

Enterprise for everyone

Time was when your late or cancelled train, your high energy bill, your rationed water or your delayed phone line was the direct result of nationalised industries. Privatisation especially when it involved competition offered more choice, better quality and lower prices. After privatisation electricity and gas prices fell in the early years of the policy. Water was available all summer without hosepipe bans. The long post war decline in rail travel ended and passenger numbers and journeys started to increase. Competition in phones meant instead access to telephony for those who wanted it, rather than a long delay for the state company to put a line in or requiring you to have a line shared with the neighbours.

Today when things go wrong or prices go up in several of these areas it is the result of actions by privatised companies as the public see it. This is not always true. The bulk of rail assets are nationalised, with public ownership of all track, signals and stations. So one if there is a delay or cancellation it is owing to signal failures, overhead track power systems, or physical problems with track and points. It is true Southern Rail has let commuters down and that it is a private company. The granting of near monopoly rights for train services is not ideal, but the franchise can be taken back, or the operator may lose it for poor performance when it comes up for rebidding. Energy prices may also be the result of EU renewables and energy policy, not the result of a company trying to up its margins.

Today people have issues with some large private sector companies. The popular enthusiasm for new social media, new mobile phones and modern computing is obvious from the fast growth rates of these businesses. There is also some disquiet about the power and governance of some large corporations. Large banks have been hauled before courts and Regulators for misdeeds. Various companies have been accused of paying too little tax in various countries. Some companies have not been sufficiently customer friendly, have been too keen to push up prices or keep out competitors.

The new challenge is to provide a legal and regulatory framework for more enterprise, more choice and more competition. There is also the problem of some international and EU governmental interventions in policy which make energy dearer or prevent banks lending, or impede new transport investment. Going back to nationalisation which added monopoly to a lack of innovation is not the answer. Today we need more enterprise for all, to take advantage of the fast moving technologies for growth and improvement.

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