

## Some countries are facing problems with their high speed railways

There are those that suggest we should build more high speed rail in the UK to keep up with other countries. Let us look at some of them.

### Europe

#### Belgium

The Belgian government decided not to build a high speed rail line between Brussels and Luxembourg as the result of a cost/benefit analysis. Instead they chose to upgrade the line so that the maximum speed of trains was raised to 160 kph. No doubt this is an annoyance to MEPs on their regular trips to Strasbourg as the rest of the route in France can be made in a TGV train.

<http://www.europeanvoice.com/article/imported/intra-eu-transport-set-to-continue-off-the-rails/62616.aspx>

#### France

France's plans for TGV expansion are running into financing problems because of the recession and the country's high budget deficit. *We risk having longer and longer high-speed lines which are used less and less;* so said the president of the SNCF, Guillaume Pépy. He thinks that France is going too fast in its further construction of high speed lines. TGV fares have increased by 100% in the last decade compared to about 30% for car travel. Pépy went on to say: *The whole basis of the high-speed rail revolution – that the TGV should be the "normal" means of travel, not just something affordable by the business elite – is under threat.* The SNCF president also described the state railways as: *Decaying... facing a financial impasse... and heading for the wall.* He should know better than most.

<http://www.independent.co.uk/news/world/europe/life-on-the-fast-track-thirty-years-of-the-tgv-2265455.html>

In December 2011, the French minister of transport announced that, except for the 4 TGV projects already begun or under contract, all other projects TGV projects must be re-evaluated. Money must be employed for the renovation of the existing railways. Further information in French:

<http://www.developpement-durable.gouv.fr/Assises-du-ferroviaire-assemblee.html>

#### Netherlands

The high speed line between Amsterdam, Rotterdam and Breda has been saved from bankruptcy with a £250m government bailout. It has been losing £320,000 per day due to disastrous levels of patronage. That is despite trains being slowed on the classic network in an apparent attempt to drive passengers onto the high speed line.

<http://www.telegraph.co.uk/news/uknews/road-and-rail-transport/9000166/High-speed-rail-A-250m-lesson-for-Britains-rail-enthusiasts.html>

Plans for a high speed line from Amsterdam to Germany (HSL-Oost) have been suspended. The scope of the project has been reduced, and the Dutch have no plans to run high speed trains on this route in the near future.

[http://en.wikipedia.org/wiki/High-speed\\_rail\\_in\\_the\\_Netherlands](http://en.wikipedia.org/wiki/High-speed_rail_in_the_Netherlands)

#### Norway

Doubt has been cast on plans for a high speed rail network in Norway. A former boss of the Norwegian state railway NSB has suggested that funding will not be made available to build a high speed network, and that the public are being misled on the subject.

<http://www.newsinenglish.no/2011/12/05/high-speed-train-talk-just-that/>

#### Poland

On 7 December 2011, Poland announced it was shelving plans to build a 480km Y shaped high speed rail line. Projected costs had already risen by 40%. The government will instead focus on upgrading existing lines.

<http://www.railwaygazette.com/nc/news/single-view/view/polish-high-speed-rail-project-cancelled.html>

### **Portugal**

The Portuguese government abandoned plans to construct its 3.3bn€ Lisbon-Madrid high speed rail link in March 2012. Priority will be given to building lines for rail freight instead.

Portugal previously announced two year delays to the building of the Lisbon-Porto and Porto-Vigo high speed rail lines.

Portugal's debt as a proportion of GDP was 93% at the end of 2010. In the UK the figure was 52% at the end of 2010, and is now believed to have risen to more than 60%.

<http://www.tumbit.com/news/articles/5103-portugal-cancels-ave-rail-link-with-spain.html>

<http://www.dw.de/dw/article/0,,5333784,00.html>

[http://www.ukpublicspending.co.uk/downchart\\_ukgs.php?year=1900\\_2011&chart=G0-total&units=p#copypaste](http://www.ukpublicspending.co.uk/downchart_ukgs.php?year=1900_2011&chart=G0-total&units=p#copypaste)

### **Russia**

Russia's plans to significantly expand its high speed rail network in time for its hosting of the 2018 World Cup may have been put on hold. There could be funding issues for this 5.6 trillion ruble (\$177 billion) project. One of the lines proposed would run from Moscow to Yekaterinburg and would cut this journey time from 26 to 8 hours. There has been conjecture as to how many passengers would travel on such a route.

<http://www.themoscowtimes.com/business/article/high-speed-rail-network-in-limbo/467036.html>

[http://www.channelnewsasia.com/stories/afp\\_world/view/1221669/1/.html](http://www.channelnewsasia.com/stories/afp_world/view/1221669/1/.html)

<http://en.urbc.ru/1067991076-vedomosti-yekaterinburg-moscow-high-speed-railway-project-is-doubted.html>

Russia currently has high speed rail lines between Moscow – St Petersburg and St Petersburg – Helsinki (Finland). However the former shares tracks with “classic” trains and has caused the withdrawal of a number of long-distance passenger and commuter trains and delays to other trains. Level crossings are closed 15 minutes before a high speed train arrives causing much frustration for road users. Some describe it as a railway for the elite which inconveniences the majority of the population in the regions through which it runs.

[http://en.wikipedia.org/wiki/High-speed\\_rail\\_in\\_Russia](http://en.wikipedia.org/wiki/High-speed_rail_in_Russia)

### **Spain**

In July 2011, Spain axed the high speed train running between Toledo, Cuenca and Albacete. This high speed line, which cost 3.5bn€, was opened in December 2010; however only 9 passengers (on average) used this route per day. The failed route was costing 18,000€ per day to operate. This is one of several austerity measures intended to drastically shrink public spending and reduce Spain's borrowing costs.

<http://www.telegraph.co.uk/news/worldnews/europe/spain/8603392/Spain-cuts-high-speed-ghost-train.html>

[http://en.wikipedia.org/wiki/History\\_of\\_rail\\_transport\\_in\\_Spain](http://en.wikipedia.org/wiki/History_of_rail_transport_in_Spain)

A Spanish economics professor has suggested that the country should halt high speed rail expansion. He said that “It costs much more money to build and maintain high speed rail systems than standard systems. Money Spain does not have”. Otherwise further cuts will be required in education and health spending. Existing rail lines are falling apart.

<http://www.guardian.co.uk/world/2012/may/03/spain-halt-rail-expansion?INTCMP=SRCH>

## United Kingdom

We only have the experience of HS1 to draw on. Some may remember that 18 Javelin carriages were taken out of service four months after the line was completed in 2009 due to low passenger usage. In April 2011 a Telegraph reporter noted there were more than 200 empty seats on a peak time train leaving St Pancras at 6:10pm. Off peak usage was described as 90% empty. Classic rail services have been downgraded.

<http://www.metro.co.uk/news/824624-140mph-train-service-is-reduced-after-complaints>

<http://www.telegraph.co.uk/journalists/andrew-gilligan/8423638/High-speed-rail-Britains-first-link-hasnt-worked-as-planned-say-critics.html>

## Rest of World

### Argentina

Argentina has had to scale back its plans for high speed rail as a result of its economic circumstances. In 2006 it developed plans for 710km track linking its three largest cities. Those plans have been abandoned and it will now proceed with high performance trains which have a top speed of 75 or 100 mph.

<http://www.worldpolicy.org/blog/2012/04/20/argentina%E2%80%99s-high-speed-trains-delayed-and-derailed>

### Brazil

Brazil wants to build a high speed rail line between Rio de Janeiro, Sao Paulo and Campinas; this includes two of its major cities. It has made three attempts to auction the rights to build and operate the proposed line, but has so far received no responses from potential bidders. Any private company taking on the work would have been expected to recoup its costs in 35 years.

[http://en.wikipedia.org/wiki/Rio%E2%80%93Sao\\_Paulo\\_high-speed\\_rail](http://en.wikipedia.org/wiki/Rio%E2%80%93Sao_Paulo_high-speed_rail)

<http://agmetaminer.com/2012/03/05/bad-economics-plague-brazils-high-speed-rail-plans/>

### China

China has incurred a vast amount of debt during the building of its high speed rail network. The debt was estimated to have reached 2 trillion yuan (US\$304 billion) by the end of 2010. The Chinese Railways Ministry is required to pay interest of up to 120 billion yuan (US\$ 18.26 billion) each year. Apparently the railway system is currently only able to pay interest on the debt, and is unable to repay any of debt itself.

One comment reported by Reuters may strike a chord: *Professor Zhao cited the line from eastern Henan province's capital Zhengzhou to the Shaanxi city of Xi'an as the perfect example of a white elephant rail project. "It is basically empty," he said. In the first six months after its launch in February 2010, the railway reported 1.98 million passengers. It was designed for 37 million a year.*

Out of 23 current railway projects, 70% have been suspended, partly suspended or delayed. Only 9 new railways are likely to be commissioned in 2012, compared to 70 in 2011.

Following some safety concerns, the speed of the trains has been reduced from 380 kph to 300 kph.

<http://www.wantchinatimes.com/news-subclass-cnt.aspx?cid=1502&MainCatID=15&id=20110301000115>

<http://www.reuters.com/article/2011/06/23/uk-chinas-railway-boom-hurtles-into-the-idUSLNE75M04520110623>

<http://www.telegraph.co.uk/news/9095729/Chinas-high-speed-rail-project-runs-out-of-steam.html>

<http://www.ft.com/cms/s/0/3d859f1e-a1a1-11e0-b9f9-00144feabdc0.html#axzz1Qe9CBrd8>

On 23<sup>rd</sup> July 2011 one high speed train came to a halt after a lightning strike disrupted its power supply. The following train crashed into it as its electronic safety system apparently failed to operate. More than 30 people were killed.

<http://www.bbc.co.uk/news/world-asia-pacific-14289033>

This Washington Post article brings together many of the issues faced by the high speed railways in China. Its title is somewhat misleading.

<http://chinawatch.washingtonpost.com/2012/01/high-speed-trains-head-back-on-track.php>

In March 2012 a section of unopened high speed rail collapsed after heavy rain, which renewed safety concerns.

<http://www.bloomberg.com/news/2012-03-12/unopened-china-high-speed-rail-section-collapses-after-rains-xinhua-says.html>

### **Morocco**

Work has started on a 300km high speed rail line between Tangiers and Casablanca which will cost in the region of \$4 bn. However Morocco is a poor country and critics suggest that the money would be better spent on building schools and hospitals and improving the existing rail network which is in a terrible condition. There is also concern as to how the debt created by building the line will be serviced.

<http://www.nytimes.com/2012/04/19/world/africa/moroccos-high-speed-train-not-yet-on-track.html?pagewanted=all>

### **Taiwan**

In 2009 it became necessary for the Taiwanese government to take over the running of the Taiwan High Speed Rail Corporation as it was almost bankrupt, two years after it first started running its high speed trains. One of the contributing factors to the financial problems was that passenger numbers were approximately one third of those that had been forecast.

<http://ccsenet.org/journal/index.php/ijbm/article/view/6370/6325>

Taiwan's high speed rail system is suffering from subsidence on some of its lines, which is reckoned to be between 5 and 7cm per year. It is now planning to spend US\$18bn to seal off 1000 wells to reduce further subsidence.

<http://www.freemalaysiatoday.com/2011/07/26/taiwan-to-seal-1000-wells-to-save-high-speed-rail/>  
<http://www.taiwantoday.tw/ct.asp?xItem=172854&ctNode=445>

### **Thailand**

In August 2011 the Thai government withdrew its plans to build a 1600 km high speed rail line from the Laos to Malaysian borders which had formed part of a Chinese master plan to connect up to eight countries. Instead it intends to go ahead with building three separate regional lines which will provide 1160 km of high speed rail. Plans have altered as a result of a change of government and concerns about safety issues following incidents in China.

<http://eandt.theiet.org/news/2011/aug/thai-rail.cfm>

### **USA**

The USA has one high speed rail line which runs between Washington and Boston. Its maximum speed of 150 mph is reached on two short sections, but it averages just 68 mph over the length of its route.

[http://en.wikipedia.org/wiki/High-speed\\_rail\\_in\\_the\\_United\\_States](http://en.wikipedia.org/wiki/High-speed_rail_in_the_United_States)

In February 2011, Florida's governor Rick Scott turned down a \$2bn government incentive to develop a high speed rail link from Tampa to Orlando. He believed passenger numbers to be overestimated, and that the state would have to pick up the bill for subsidies because the line would be unable to pay for itself. His decision follows very similar decisions made in Ohio and Wisconsin.

<http://www.nytimes.com/2011/02/17/us/17rail.html>

<http://www.reuters.com/article/2010/12/09/us-usa-infrastructure-highspeedrail-idUSTR6B860B20101209>

In California, there is growing anxiety about the planned high speed rail system. Projected costs have more than doubled to \$98bn and the completion date has slipped by 13 years to 2033. More than half of those polled are now against this high speed line.

[http://www.paloaltoonline.com/news/story\\_print.php?story\\_id=23483](http://www.paloaltoonline.com/news/story_print.php?story_id=23483)

Congress may stop funding the proposed high speed rail system in California. In April a highly critical report was published concerning this Californian project.

<http://www.mcclatchydc.com/2012/04/20/146185/congress-poised-to-reject-high.html>

[http://www.huffingtonpost.com/2012/04/19/california-high-speed-rail-lao-report\\_n\\_1438639.html](http://www.huffingtonpost.com/2012/04/19/california-high-speed-rail-lao-report_n_1438639.html)

### **Major countries currently without high speed rail**

Australia, Brazil, Canada, India, Indonesia, Mexico and Poland.

### **Conclusion**

What can we learn from this? There is a tendency to overestimate demand for high speed rail lines. Aalborg University found that nine out of ten rail projects overestimated passenger demand, the average overestimation being 106%.

<http://seekerblog.com/2010/08/31/high-speed-rail-inaccuracy-in-traffic-forecasts/>

Serious financial difficulties have been experienced on some of the more recently constructed high speed lines. Several studies have indicated that the vast majority of high speed lines across the World require an ongoing subsidy, which runs into billions of pounds per year per country.

<http://www.cc-hsr.org/assets/pdf/bnote-6.pdf>

A government with a high level of debt finds it prudent to suspend further investment in a high speed rail project.

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