

What is the UK's worst nationalised industry?

In the 1970s when as a young man I first became critical of nationalised industries, I identified their main features of them I did not like. They were bad for their customers. They usually overcharged them, with high rates of price increase. They failed to innovate or hit high standards of customer service. They were bad for their employees. You had a high chance of losing your job if you worked for the nationalised steel or coal or rail businesses, as they went through redundancy programmes after redundancy programmes. They were bad for taxpayers, as they racked up huge borrowings and losses which required taxpayer subsidies and write offs on a large scale.

The current nationalised business which comes closest to some of these features today is the nationalised provision of roads. It is a monopoly supply, provided mainly by Councils with the biggest and most successful roads supplied by the national government. They are provided free at the point of use, but there are huge charges on motorists who pay many times over the cost of the provision through special taxes on motoring. The cost of provision for taxpayers is also high. The monopolist rations the supply, creating congestion and inconvenience. The Highways executives often occupy the road for weeks on end for improvements or alterations, and do not seem to have a sense of urgency in getting roads back into use. Some of the works they call improvements intensify the congestion and sometimes pit different kinds of road users against each other in unhelpful ways.

This year has seen misery about potholes, where some of the local highways authorities have been slow to respond to money available for pothole filling, and slow to respond to the general public mood to improve the quality of the surfaces. Potholes are particularly trying for cyclists. Let's hope local highways departments take up Mr Grayling's proposals to put utilities away from the main highway, to build better local strategic networks, and to tackle congestion more vigorously.