John Hunt.



NORMAN FOWLER
8 October 1979

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