

Speech: Investment and innovation crucial to modernising railway

Good afternoon.

It's a pleasure to be here.

And a welcome opportunity to speak to you after my recent appointment as Rail Minister.

I understand the responsibility that comes along with the job.

Responsibility for a service that provides 1.7 billion passenger journeys a year.

And for the equally vital rail freight sector that keeps our economy on the move.

And I understand the pressures – the pressures that you face too.

Of busy commuter trains on an over-stretched infrastructure.

Of managing massive maintenance and upgrade projects.

Of dealing with industrial action.

And through it all, trying to provide a reliable service, day-in, day-out.

So I know it's tough.

And I congratulate the industry for keeping things going during the recent spell of cold weather.

But I also believe that today, the prospects for the railway are brighter than they have been for generations.

However, we face 2 significant challenges.

First, we have to deal with the consequences of long-term underinvestment and soaring demand.

In the 35 years before privatisation 2 decades ago, passenger numbers fell by a third.

But in the 20 years following privatisation, they doubled.

Putting a significant burden on some of the most intensively used rail lines in Europe.

We're working hard to reverse decades of rail underinvestment.

With the biggest rail programme since the Victorian era.

One of the first decisions that the government had to take in 2010 – when the current Chancellor was Transport Secretary – was whether to approve the Civil Service's recommendation to cancel Crossrail.

Because the economy was in crisis, and the new line would require significant funding.

We saw it differently.

And today, as a result, the first Elizabeth Line test trains are running under the Thames and central London.

We've rebuilt major stations in Manchester, London, Birmingham, Leeds and Reading.

Every Northern and TransPennine Express train in the north of England is being replaced or refurbished.

And of course we're building HS2.

Towards the end of last year we published our rail spending commitments for the period from 2019 to 2024.

Total spending will be around £48 billion.

Billions of pounds from franchise operators is also helping to renew train fleets, upgrade stations and transform services across the country.

And that leads me to the second great challenge.

Compared with other transport, the pace of innovation in rail is slow.

Transport is now the most polluting sector of our economy.

And while it is cleaner than other modes, rail cannot rest on its laurels.

Rail emissions have increased in absolute terms.

So it's time the rail sector made a stronger commitment to cleaning up its act.

Electrification of every last mile is unlikely to be the only or most cost effective way to do this.

New bi-modes are a good bridging technology to other low emission futures.

And in time, as battery technologies improve we expect to see the diesel engines in bi-modes replaced altogether.

That's why we need to continue developing battery technology for hybrid trains.

And work towards the real prize which is to develop and introduce zero-carbon alternative-fuel trains to the network.

I look forward with great interest to industry taking forward a hydrogen train trial in the next Control Period.

Ushering in a new era in low carbon rail travel.

So I have called on the railway to provide a vision for how it will decarbonise.

Including the removal of diesel-only trains from the network by 2040.

I am pleased that the industry has risen to this challenge by forming a task force to lead its response, and I look forward to my meeting with its Chair next week.

Our ambitions must also go beyond the method of traction.

I want industry to play its part in addressing the public's very real concerns about air quality.

The research which industry is leading into air quality at and around stations, is a good start.

Now I want us to find new and innovative ways to tackle this blight.

But innovation is not just about new technologies.

We can also innovate by changing the way the railway is managed and run.

This is still a fragmented industry.

And this fragmentation has been a big factor in preventing the railway from focusing on the passenger.

That's why our Rail Strategy goes further than ever before to get private and public sector working more closely together.

To end the operational divide between track and train.

And to rebuild the railway around the customer.

The railway also needs a much stronger regional focus, with integrated teams in place to sort out problems and manage local services.

So the strategy sets out plans to reorganise Network Rail into a series of regional businesses.

With greater autonomy and responsibility for local decision making.

These are common sense changes.

But they represent a radical reorganisation of the way the railway works.

Joined up management.

Simpler, more accountable structures.

Regional teams whose whole focus is on the customer.

So, to sum up.

Privatisation brought a revolution to our railways, and turned round half a century of decline.

Increased funding since 2010 – and well into the future – has turned round decades of underinvestment.

Now it's time for the next transformation.

Modernising rail services and delivering HS2.

Committing the industry to a carbon-free future.

And uniting the railway in a relentless focus on the customer.

Thank you.