

The railway strikes

It is most important the government does not settle the rail dispute with more subsidy for little or no improvement.

The public sector has progressively removed a proper role for private capital and competition in the industry. In the early years post privatisation use of the railways expanded. There were sufficient service improvements and new investments for John Prescott to praise it. Important investments which the nationalised industry never prioritised like linking Heathrow into the national rail network to capture many more travellers were made by the private sector.

Then Labour nationalised Railtrack, taking track, signals and stations back into state ownership. Successive governments tightened the controls over timetables and service patterns. Successful experiments in competition to increase services as with Hull were made difficult or blocked. Then governments started into to take various lines directly into public ownership.

Today we effectively have a nationalised railway. Ministers have been dragged into strike discussions as they seek to limit the ability of management and staff agreeing to big increases in pay bills with no improvements to productivity or service quality. The collapse of fare revenues since 2019 should be a major preoccupation of management and staff, as government needs to limit subsidies for running near empty trains with rising costs and little revenue.

Ministers are right to expect nationalised and residual private sector managements to sort out smarter working. They should also advise on a better timetable and route pattern to raise fare receipts. The old nationalised industry performed badly and relied on overcharging the then reliable commuter passengers. Railway bosses threatened Ministers with commuter disruption if subsidies were not big enough. Today the commuter is not 5 days a week and can work from home on strike days. Those negotiating need to grasp this changes things a lot. It means we need a new pattern of rail services and new positive attitudes by managers and employees. The leisure railway mainly thrives on heavily discounted tickets, leaving taxpayers with unacceptable bills.