MAINTAINING TRANSPORT SERVICES IN RURAL AREAS*

By John Hibbs

THE PROBLEM

The village bus is on the verge of extinction. So said the passenger transport editor in Motor Transport, 4 December 1970. I believe this is partly the result of the pattern of ownership and operation in the industry, and partly of a failure to understand the intricacies of traffic costing. Whatever the historical reasons, the nature of demand has changed so greatly that traditional practices are no longer appropriate.

The underlying problem seems to me to be this: it is better to have a car than to depend on the bus, and it always has been. No solution that forces people back on to public transport as a poor alternative to the private car could be tolerated by a humane administrator. Taking 1963 as 100, the cost of bus travel had reached 143 by 1969, and it is still rising. The running cost of a motor car had not quite reached 135 in 1969, while the price of a car, new or second-hand, had risen to 109 [1]. But not only have private car users been less hard hit by inflation; the car is at the same time so much more convenient that it would be better value for money even at a much higher price. We shall be looking at this sort of thing in more detail later on, but let us reflect for a moment. Which do you prefer: to have to arrange your shopping to fit in with the once-a-week bus, or to be able to go when you want to? To have to carry all your purchases to the bus station, and then up the long lane from the bus stop, or to put them all in the car and drive home? To have to hurry with the children to catch the bus (where there isn’t another till the day after tomorrow), or to go home by car (or taxi, for that matter) just when it suits? In standards of living, the car has revolutionised the country, at cut prices.

But it has done more. It has extended liberty. For the housewife, piped water and mains electricity replacing the well and the oil lamp have meant greater liberty; and the ability to pack the kids into the car and get out, when life seems impossible, is a similar boon. So is the chance to get to relatives and to entertainments so much more easily.

If then the car is so much better than the train or bus for rural transport, what is the problem? Why not let things take their course? Surely there is no merit in supporting an obsolete system? In the long run, I suspect that these objections are in fact valid; but we have, to some extent at any rate, a transitional problem, and a requirement that we should ease any consequent transitional hardship.

But this, I believe, is only a part of the task, for we must also shape the transition so that no undue hardship remains when the new pattern of rural transport has established itself. I am not only thinking about the older people who will not be able

---

*A paper delivered to the Fabian Society. The author is chairman of the Advisory Panel on Transport of the Liberal Party.
to drive, of the children, and of the housewife who is stranded when the family car is being used on the husband's business. I am convinced that there is a far wider demand for public transport that will survive the transitional period, and that this demand may well turn out to be sufficient to maintain a viable rural transport industry. There are obstacles to that outcome, of which the greatest is probably the road service licence required under the Road Traffic Act 1960 before any public bus or coach service can be run. Another is the time-honoured system of cross-subsidisation, which, whatever benefits it may have conferred in the past, is positively self-defeating in today's world. The government has however announced its intention of reviewing the licensing system, and cross-subsidisation is perforce being abandoned as the area of monopoly profit shrinks.

THE AIM OF POLICY

I think at this point it behoves me to put forward a specific aim for rural transport policy. It is this: The aim of policy for rural transport is to achieve the provision of an adequate and viable service that forms an integral part of a self-regulating community.

Note that I say "to achieve", and not "to secure" or "to provide". I admit my libertarian prejudice, and I admit also to certain difficulties with semantics, but what I am driving at is a conclusion, derived from practical operation as well as academic study, that there are two (and only two) parties who really know what the consumer wants and can reasonably expect to have provided in this field: one, the consumer himself, and two, the entrepreneur, manager—call him what you will—whose nose is closest to the ground. It is not just a personal distrust of that form of socialism that has been described as "a little Webb sitting in the middle of a big web"; there is a gulf between the consumer and his elected representative that is qualitative, and forms a major obstacle to communication. At times the government official, whether local or central, may be able to overcome this obstacle; but in general I believe it is better to by-pass it and to get a little direct action in its place.

This is something to which I shall return. For the time being, let us concentrate upon the three qualifying terms I have used in my statement: adequate, viable and self-regulating. I want to spend some time on each of these in turn.

What is an Adequate Service?

Adequacy is manifestly a subjective matter. So much depends upon the individual. If you are commuting, you need transport to and from work, and you may be content to spend your free time digging the garden. If you dig gardens for a livelihood, you want transport to get you out of the muddy lanes, but you may need it only once a week. What I want to do here is to emphasise the change that has come over the countryside in less than a lifetime. If you have read that fascinating and quite essential book Akenfield [2], you will have disposed once and for all of the idea that rural living was ever an Arcadia. The changes have been for the better, if we mean that the good life is now more accessible than ever it was in the remembered past. I cannot speak for the days before English agriculture and the English rural community were destroyed at the end of the nineteenth century, but I do know (from personal experience) that agricultural labour is a soul-destroying avocation, and that the rural cottage can too easily be a rural slum.
And this meant a good deal in transport terms. If you had little chance to meet and talk, and little money to spend, you welcomed the market bus, both as a means of getting a little healthy gossip and as a means of getting where the goods were cheaper. So much cheaper that the minimal bus fare by the successors to the carriers' carts was more than saved, especially if you could sell a bit of produce in the town as well as buying your essential needs at lower prices than those charged at the village shop. In those terms, you would find a weekly bus service adequate, and at the same time it was all that the traffic would stand. Supply must after all be geared more or less to demand, and the bus can only function if it is reasonably full most of the time. Thus the old pattern of service grew up, whereby the operator ran through a different series of villages to a different market town each day, with perhaps a second bus to give an extra service once a week where demand was strongest. Even then there were villages that got no service at all, and whose inhabitants had to walk maybe two miles or more to the nearest bus route.

Where a village lay, by the accident of history, on a railway line (and had a station), or on a main road that carried an inter-urban bus service, it was very much better off. What I must stress here is that this was adventitious, and that it did not necessarily lead to greatly increased regular use of the service available. For many years railways in East Anglia had special trains that ran only on the appropriate market day, to satisfy the basic rural pattern of demand.

An adequate service, then, means a bus when you want one (as we shall see, the railway is hardly relevant). And you do not necessarily want one every day. But it means also the need to accept relevant constraints. Above all, what is adequate in one place may not be adequate in another. It is not possible, I suggest, to lay down standards from outside.

The pattern of demand that I have described is now quickly disappearing. The changes in the social structure of rural communities are perhaps more obvious to those who live in them than to those who see only what is visible from a passing car; but changes are still in progress, and it is too early to see plainly what the new pattern of demand is going to be. There is however some evidence that rural depopulation is coming to an end; and certainly, in some areas that I have studied, the stock of houses is on the increase ([3], Table 6, page 17). This appears to coincide with the shift from a society based on farming to something more middle class, in which transport is playing a very important part.

On the one hand, the farm labourer today is less likely than ever before to be a cottager, and he may indeed live in a nearby town and drive to work in his own car. On the other, the new residents of villages and remote farms and cottages are likely to be either retired people from the cities or younger people whose work allows them to live out of the towns—work that often involves a good deal of travel. These are not only sales representative; various engineering and maintenance functions require a man to cover a whole province, and if he wishes to live in the country he is well able to do so. What will be adequate for the new pattern is something that is only now emerging, and merely to retain the old pattern of supply will not help it to become established. The new pattern will, like the old, be a compromise between what people want and what it is feasible to offer them; it will vary extensively from place to place; and it will be essentially flexible. I suggest that the main aim of policy here will have to be the encouragement of flexibility.
What is a Viable Service?

A few months ago the Eastern Counties Omnibus Company (which has been nationalised since 1949) asked the Norfolk County Council for £47,000 to subsidise 19 rural bus routes, with the implied threat that they would otherwise be withdrawn from 1 January 1971. The county council questioned the company’s costing system, and the officials of the company acknowledged that this did not give an accurate figure for the cost of rural services. A new calculation scaled the subsidy down to £27,000 [4].

It is hoped that this example will encourage the National Bus Company to take some initiative in persuading its subsidiaries to abandon the methods of costing in use in the industry for so long, which have largely masked the true problems of rural bus operation. That the railways have tackled this problem has been one of the main factors in their recovery, and it has also been the sine qua non of the logical system of selective subsidy that was introduced by the late Labour Government.

The costing system that has sufficed the bus industry virtually since its foundation is essentially simple. It consists of taking the last year’s costs, fixed and variable alike, and dividing them by last year’s car miles (i.e., total operating mileage). This past average cost is then taken as the datum line for the current year’s profits, and any route that fails to earn an average gross revenue equal to the global average cost may be said to be running “at a loss”. A consequence of this is that management has been able to state that 90 per cent of its services were running at a loss, while declaring a dividend on the year’s operations—thus implying a remarkable profit on the other ten per cent. We have had this kind of thing said ever since the thirties, but few people have questioned it.

We must not be misled by this system when we consider what is viable. Quite apart from begging the whole question of whether the fares are set at a level likely to maximise either revenue or carryings, it is manifestly inappropriate to impose all fixed costs equally upon every mile run. An average implies a range, and some services will be more costly than others, just as some will earn a greater revenue than others. And the nature of bus operation is such that the distinction between fixed and variable costs must depend very much upon the time-scale involved: thus, for example, even wages become a fixed cost within the extent of a guaranteed day.

But beyond indicating the need for greater sophistication in bus costing (and this is as great a need in urban as it is in rural operation) I do not wish to pursue the subject much further in this paper. What I would emphasise is the very low marginal cost of much bus operation, and this, in appropriate circumstances, may give us a more adequate base line for the assessment of viability than anything that global costing can offer. And it must be stressed that this implies a need for considerable skill in management, for marginal cost pricing demands a continued process of judgment and no little degree of commercial flair. Its application over wide areas may well have been a prime cause of the financial troubles of the railways before the second world war. I have been impressed by the readiness of the National Bus Company to examine these matters; and if it appears sensible to entrust the future needs of rural areas to the concern of the company (which is the implied policy of the White Paper of 1967, Public Transport and Traffic), I am sure it will be possible to devise ways and means of meeting the management problems involved. But they are
serious problems. Can the N.B.C., for example, afford to employ enough skilled managers to take the decisions required, at the relatively low level at which the choices themselves arise? I confess I do not know the answer, but I do think we must consider alternatives, and the policy of the N.B.C. itself would appear to accept this need.

The alternative that I want to suggest assumes that the small business man is better able to offer a viable service than the large operating unit, whether state-owned or in private hands. It seems to me that this arises from two features of bus operation: the low costs of the small unit [5] and the ability of the small business man to attend to detail. These features do not amount to a panacea for all the ills of rural transport, but they indicate a possible policy which I want now to explore.

It must be made perfectly clear at the outset that the low cost of the small unit, especially in rural areas, does not imply exploitation of labour. It does reflect a flexibility in the use of labour that is not available to the large unit whose affairs are governed by the trade union agreements (but here I always found that flexibility was welcomed by my shop steward, however, much it was deplored by the union officials). I found that my drivers in general preferred to clean their own vehicles, and even to do some of the maintenance work on them, while they welcomed the opportunity for their wives to take on part-time conducting duties (and thereby get free travel to market into the bargain). One of my full-time conductors would always fill in time with clerical work, while, on the other hand, my partner and I took our turns on the road, as driver or conductor, when demand was heavy. The employment of part-time drivers was a rather more delicate matter; but, provided we were seen to be fair, we could make use of men for various split shift duties that were unpopular with the full-time staff.

The other main source of economy in the small business is the very much lower level of overhead costs that have to be incurred. Rural bus operation simply does not require a great deal of management superstructure, and provided it is kept on a small scale it does not require a great deal of sophistication. The sort of marginal cost pricing that I have referred to has been practised for years by unlettered men who have a commercial instinct that stands in for economic expertise. When we add to this the ability of the small business man in this field to spread his overhead costs by mixing bus operation with a bit of haulage, the sale of petrol, car repairs and the like, we have the basis of a much lower level of costs than the traditional large bus company can hope to achieve.

But why, we must ask, trouble with viability at all? To some extent I shall be supplying my answer under the next heading, but there is one main argument here that I would like to refer to, which is the need that may arise for subsidy. It may seem strange to argue for viability as a means towards the application of subsidy, but surely we ought to postulate the need for good housekeeping where public money is being spent. There are weaknesses in the formula that governs the payment of subsidies for unremunerative railway lines, but the success of the current system does turn upon the opportunity it gives to the government to assess the value of the service for which it is asked to pay. Unless we have an objective yardstick, we cannot be satisfied on this vital question of value for money, and surely that yardstick must be based upon the lowest cost at which the required service can reasonably be provided. Only when an essential service is not forthcoming from the lowest
cost operator who can be relied upon to provide it can we rationally embark upon any policy of subsidies for rural transport.

Why Self-Regulating?

To some extent I have already answered this question by arguing for a flexible system to meet rapidly changing needs. The interaction of supply and demand will not always provide the standard of service that rural areas require, and some areas will always be better off than others. They may be better off because people in some places are better at getting what they want than they are in others, or it may be the result of a local operator being better at his job than his opposite number elsewhere. To some extent we must accept the luck of the draw.

But we are entitled, indeed required, to act to control our environment, whether by pressing for better standards or by providing subsidies in order to obtain them. What I am arguing here is perhaps unfashionable—it certainly flies in the face of Redcliffe-Maud—but I am unashamed of it. I am by no means satisfied that the ballot box is the only, or even the best, way of intervening in this sense, and I am quite sure that the more local the intervention is kept, the more the results will benefit local people. We may note that, since such a high proportion of bus operating costs consists of salaries and wages, to subsidise a town-based firm providing rural services is to put money into urban pockets.

The argument here parallels that for small-scale patterns of management that I have developed in the previous section. I have seen something of the working of local government, at county, county district and parish level, in this matter of subsidy and intervention, and I cannot say that I have been impressed. I would rather trust the Women's Institute than the parish council in many places, and I would emphasise that in matters of transport the representatives of the people do not suffer from the constraints that apply to many of their constituents. How many rural district councillors arrive at council meetings by bus? And this, may I add, is not the result of the disappearance of bus services—how many ever did? And what applies at the lower levels applies with the more force higher up. The county councils are even more remote, while their officers have greater power; the thought of regional authorities concerning themselves with the detail of rural transport provision gives me pause. On the other hand, I have been present at a pilot meeting for an ad hoc gathering of councillors and local people—members of WIs, Rotarians and the like—which, since the local small bus operators were there as well, really got down to a discussion of what the locality needed and what the operators could (and could not) provide. I am sure that there is room for advisory committees of this kind, as talking shops from which action can arise. Of course the payment of subsidy from public funds must be controlled by an elected body, but I am arguing for subsidy to be the exception rather than the rule.

CONSTRAINTS AND ADVANTAGES

I want now to begin the process of summing up, and if I go over some of the same ground again I hope you will bear with me. Let us first try to write down the constraints within which rural public transport is going to have to operate.

First is the fact already noticed, that the private car is the preferred means of
transport, wherever it is available, for all but a minority of people who have to travel in the country. In a study of part of North Devon ([3], page 25), it was found that there were 1.51 households per car in the county of Devon. This figure includes the urban areas of the county as well as the city of Plymouth, so that for the rural area under review the density of cars may well be higher—approaching a car for every second household (after allowing for multiple-car households and for cars in fleet ownership).

Similar statistics apply to the whole of Britain. Published figures show that in 1966 there were 5.6 persons per car in Great Britain, and that, whereas rural counties such as Radnorshire bettered this to the extent of 3.7 persons per car, urbanised counties such as Lancashire were worse off to the extent of 6.8 persons per car. The hard fact that must be faced is that public transport has never been a highly acceptable means of travel in rural areas, and that the spread of car ownership in these areas is scarcely to be wondered at. It is probable that the spread of ownership in these areas also reaches further down the socio-economic scale than it does elsewhere, although there seem to be no statistics available to test this supposition.

In any event, the consequences of this penetration of car ownership are considerable. The car has become, in effect, the essential means of transport for far more people than are accounted for even by the raw statistics; for, with a car for every second household, there can be few families that do not have private transport accessible in case of more or less urgent need. The rural community has for long accepted mutual assistance as part of life, and, to the extent that this tradition continues, public transport is the loser by yet another multiplier. And, since the social composition of the rural community is changing, the car becomes still more the preferred means of transport, which, once owned, will be used instead of existing alternatives over a wider range of need than that which gave rise to its acquisition.

For many people, therefore, and for an increasing number with each passing year, the car is the basic means of transport in the countryside, while public transport becomes an auxiliary. Not surprisingly, the auxiliary services that it offers are sometimes different in kind from the basic services offered by rural public transport in the past. For the car owner the market bus is of no great significance, whereas the coach may be of great importance when it takes his children to school, or offers a chance for the Women's Institute to visit the theatre as a party. The framework of rural public transport has got to change to meet this new pattern of demand.

At the same time, it has got to go on providing for the residual demand of those who have no car available, or who have one only at certain times or for certain purposes. Not only the elderly non-driver has to be remembered; there is also the teenager, and the housewife for whom the family car is an irrelevant asset for shopping when it is being used all day by her husband for his work. The best way to meet her need may be the shared taxi rather than the regular bus. All this must depend upon the distribution of population; but I am convinced that ways to meet the problem are within the imagination of transport operators, given freedom of action to meet the demand.

The second constraint is the irrelevance of the railway system for journeys within rural areas. Never an ideal arrangement, the railway was superseded for all practical purposes by the bus as soon as the latter had been developed. I know we hear much of the advantage of the train for women with babies in prams; but, even in the hey-
day of rural public transport, for every such passenger there must have been thousands who did not happen to live near a station, and who had to put a folding pushchair in the boot of the village bus. The fact that the standard bus as operated by the large companies of today has no boot is an unnecessary complication, which the smaller operators overcome by using coaches instead.

The importance of the railway for getting into and out of rural areas is another problem. Here the lack of public information about the services that exist to connect with the trunk railways is a standing reproach upon both the rail and the bus industries, for whose continuance each tends to blame the other. But, for the future, connections of this kind may well best be made by car, whether owned, borrowed or hired, except on routes where there is sufficient traffic passing between one town and another. How far it would pay the railways to provide adequate feeder services by road, under their own management, is something that, to my knowledge, the British Railways Board has never seriously examined. No use seems to have been made of Section 4 (1)(a)(iii) of the Transport Act 1962, which gave the Board power to run its own rail replacement services.

I have already observed that the type of management structure that characterises much of public transport today is probably unsuited to rural needs, and so a constraint that could well be removed is the assumption that services in these areas must necessarily be provided by the large bus operators. The withdrawal of services by the subsidiaries of the National Bus Company is thus in a sense to be welcomed, as an opening to a new and more relevant pattern of operation. With it should go the greatest constraint of all: the system of licensing that was devised in the late twenties, and enforced from 1931 onwards, as a means of protecting the larger companies and the railways from the competition of the smaller firms with their lower costs.

The way in which this system still bedevils the attempts that have been made to meet rural problems is well illustrated by the impact of that serious attempt at reform, Section 30 of the Transport Act 1968. This Section provides, in Sub-Section (1), for the licensing system to be modified in two cases: (a) for minibuses holding no more than 12 people to be run under a permit instead of a road service licence, and (b) for buses used for schoolchildren to carry fare-paying passengers. Sub-section (2) requires the Traffic Commissioners, before issuing a permit under either head, to be satisfied "that there are no other transport facilities available to meet the reasonable needs of the proposed route".

I have made enquiries in one Traffic Area as to the number of permits so far issued under Section 30, and they are two. Both are under the second head, so no new minibus service has come into existence at all. Yet I know of not a few minibuses services that were running illegally before the passage of the Act, and continue to be run; from time to time they lead to prosecutions under the Road Traffic Act 1960. The trouble is that the supposed reforms under Section 30 still require the protection of existing operators, and give no opening to initiative to introduce new services that are closer to public need than those provided, maybe at a loss, by the "established operator". The only way of dealing with this constraint is to abolish it altogether, by legislative action, and quickly.

For it is here, as I have argued at greater length elsewhere [6], that the licensing system works to the disadvantage of the consumer. To counter the constraints we have examined, there are advantages inherent in the bus as a means of transport,
and indeed in the nature of the rural community, that can be turned to the benefit of the consumer.

The advantage of the bus as a flexible form of transport we have already discussed, but the potential here is not as yet fully realised. The ultimate constraint is of course financial viability, and this is one of the effective limitations of the minibus, but I have developed elsewhere ([3], page 30–31) the idea that the bus should be freed from the need to follow precisely the same route on every journey, and should be run more after the fashion of the excursion coach. In this and other ways the bus operator can be encouraged to discover new methods of providing the sort of service likely to meet the changing pattern of demand.

But if we are to achieve anything here we must take advantage of all the flexibility the bus can offer, and accept that one of its attractions is the potential that it offers for small-scale, low-cost operation. One thing we must do to achieve this is to see that the bus and coach are freed from any stigma of class association, the reverse of the prestige attribute of the private car. I do not think this is a very serious problem, for I have always found country people to be more pragmatic in these matters than some of those who inhabit the suburbs; I think what is more necessary is the recognition of the important place filled by the bus and coach operator in the rural community, and the value of the bus driver as expressed in the wage he can expect to obtain. I suspect that the repeal of the current licensing system might attract quite a bit of new initiative into the trade, and so deal satisfactorily with these matters.

Another aspect of flexibility that must not be forgotten in reviewing the needs of the countryside is the importance of the coach outing. Bus services for shopping and entertainment and many other purposes are commonly seen to be good and necessary things, worthy of subsidy, but from the point of view of an elderly council house tenant they may be quite irrelevant. If your supplies come from the village shop or the co-op van, you do not need to travel for necessities, but your social needs may still be great. The seaside trip in the summer; the pantomime at Christmas; the evening tour arranged by some local organisation—all these are perfectly genuine needs. Yet the rebate on fuel for buses and coaches is given only for “stage carriage services”, and not for anything so frivolous as private hire. I am convinced that we must treat rural transport all of a piece if we are going to deal effectively with its problems.

**OPPORTUNITIES FOR ACTION**

What then can we do? I believe we can develop a constructive policy framework that follows from the objectives I have outlined, and takes advantage of what public transport has to offer, while remaining within such constraints as cannot be removed.

The primary need is to come to terms with the private car as a means of transport, and to cease to regard it as itself a candidate for restriction and constraint. I would put the order of priorities for maintaining rural transport as follows:

1. Let us see that we get the best out of the car; and
2. Let us adjust the framework of public transport so as to let the bus and coach take full advantage of their great flexibility to fill the gaps.

I propose therefore to outline a policy that seems to me to fall under these two heads.
MAINTAINING TRANSPORT SERVICES IN RURAL AREAS

John Hibbs

Getting the best out of the car may mean lowering still further its operating cost. I would hope that a consequence of road-use pricing in urban areas would be a reduction in the taxation of cars so long as they are used outside those areas. This would, in effect, make the car still more efficient for journeys within the rural parts of the country, while placing public transport at a greater advantage for journeys from country to town. I consider this to be a neglected argument in favour of road-use pricing, and I hope it will be given further consideration.

We could also do something to encourage the joint use of cars, and the proposed revision of the insurance laws will make this easier. In really remote areas something might be done by way of exchanging information among those who have empty seats on car journeys and those who want to travel but have no car. Churches, Women's Institutes, local political parties and even bus offices could take part in such schemes, which would merely institutionalise what is already not unknown in practice.

For younger people, I would suggest that the minimum age for a licence for a moped (Group E on the driving licence) might be lowered from 16 to 15, and the revenue licence for such machines might be issued to people under 18 for a merely nominal fee. I would suggest the licence should be retained as a sanction against malpractice, but the moped is a type of vehicle that has been undervalued in this country. Its low power makes it inherently safe, and on the continent it is possible to see how useful it is found by young people.

These proposals need not damage the viability of public transport. With changes inevitably taking place, the bus and coach have to find new functions, to which I will return; if improved private transport means more people living in the countryside, the market for public transport should actually increase, in whatever new shape or form it may appear.

I turn therefore to my second head of policy—the adjustments we should make to public transport—and here I must emphasise once more the urgent need to repeal much of the present system of licensing. To do this is not difficult—I have set out elsewhere in some detail the legislative clauses that would be required ([7], Appendix). The government has already announced that it is to examine the possibility, and I hope that no sacred cows will be invoked by any party as an obstacle to radical reform in this field. To abandon the present system of protective route licensing would restore freedom of action to the producer: freedom of action to meet the demands that he may discern, and to meet them if necessary in entirely new ways. It would also restore freedom of charging, and I regard this as equally important. For years we have had a charging system on bus services that has been geared to the averaging of fares, and generally to the costs of the least efficient operator as well, and I am certain that as many fares should go down as should go up. In this way we can begin to face the problems that will remain with the knowledge that the lowest cost operator has a chance to pass this advantage on to the consumer, and that the keen newcomer has the opportunity to back his own judgment—and perhaps fail: it is not for us to feather-bed the producer.

I suspect that the repeal of protective legislation would, in rural areas, encourage the smaller operator, and this is a development that should be welcomed. I would not rule out the larger firm as a producer, where it can show the necessary efficiency in economic terms, but I would be inclined to offer a bit of a helping hand to the
small man. Let us at least see to it that our officers of local and central government do not fall into the habit of ignoring the relatively unlettered—there is a danger that they may prefer to deal with their opposite numbers in the beaureaucracy of the industry, for deep always prefers to speak unto deep.

This is perhaps a field in which individual councillors and MP’s can do something, by example and practice. One thing that they can certainly do is to encourage the establishment of *ad hoc* local meetings to discuss transport problems, with a wide selection of local people present along with operators of all kinds—and local government officers as well. The problems of rural transport will look different when the residents know something of the operator’s problems and constraints, and the operator worth his salt will be only too glad to pick up suggestions on what it is that people want and are prepared to pay for.

Another piece of direct action that I would like to see is better publicity for the public services that exist. A councillor in Oxfordshire sends me a copy of a local time table that he and his colleagues have recently produced and put through people’s doors: it shows every bus leaving and arriving at the small town concerned. He tells me that one of the bus operators reported considerably increased traffic in the weeks that followed this exercise. Local councils often publish guides or handbooks, but too frequently these display a complete lack of knowledge of local transport. And above all, as I have demonstrated by a piece of market research ([3], page 14), there is an urgent need for better information to be made available on the connecting services (often subject to subsidy) that are available to link with our excellent system of main line trains.

I turn finally to the subject of subsidy, knowing that for many people this seems the inescapable answer to the rural transport problem. It is, I believe, nothing of the sort, but rather a counsel of despair. People who live in the country resent being in the receipt of charity, and the too generous use of public funds could produce what may be called a “reservation mentality”. In any event, we have I think learned from our experience with the railways that open-ended subsidy is a powerful way to destroy morale in an industry and to achieve a low standard of service, while the profit yardstick, however much it may be open to criticism if wrongly applied, does give us some check upon the disbursement of funds.

I can see no objection in principle to the application to rural transport of the philosophy developed to meet the social needs that are associated with branch railways that fail to pay. Let us reserve the subsidy as a means of supporting the deserving case, where all else fails. I would regard the subsidy as a means of easing the transitional problems to which I have referred, and I would commend the concept of the Transport Act 1968, which requires local authorities to find a part of the cash. If local residents, through their elected representatives, like to spend money in this way, then let them do so, subject to the open market approach, which I have already suggested should reduce the need for subsidy to a minimum.

Let me conclude, though, with a word of caution. Throughout this paper I have taken it that we know what a rural area is—but do we? I am sure there is a need to recognise the difficulties that may arise at the margin. And what about those wide areas that are neither town nor country? I suspect that these alone are sufficient to raise as many problems as I have tried to examine within the framework of this paper.
MAINTAINING TRANSPORT SERVICES IN RURAL AREAS

REFERENCES


City of London Polytechnic, School of Business Studies