

ASLEF COLUMN



This is a difficult, turbulent period for ASLEF, but one it will come through with dignity. As with the Labour Party, the task will be to re-build around the strength and principles of its membership.

Central to this is trust, openness and accountability. It is upon this base that we then set out the policy agenda that connects the interests of the Union to the plans of the Labour government.

The ASLEF Parliamentary Support Group has a part to play in this that I hope we can now develop. Throughout, we have said it is not for the Group to interfere in the internal workings of the Union. We know, though, that the Union's greatest strengths are to be found in its members and its staff. This is where we must begin.

Even rightwing economists are now citing Britain's rail privatisation as a disaster. The Audit Commission have added their criticism of London Underground's PPP as a poor investment. The mountain of evidence is clear; the best rail strategy is a public strategy, the best investment is public investment and the best ownership is public ownership. Somehow we have to link ASLEF's voice to that of Labour MPs in the ASLEF group and get this across to the Labour Government.

There never has been a greater need for an integrated rail strategy. Roads may be congested, but more roads will only add to the pollution and carbon emissions that accelerate the crisis of climate change. We have to give priority to a national plan for both public and freight movements by rail...and this means the infrastructure to support it.

We have to pursue this agenda in the interest of public services rather than private profits. Neither the Union nor the MPs group should be getting into bed with the freight companies over this. Their interests are in maintaining shareholder dividends and their own market share. Our interests are in a national infrastructure that puts public and environmental needs above all else.

Whichever way you look at it, the Labour government has put a huge amount of money back into the railways that the Tories decimated. I am only surprised that we do so as tax payer gifts to the private sector, rather than as a public stake-holding. We no longer ask why the taxpayer should subsidise the shareholder rather than be the shareholder.

The GATS agreement about free trade in services, however, threatens to transform the welfare state. Governments are being told that personal welfare (a decent state pension, Child Benefit rather than tax credits, grants rather than loans etc) are no longer affordable in a modern economy. The new welfare state is the private sector.

Corporate welfare demands a subsidy with every public service it seeks to walk away with. Politicians are besieged by such demands. First, the private sector tells us how crap public services are. Then they insist that only 'the market' can improve the service. The bids they submit may be high but that, they

claim, is because the risk is transferred to the private sector too.

All this gets done in secret, so the public never gets to see the terms of the deal. Only belatedly do we find out how many 'get out' clauses there are, how standards of provisions are allowed to be cut, and how the big risks will always be paid for by the public.

If there are gains, particularly from re-financing deals, the private sector has tried to pocket all the gains, at the public's expense. What a bunch of scallies.

Now we are beginning to discover that there is a private 'secondary market' for many of the PFI/PPP schemes that finance public service investment. Assets financed by the private sector (but living off generous annual rental payments from the public purse) are being traded on in ways the government has chosen to know nothing about.

Ask the banks about these secondary markets, however, and their views are quite clear. Contracts for schools, hospitals and other services that are being sold in these secondary markets, are seen as private assets rather than public ones. One 'holding company' now owns more schools in Britain than anyone apart from the State. One company owns more of our hospitals than anyone apart from the NHS. What drives the market is the certainty that there is minimal risk. Ultimately the taxpayer will pay (and invariably we will pay over the odds).

It is the task of the whole labour movement (and of Labour MPs too) to lift the lid on this scam and come up with a more principled alternative to it. As with the Union, this alternative will have to be built on trust, openness and accountability. It is something we must do in public, not in private.