

In Short, just what

If Labour wins the next election - and all the pundits are saying it probably will - Clare Short will be Secretary of State for Transport. She echoes Leader Tony Blair's colourful promise of a 'Publicly-owned, publicly accountable railway,' - but neither will explain exactly how they'll achieve this.

Rail privatisation is the most hated, least successful and most disastrously handled sale of them all. Frequently promised benefits are further away than ever and public discontent is intense.

If it could be such a vote-winner, why won't Labour explain its policy?

AN EXCLUSIVE
RAIL
INTERVIEW

NIGEL HARRIS
met
CLARE SHORT
at Westminster, to ask the questions.



Photography: David Gordon/Katz Pictures Limited.

is Labour's vision?

I WAS NOT looking forward to interviewing Labour firebrand Clare Short. Her frequent (and frequently volatile) TV appearances had made me wonder if I'd be able to get a word in edgeways, whilst tales of her legendary short fuse (no pun intended) had made me wary, to say the least. But the smoke and mirrors hiding Labour's intentions towards the railways, should it win the next general election (and the widespread belief is that it will) meant that we should go as high as we could to get some straight answers, face-to-face, with those who cast and carry out policy. Even so, nudges and grins around the RAIL office greeted news of my mission to Westminster. "Stick a phone book down the back of your trousers, just in case," quipped one wag, convinced that a word out of place from me would prompt swift and painful retribution. I knew what he meant. Clare Short has a reputation for not mincing her words, for telling it like it is, whether her bosses (or anyone else, come to that) like it or not and for breathing fire and brimstone when her passionate convictions are crossed. Especially by journalists. But in the not-too-distant future she could also be Secretary of State for Transport, with the future of our railways in her hands. I badly wanted to talk to her. And so it was, on January 8, that I pushed through the doors of a nondescript concrete office block opposite the intricately carved stone splendour of the Palace of Westminster, with Ms Short firmly in my sights. I wasn't going to let her off the hook. Absolutely not. Besides, I thought, Labour wants to get elected, so that's going to keep the temperature down. Mistake. Big mistake. By the time the security guards had frisked me, all-but dismantled my miniature tape recorder, thumbed suspiciously through my wallet, jingled my keys, poked about in my loose change and flipped through my notebook, the adrenaline was pumping. I suddenly recalled - in technicolour 3D - the way she'd drawn blood, even from the mighty Paxman, with all his successes in roasting Westminster's most experienced political bruisers. This was the woman who'd just been promoted by Tony Blair, for Heaven's sake, whose Labour leadership bid she had openly opposed and who she had once, famously, described as a "poisonous voice." After that, I don't think even she rated her career chances very much after Blair became her boss. She's guarded when asked about this, and I suspect her elevation to Transport was as much a surprise to her as it was to the rest of us. But then, meeting Clare Short brings some surprises, a great deal of straight talk - but, worryingly, too much prevarication on what Labour's plans actually are. She's not as tall as I'd expected, and not at all intimidating; shaking my hand she fussed around her small office, waving me towards a seat alongside a second desk, neatly piled with papers. It's always a fascinating experience meeting for the first time a well-known politician whose face is as familiar to you as your closest friends and whose personality you think you know. I say 'you think you know' because TV impressions are deceptive. For Clare Short is, well, a lot...nicer...than her fiery performances on TV might lead you to believe. She's open, friendly and likeable. I found her extremely easy to talk to - immediate and direct. She's expansive and articulate and whilst she clearly stands no nonsense, unlike many other politicians, she doesn't patronise.

Clare Short talks to you - not at you or, worse, down to you. I don't think she could be smug to save her life. She looks you in the eye, she doesn't waffle (well, not much) and her views are confidently delivered with that husky Birmingham accent she's never lost, despite all those years 'down south.' Oh, and by the way (just in case you were wondering), she's not *at all* the scowling feminist harridan that her tabloid coverage might have prompted you to expect. What I especially like is that when you ask Clare Short what she thinks, you usually get it - both barrels - and if you don't like it, tough. If her opinion is about something you've just said, then you'd better be ready to take it on the chin, like she has to. She gives no quarter and takes no prisoners. Clare Short really *doesn't* mince words, she often shoots from the hip and she's a formidable interviewee. No, she certainly wasn't the dragon I'd feared - but she was no soft touch either. If I'm going to get straight answers from anyone about Labour and railways, I'll get them here, I hoped. Transport has never been high in the ministerial pecking order, where it's seen somewhere between a joke and a poison chalice. What's her view?



"To add a coach to the system costs around £170,000 a year in track access charges whilst to add a coach to the roads costs between £300 and £450 in vehicle excise duty. How can you get more passengers from roads to rail with that kind of distortion?"

"Well, I was genuinely surprised, because I've done environmental protection, with a policy review, and you have to look at transport issues - so I'd visited the subject. It wasn't one of my expert areas. But the more I got into it, the more I found it...challenging and exciting, for as one of my brothers said, there's a lot of things that politicians pontificate about that they can't actually do anything about. But a nation's transport system - especially a nation like ours, where the transport system is a nation - we can, at a national level, do something about it and make it a lot better. In that sense it's a really exciting and good job." She tells me that we spend 20% of our national earnings (GDP in economics-speak), that we have a transport policy that's "going

nowhere" and that we can't go on as we are. "There's clearly an emerging consensus about the sort of change there has to be," she explains. "It's a question of mobilising it and getting everybody working together to make the changes. I'm very pleased, but others have commented that transport historically has been a job for people on the way down in politics. And it's the impression of quite a lot of people that I'm not on the way down. Tony is taking a different view of the job, which is good." That's all fine so far - but then, she would say that, wouldn't she? I want more background. Is Labour totally anti-private sector? Deputy Labour Leader John Prescott (formerly a transport spokesman) has spoken openly about his support for private rolling stock companies. At the moment, he's spearheading Labour's currently top-secret response to the Railtrack sale - so what role does Labour want the private sector to play, if any? Labour transport spokesman Brian Wilson has also spoken - albeit rather vaguely - about a 'partnership.' Can we have some detail? "Our commitment is to a high quality rail network and in order to achieve that we need much higher levels of investment and we're looking for genuine partnerships. We are deadly serious about public/private partnerships and as John Prescott says, with the whole business of leasing, we've been very keen on that for a long time. So there's no way we're saying 'back to the past' and no private money at all. We've got to increase levels of investment. That's very much our way forward but the model of privatisation chosen for the rail network where public subsidy is poured in without any public accountability - it's not privatisation at all. It's marketisation, commercialisation and fragmentation. "How can you have Railtrack - if they get away with it - with all this money coming through in track access charges as public subsidy, having no public accountability, and paying profits to shareholders when taxpayers are putting money in and not getting any control in return?" She's also bitterly opposed to the way the ROSCOs need have no commitment to invest in new trains. Fine. But what will Labour actually DO, Clare? What do you actually mean, in plain English, by the "publicly owned, publicly accountable railway" promised by Tony Blair in his speech at the last Labour conference? Tell us like it is, please. "The first point I have to make," she replies, "is that those who say the Railtrack sale would be prevented if we undertake to buy everything back the minute we take office, are misguided. That would take all risk out of things for buyers. At the moment, people who are looking at Railtrack don't know what to think - what their rates of return will be? Also, they don't know exactly what Labour will do. If Labour says 'OK, you can sell it for nothing' - because they're planning to sell it for massively less than it's worth - because Labour will buy it all back at market prices, you take all their risk away!" According to this theory, would-be investors are kept in fear and dread of what Labour might do in power, so they don't buy shares. The down side of this approach is that railway supporters looking for a champion to rally behind are also kept confused and in the dark. What's her answer to those who say she could - and *should*, if Labour really means what it says - torpedo the Railtrack sale, which it could do with just a couple of sentences? "I know what you mean. I've been

▶ talking to retired railway officers recently and they're very angry. They say "Why don't you say you'll confiscate it?" Her next comment is carefully crafted - a perfect example of Labour's strategy to be seen as sensible, clear-headed and trustworthy. "We have to have a responsible relationship with the City and we cannot go round confiscating contracts and at the same time have public-private partnerships putting high levels of investment into our transport system! You just cannot behave in that way. You just cannot act that irresponsibly."

"...you're worried about the price being forced down, you have to ask the opposition parties not to oppose! So really that is a completely unreasonable remark: it's like saying that if we all line-up behind the Government, we'll get a better price."

Labour is terribly anxious to allay fears that it's unfit for government, as the Conservatives continually imply. Labour is as terrified of being seen as being in the unions' pocket as it is wary of the 'R' word that dare not speak its name. Re-nationalisation. Public worries that union dinosaurs might return and the idea that wholesale nationalisation policies would stalk the earth after a Labour victory, are spectres (conjured endlessly by the Government) which seem to have forced Labour into comments so reticent, it sometimes seems 'wet.'

Deep-voiced Gordon Brown is forever the calm voice of reason, former firework John Prescott is also very calm these days, whilst Clare Short has cultivated calmness to a degree most people would have thought impossible. Labour is well advised to behave responsibly - but whilst it tries hard to impress City Suits, the rest of us are in danger of dozing off. In taming its dragons, has Labour thrown the baby out with the bathwater? For in an all-out attempt to prove it's grown up, shaken off the union shackles and is no threat to middle England, Labour can come across these days as, well...a bit bland.

That is certainly not a characteristic you associate with Clare Short, so cynics have had a field day - for Labour seems to have had few convincing replies to tough questions. Is Labour so afraid of the dreaded 'R' word causing panic amongst voters that it's gone soft? Just what is Labour's policy towards Railtrack? Unwittingly, I've lit the blue touch paper.

"Look, I've been in this job for just two months," I'm told. "So I'm not speaking for others and I'm currently reviewing all the options on Railtrack," she says, an edge creeping into her voice. "But we are NOT saying that we'll just re-nationalise everything at market prices so that the public can be ripped-off twice - first when things they've invested in are sold off for a tiny proportion of their value and then we buy them back a higher value, once that value has bounced back. Do that and public money is wasted twice and I don't think that is responsible."

"Secondly, we're not saying that we're going back to precisely the old structures - because the old structures had too low levels of investment. So, we're looking for a better level, higher investment and more intensive use. So the cynics can say what they like but we're NOT going to play a cheap ideological game. The Government is driven by a dogma about privatisation so we're not just going to go for it in equally ignorant ideological terms and say that everything must be in public ownership,

come what may. We're going for a model which will secure a high quality rail system."

Yes, yes, *yes*. I want to retort - but just tell me, *precisely* what you're going to do - and *how* you're going to do it. Give us, PLEASE, your alternative - starting with Railtrack. The Short fuse finally burns away and sparks erupt. "I've just TOLD you," she exclaims. "You're not listening!" I'm then subjected to a brief(ish) summary of everything she's already said.

"There are a number of options," she then continues. "We're reviewing them and we will make it clear at the right time - but I'm *not* telling you today," she concludes. Resisting the temptation to loosen my collar, I press on. I get part way through a comment about her claim that Labour wouldn't confiscate Railtrack, when, suddenly she goes off again...

"Look - there are lots of people who care about the railway, who feel so *angry* about what's gone on - and I understand that. They're *entitled* to be angry. Out of their anger they say 'confiscate it.' And I understand the emotion of that - but no responsible Government can go around confiscating things"

I've got the message. A Labour Government will be responsible. So, will this responsible Labour Government maybe, possibly - if you don't mind my asking (again) Clare - legislate to prevent dividends be paid to shareholders, or restrict profitability, should Railtrack be sold? There's a long pause, those dark eyes narrow and the temperature creeps up again.

"There are three or four very serious, attractive possibilities, but as I've said, we're committed to a publicly owned rail network. We're committed to a high investment, more intensively used, nationally integrated rail network and we'll make clear we're going to try and prevent the sale of Railtrack. We'll have a big national campaign. We'll focus on the rail-dependent marginals and ask people to put pressure on their MPs to halt privatisation - we know the public is opposed. And we're going to have a vote in the house of commons. If we win that, we can halt the sale and that is the best possible option - prevention, rather than cure. If we fail, before there's any sale, we'll make clear exactly what we're going to do about Railtrack."

Recognising a stone wall when see one, I prepare to move on, pausing only to remark that rail supporters are desperate for clarity. And off she goes again. I wish she was as forthcoming about Labour policy on Railtrack as she is about my interviewing technique.

"Now you're just hectoring me!" she complains. Vehemently.

"No, I'm not!" I retort. I've had enough of this - all I want is a straight answer.

"Yes, you are! I've been in this job for two months and the position, my position and our position has been clearly stated and that's the answer. I don't mess about!"

No, Clare, you normally don't. You have a reputation as a conviction politician. A reputation I admire very much for straight talking: so why not talk straight to me, eh?

"Yes, alright. But with a subject as serious as this I'm not going to come out with some sort of flip, ideological answer about what we're going to do with Railtrack. If we say now what we're going to do with Railtrack after a sale, we're accepting that the sale is inevitable and we wouldn't be trying to prevent it. If we fail in that endeavour, we'll say exactly what we're going to do!"

Bracing myself, I ask what sort of reaction she's found in the City. About Railtrack's sale, this is. We're on safer ground however, talking about what other people think about Railtrack.

"Well, there's no enthusiasm for it," she explains. Her language is shot-through with thinly-veiled contempt for those who've dipped-in thus far. "The people I've spoken to who were involved in the sale of the rolling stock companies said they'd looked at the

options and the rate of return and knew that they'd have money dribbling down their face. It wasn't that they believed in the system. They just wanted the money."

In the end, she said (rather sadly, I thought) if the City thinks it's a big enough bargain, if it's sold cheaply enough, with a guaranteed rate of return, they'll buy. Then, at warp speed, she comes back to the boil and her eyes blaze.

"People like you should help us," she tells me, with passion. "If the country put enough pressure on Tory MPs in marginal seats, told them they desperately wanted them to oppose railway privatisation or they wouldn't be re-elected, we'd stop the sale."

What about the argument that the uncertainty caused by Labour's refusal to commit itself - yet - is driving down the value of Railtrack meaning that the taxpayer will get an even worse deal? She clearly thinks this is the barmiest thing she's heard today.

"If you're worried about the price being forced down, you have to ask the opposition parties not to oppose! So really that is a completely unreasonable remark: it's like saying that if we all line-up behind the Government, we'll get a better price."

No, Clare, that's not what I was asking, and you know it, I say. But there seems little point in spitting into the wind: Railtrack is not on the menu today. Pity. So we turn to franchises instead. What - exactly - will Labour do about those already let when (or rather, if) Tony Blair moves into No. 10? Confiscation is, as we know, not an option for New Labour.

"We shall regulate enormously tightly and hold them to every comma and full stop of the contracts. There will be no possibility of going back and negotiating a lesser service."

"So, if Stagecoach thinks that over time it can rationalise between bus and rail and not run what was provided in the original contract (which would be the logic of their position) - nothing like that will be permitted. If we're very tough on the terms of the franchises, it changes the whole ball game. We're not proposing to give any leeway."

"But no, you can't confiscate - we haven't said that we will and no responsible Government can," she says.

"This is not 1917 in Russia."

"...with a subject as serious as this I'm not going to come out with some sort of flip, ideological answer about what we're going to do with Railtrack."

Clare Short is frustrated - and disappointed - that widespread public opposition to railway privatisation is not feeding through into effective political ammunition. So, are we simply getting the railway we deserve?

"If more people had voted for us in the last election, it wouldn't be happening. But there will be another election and another chance. All we can do is stand up for what's right - do what's right as intelligently as it can be done - and people can choose whether to support us or not. If they don't, it's not our fault."

I've been puzzled, I tell her, at her own relatively low profile in the privatisation debate since her appointment, two months ago. Accepting that it's taken a little time to master her brief, when are we going to see her taking a more leading role? She's an acknowledged and respected political heavy-weight: why isn't she out there giving the Government a bloody nose? Most of the time, Labour's statements on rail privatisation seem to come from Brian Wilson, who's ever-ready with a soundbite for a hungry media. When are we going to see - and hear - more of her?

"You'll be getting press releases from Brian,"

she responds (a little curtly, I thought), "You'll get much more verbal statements from me."

When? "Oh, you'll see. I'm not going to make predictions. Just wait."

Indeed then, she's been true to her word and has indeed been seen swinging the blade on the front line. I'm writing this just a few hours after watching her slugging away in the House of Commons at a clearly embarrassed Sir George Young. He was, at the time, trying to make light of the Great Tilbury Ticket Scam in the same way that prime ministers try to make by-election defeats sound like double-rollover lottery wins. Her real test will come when Labour stops being coy and lets her tackle The Big One: unveiling their Railtrack policy.

In the meantime, what does she think of the Office of Passenger Rail Franchising and Director Roger Salmon - privatisation's 'invisible man?' - who no-one would dream of saying is open or candid.

"One of the options - because of course we'll have to legislate - is a short-term bill to tighten regulation, with a longer-term bigger bill to follow. One option is to abolish the organisation - even if Roger Salmon remained - and merge responsibilities with what's left of BR. That's been canvassed before."

We then touched on how other countries run their railways - and she seemed especially interested in the Swedish system, where infrastructure and operations are also divorced - but where subsidy goes to the equivalent of Railtrack, not the operators.

"That way, the marginal costs of adding to the system are cheap," she explains. "Which I think is a highly desirable model because then road and rail are on a much more equivalent basis. To add a coach to the system costs around £170,000 a year in track access charges whilst to add a coach to the roads costs between £300 and £450 in vehicle excise duty. How can you get more passengers from roads to rail with that kind of distortion?"

You can't, of course. Rail supporters have been saying it for years. Which is why it's galling when a politician cottons on to the idea like they've discovered the Holy Grail. The key question is: what is your alternative, Clare? If only you'd talk about Railtrack...

On the question of the level playing field, will Labour change the ludicrous system whereby spending on roads is always hailed in Whitehall double-speak as 'investment' whilst spending on railways is described in withering terms as 'subsidy?' Will we see an end to the ridiculous cost-benefit analysis used by the Government to reject railway schemes, because of the insistence that railways must generate an 8% return on capital investment whilst roads have to yield nothing?

"We *have* to," she insists, with confidence. "In order to organise Britain to cope with its future transport needs we cannot go on as we're doing now. We cannot go on with the structures which have biased our investment towards road as they have in the past without creating an economy that won't function."

Mind you, politicians in opposition are often long on the principles of what's unacceptable, but short on the detail of what they'd do, given the chance. T'were ever thus. Where's the beef, Clare? Where's the *detail*?

"We're saying that any transport system serving Britain has to enhance passengers using public transport - bus and rail. And we have to get more freight onto rail and the Channel Tunnel gives us a real chance to do this. We have to do it."

"The cost-benefit analyses of where to invest - we have to shift all that and it's not like I'm saying that this is Labour's choice and that there's another alternative. There IS no other choice. And it isn't just a question for those who love rail - whether you love rail or not you've GOT to do it. Even if you don't like rail

you've got to do it - because there's no other way to look after Britain's transport needs."

What about the unions? Because however carefully Clare Short and Tony Blair choose their words, however elegantly they outline their as-yet unrevealed plans as to exactly how they'll create a publicly-owned, publicly accountable railway, one thing's for certain. The unions took Blair's conference speech as heralding re-nationalisation and ASLEF Chief Lew Adams has been quite clear: he wants rapid re-nationalisation. Is this not another time-bomb, ticking away beneath Labour's aspirations? Evidence of a credibility gap between what Blair's so-called New Labour says it's going to do and what the union bosses will expect? Clare Short thinks not.

"I haven't met anyone who wants to go back to exactly where we were in the first place. The people at ASLEF and the RMT want public ownership of the rail network - to which we are committed - but we're not using the word re-nationalisation because it implies buying back everything they've sold, at market prices and putting us back to where we were in the first place. We're deliberately not using that language because it's not our policy - which is to secure a publicly owned and controlled railway to get higher levels of investment and to look for more intensive use and a big increase in freight - and we will secure that. That will be our driving objective - not going back to where we were in the first place."

"But no, you can't confiscate - we haven't said that we will and no responsible Government can. This is not 1917 in Russia."

I support the objectives of getting a fair deal, more investment and greater use for railways. All I want to know is - how, exactly, is it going to be done? She claims that railways can never be pulled out of the public sector.

"Even a Government dedicated to getting rail out of the public sector cannot do it. The franchises are let out of the public sector for seven years and then they come back - they've not gone for ever. The whole financing of the railways is still laid down in Parliament and can be amended by Parliament. They can tie up as many contracts as they like - the Chancellor of the Exchequer has year on year absolute control on how much money to pour into the system. The railways will remain absolutely dependent on the public sector; you can't remove them. You can mess it up in the way they're doing their best to do. You can fracture it. You can make it cost more in subsidy. You can make services worse. But you cannot take railways out of the public sector."

By these means, Labour thinks that life will be so miserable for franchisees that they'll be only too pleased to get out of town. But won't this simply make life miserable for passengers, as hard-pressed operators fight, cut and rationalise to safeguard their shrinking profits? "No, no, no," she exclaims. "We'll simply hold franchisees to what they've agreed - and if they can't comply they can hand the contracts back. The logic of the system as it's set up would be for early and late trains to be negotiated away - but we'll prevent them from doing that, by tight regulation."

I'd been getting the impression that our meeting was approaching its end - but suddenly she's sparking again, when I ask what she'd find helpful.

"You can tell the truth! You *could* play a game by saying 'Oh Labour's being reedy, not saying what it's going to do...but it isn't being reedy to be honest! Giving people false answers, like saying we'll re-nationalise without

compensation - as the militant might say - makes you feel good for about five minutes. But it isn't realistic and you can't do it. I promise you this: if we succeed we'll have a party and we won't have to worry about what to do with Railtrack because it never will have been privatised - and that's the best option. "Should we fail to stop the sale, we will tell you absolutely clearly what the answers are. The Government is driven by dogma and ideology and they are doing things no-one would have believed. If we can't stop them, the public has to make them pay for it."

I'd caught her glancing at her watch and took the hint. There was little new we could cover in any case - it was clear that she just wasn't going to be drawn on Railtrack - which is the hottest of this year's new potatoes. Labour will have to 'fess-up soon, though: the Railtrack prospectus will have to state Labour's policy.

Putting together some of Clare Short's comments, there are broad hints of Labour's plans. For franchisees, life will be a permanent 'work to rule.' We all know how railways grind to a halt during an operational work-to-rule - Heaven knows what chaos would flow from a strict contractual work-to-rule.

For Railtrack, the future is less clear. Clare Short was determined not to give an inch (and she didn't) but her enthusiasm for the Swedish system is interesting. Maybe that's a clue as to Labour's plans.

But what about Clare Short herself? Could we trust her with our railways? Will she be 'got at' by the road lobby, like her predecessors? Worse, will Labour do what it did in the 1960s under Harold Wilson - and quietly abandon its promises, once the keys to No. 10 are jangling in Tony Blair's jacket pocket?

Clare Short is a rarity in politics - she's got a conscience, she abhors deceit and hates compromising sincerely-held beliefs. In the past she's refused to do it and she's no stranger to resignation on matters of principle. I doubt she could live with such double standards. She seems genuine and sincere. If she says she's going to do something, she usually does it - and to hell with the consequences. Even if it makes life difficult for her. Which is *precisely* why I'm so uneasy about her reluctance to really commit on Railtrack now - for whilst Labour remains silent, the game is running the Government's way. I take her point about not wishing to surrender the battle before the first shots are fired - but we're way past that stage anyway, in the grand scheme of things.

Once she commits to something she fights for it - and she fights for it with conviction and passion. The railways need that sort of champion, for the scales have been tipped against them for too long. But if Labour is to make progress, she should be on the battlefield firing bullets right now, not sitting in the war room, like those out-of-touch commanders of the First World War, endlessly discussing strategy and 'waiting for the right moment.' By the time those generals called 'Charge!' on the Western Front, it was too late and the battle really was lost - with appalling casualties.

She *should* worry about keeping us waiting - because even Tony Blair acknowledges that Government's don't just lose elections - opposition parties have to *win* them. Especially an opposition party like Labour, which many folk are ready to believe is, at heart, the same old dinosaur, in designer make-up.

Labour's reticence about Railtrack - especially when the issue could be a vote winner - serves only to fuel suspicion about its real intentions.

So, if Blair and Clare really are serious about helping our railways, they need to lay out what they are going to do, soon. Very soon. And in great detail. 'Wait and see...' just isn't good enough. And I can't help thinking that Clare Short knows this, all too well. Time is running out.