

Labour enact nationalisation of a largely nationalised rail industry

The last government lived with a largely nationalised railway. It inherited public ownership of all the tracks, , signals and stations. It continued a regulatory control over most fares and all timetables. It added to the number of train operating companies run by the state as franchises ended or ran out of money.

The new government wants to show its Union bosses it still believes in nationalisation so it put a Bill through the Common yesterday that instructs the Secretary of State who designed the Bill not to use private sector companies in future or to have any competitive challenge to the state incumbents. It continues the bizarre Blair inspired idea of legislation to bind Ministers with no penalties for failure and of course the daily opportunity to simply change the law if it no longer suits. The last government did this too, setting targets that it could not guarantee to hit on net zero for example.

The Bill is a shoddy piece of political signalling. Why shouldn't the railways seek private sector bids to run parts of the railway better with less cost for taxpayers? When did a monopoly producer lower prices and offer better service than competing providers? How can the government control the run away costs of the largely nationalised industry as it moves to complete public sector ownership?

Last year the railways cost taxpayers £33 bn in losses and capital spending, all to be found from a stretched national budget. This Bill will come at further excessive cost to taxpayers.

Where was the Shadow Spokeswoman highlighting the dangers to passengers and taxpayers? Where was the case reminding us of the great success of Hull trains, the one example where a challenge to the monopoly was allowed? Where the reminder of the colossal waste and cost overrun of HS 2, a truly nationalised wannabe railway which will never get to the north of England despite that being the main point of the plan!