



A People's Railway

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August 2015

We need to rebuild an integrated publicly owned railway network that is run by the people for the people.

According to detailed research, by Transport for Quality of Life Ltd, extricating the railways from the mess of privatisation could save £100s of millions a year – money that could be used to increase investment, improve accessibility and reduce passenger fares.

The rail franchising process is incredibly expensive and wasteful, both to bidding companies (which pass on costs through higher fares) and to the government to administer the process.

The railways are strategically important infrastructure and as such should be run by the people, for the people. This is apparently uncontroversial, supported by two-third majorities of the British public (including by a majority of Conservative voters). Yet successive governments have not listened. No one thinks it controversial that our roads are run in the public sector, so why shouldn't our railways be too?

There are economic, social and environmental goals in increasing rail use and accessibility. They are too important to fail. When private providers failed on the East Coast mainline franchise, the government established a public company Directly Operated Railways (DOR) to run the franchise. Under public control, it outperformed its private predecessors on both reliability and punctuality – and returned better value to the Treasury. What government serious about reducing the deficit would privatise a revenue generating asset? Yet the coalition government re-privatised the franchise.

The Jeremy Corbyn campaign stands for a new approach: a Labour government under this leadership would introduce a new Railways Act in 2020 to progressively bring the railways back into public control, run in the public interest to meet social, economic and environmental goals.

All parts of the railway should work together for the common good – with strategic management representing the industry, government (local and national), passengers and workers. A more co-operative model of public ownership.

Passengers would benefit from an integrated network, rather than having to negotiate different websites, complicated ticketing structures, different terms and conditions, different peak times on different operators, and be faced with station staff who are often unable to advise on routes and interchanges run by other operators.

UK train rolling stock (the train carriages we sit or too often stand in) is leased to franchises by rolling stock companies (ROSCOs) – in an incredibly expensive process that has left our rolling stock outdated on many lines. Under public ownership, the railways should cut out the ROSCO intermediaries and procure rolling stock directly. These leasing companies are making double-digit profit margins, causing higher fares.

The leasing process should be replaced by a long-term procurement strategy based on strategic long-term investment in the railways that develops UK manufacturing, skills and jobs.

A National Investment Bank should fund long-term infrastructure improvements and improvements to accessibility for disabled passengers.

By re-integrating the UK railways and running them co-operatively for the public good, we can bring social, economic and environmental gains:

- More easily understood and cheaper fares for passengers
- More accessible trains and stations for disabled passengers
- Better terms and conditions for rail workers
- Benefit the environment by increasing rail capacity and reducing costs to encourage rail over car and air transport
- Stimulate the economy by increasing investment in new high speed rail, creating jobs and connecting more towns and cities
- Give passengers, rail workers and politicians more democratic say over the strategic development of UK railways
- Provide a more modern and integrated service for all passengers

Notes to Editors:

Annual increase in average earnings and fares:

<i>Year</i>	<i>Average earnings %</i>	<i>Rail fares %</i>
2011	2.7	7.1
2012	1.3	4.8
2013	1.3	4.2
2014	1.1	3.4
2015	2.2	3.4
Total	8.7	25.0

Background

The rail network was privatised under the Railways Act 1993. In opposition Labour – under both John Smith and Tony Blair initially – promised to bring the railways back into public ownership. Labour Party conference has twice endorsed the position that rail franchises should be taken back in-house as they expire.

Privatisation of the railways has caused immense wastage: through fragmentation of the rail network, inefficient financing and by leakage through profit payments to private shareholders.