

FINAL REPORT

Western Development Commission and County Development Board Seminar on the Strategic Rail Review 2003

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Claremorris, Co. Mayo**

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Acknowledgements

The Western Development Commission and the County and City Development Boards of the Western Region would like to thank all who made presentations at the Rail Seminar:

Mr. Éamon Ó Cuív, T.D., Minister for Community, Rural and Gaeltacht Affairs

Mr. J.Vinois, Head of the Railway Transport and Interoperability Unit of the Directorate-General for Energy and Transport of the European Commission

Mr. Andrew Cullen, Assistant Secretary, Public Transport, Department of Transport

Mr. Myles McHugh, Business Development Manager (West), Iarnród Éireann

Mr. Michael Reidy, Manager of Programmes & Projects, Iarnród Éireann

Mr. Frank Dawson, Director of Services, Community and Enterprise, Galway County Development Board

Mr. James Nix, Transport Researcher, Dublin Institute of Technology

Dr Michael McGréil, Secretary, Western Inter-County Railway Committee

Mr. Jim Deegan, Rail Tours Ireland Limited.

The findings of this report represent the views of those who made presentations at the seminar and those who attended .

1. Introduction

As part of its continuing focus on infrastructure provision in the West and in the aftermath of the publication of the Strategic Rail Review (SRR), the WDC in conjunction with the eight County and City Development Boards, hosted a Rail Seminar in Claremorris on April 22. The purpose of the Seminar was to inform participants of the contents of the SSR, stimulate debate and facilitate the formation of a regional response.

Attendees included representatives from the public, private and voluntary sectors.

The objectives of the Seminar were

1. To inform those active in development at a local level in the Western Region of the Strategic Rail Review, its recommendations and implications for the Region.
2. To hear views on the Strategic Rail Review from interested parties in the European Commission, the Department of Transport and Iarnród Éireann.
3. To identify and discuss the key issues arising from the SSR and how they might best be addressed.

There are two sections to this report. The first section gives an overview of presentations at the Seminar. In the second section conclusions and recommendations are set out. It is important to note that the conclusions are based on issues raised both by those who presented and those who attended.

All presentations made at the Seminar are available on the Western Development Commission's website www.wdc.ie

2. Presentations

Section 1 contains an overview of the presentations. (see Seminar Programme in Appendix 1).

2.1 European Transport Policy

Mr. Vinois outlined the trends in rail transport and presented an overview of the new EU Framework for Revitalising the Railways.

European Union railways have received an increasing amount of public financial support over the past ten years (see Appendix II). The following trends however are significant:

- a 17% increase in passenger rail numbers between 1990 and 2002;
- a decline in the use of rail freight in the EU, down 13.9% between 1980 and 2000;
- due to continuous improvements in rail, it is now the safest mode of transport¹;
- an increase in high-speed rail traffic;
- a decrease in conventional international passenger services, growth of regional and suburban services;
- a sharp decrease in rail employment - from 1,700,000 in 1980 to 700,000 in 2000.

The aim of European transport policy is to

1. Optimise the use of existing infrastructure
2. Favour environmentally sustainable uses of transport²
3. Develop fair and efficient pricing mechanisms³
4. Provide high quality and safe services to customers

Some of the policy measures being debated and developed over the coming months are relevant to Ireland. Broad agreement on these will be finalised before the end of 2003. They include:

- open access for international freight services on the whole EU network from 2006 and to national services from 2008;
- pricing mechanisms;
- a directive on railway safety with the creation of national safety authorities and independent investigation bodies for accidents;
- ensuring interoperability of the network; in Ireland this applies to the only Trans European Network line i.e. Belfast - Dublin – Cork;⁴

¹ Unfortunately rail receives bad press when accidents occur when the reality is that there are far more fatalities in the EU from road transport, 42,000 p.a., than rail transport. In 1998, (the latest year for which data is available) there were 953 fatalities in the fifteen EU member states in accidents involving railways including at railway crossings.

² These include rail, inland waterways and short-sea shipping.

³ In Germany, a tax of 12 cents per kilometre travelled is to be levied on trucks and lorries from September 2003. The European Commission has proposed a new Directive which will allow Member States to include environmental and accident costs in road tolls.

⁴ The Maastricht Treaty gave the EU the task of helping to establish and develop trans-European networks of transport, telecommunications and energy infrastructures. The purpose of these networks is to link island, landlocked and peripheral regions with the central regions of the EU. They depend primarily on the interconnection and interoperability of national networks.

- the creation of a European Railway Agency.⁵

The two major challenges that lie ahead for European Union members are

1. European enlargement - twelve accession countries will join the EU on May 1st 2004;
2. Financing of both the Trans European Network⁶ approach and the revision of funding perspectives 2007 - 2013.

In response to the Strategic Rail Review, Mr. Vinois expressed two main concerns. The first of these was the lack of reference in the SSR to the EU White Paper - *European Transport Policy for 2010 – Time to Decide* in general, and EU Directives on Rail in particular (as discussed above). The second was that rail freight's share of freight traffic in Ireland is in serious decline. It is important that Government looks at this carefully. In order to encourage commercial innovation in the rail freight sector, it could be recommended to open up access to the rail freight infrastructure to private operators. The EU Commission has secured broad agreement on open access for international freight services on the whole rail network from 2006 and for national freight services from 2008⁷. This agreement is to be sanctioned by the European parliament and the European Council by the end of 2003.

In his concluding remarks, Mr. Vinois expressed the need to encourage national debate on deregulation and stressed the need for political will to push this. When asked his views of the Western Rail Corridor, Mr. Vinois stated that its development is a decision that must be made in the first instance at a national level, in line with the principle of subsidiarity.

2.2 Department of Transport

An overview of the Strategic Rail Review (SRR) and its recommendations was outlined by Mr. Andrew Cullen, Assistant Secretary, Public Transport, Department of Transport. Mr. Cullen emphasised the importance of the SRR.

It evaluates long term national requirements in light of the emerging spatial planning and regional development trends and policies from a national perspective. It is a basis for establishing a strategic policy and decision-making framework for the development of Ireland's railways and reaffirms the government's commitment to revitalising the railways after a legacy of under-investment.

According to the consultants, Booz, Allen and Hamilton, the SRR has taken account of the National Spatial Strategy, Regional Land Use and Transport Plans, studies, and submissions from interested parties and the EU White Paper - *European Transport Policy*

⁵ Other measures proposed and relevant to the Irish case include access to the infrastructure for international passenger services, further discussions on the draft regulation on public service obligations, rights and obligations of rail passengers, freight quality and drivers licence directive.

⁶ Revision of the Trans-European Network guidelines will take place before end of 2003 and discussion on these will take place in the EU parliament throughout 2005/2006.

⁷ This agreement took place in March 2003.

for 2010 – Time to Decide. The goals for the future development of the railways as set out in the Strategic Rail Review are set out below.

- Raise standards and performance and increase rail patronage and market share.
- Develop a system that is consistent with the philosophies underpinning the National Spatial Strategy.
- Build on recent investments (e.g. Rail Safety Programme, new rolling stock)
- Deliver benefits to the State over the decades to come.
- Be environmentally sustainable and economically responsible.
- Provide consistently high quality services.
- Continue to be a significant employer and increase contributions to the economy.

The SRR outlines three options for the future of Irish railways. These are ‘Do Nothing’, ‘Stay in the Game’ or, ‘Go for Growth’. In Table 1 below Options Two and Three and their features and costs are presented.

Table 1. Strategic Rail Review Options for the future of Irish Railways

Options	Features	Costs
2. Staying in the Game	Replace ‘life-expired’ assets On-going renewals Accommodate underlying demand growth trends within current spending limits	€4.6 billion over 20 years €229 million per annum (€280m spent in 2002) 1% - 2% increase in annual subvention
3. Recommended Investment Strategy ‘Go for Growth’	New lines Faster trains More services / more frequent Increased market share (diversion from road)	€8.5 billion over 20 years €425 million per annum €50-80 million increase in annual subvention (assuming no productivity gains)

Source: Department of Transport presentation to Rail Seminar, Claremorris, Co. Mayo, 22nd April 2003.

Mr. Cullen stated that decisions about the future of the railways need to be made now. To simply 'Stay in the Game' major investments are needed that are estimated to cost €229 million per annum⁸. To generate benefits and meet the goals of the SRR, a commitment to the Recommended Investment Strategy (RIS) under 'Go for Growth' is required. This would require an additional annual expenditure of €425 million plus €50 - €80 million in annual subvention. Key deliverables of the RIS are included in Appendix III.

Implementation of the RIS will present a major challenge to railway management and government. The Minister for Transport, Seamus Brennan, TD, is keen to add value by involving the private sector in both project and service delivery. Public, Private, Partnership options proposed in the RIS are set out in Appendix III

The Strategic Rail Review states that rail freight traffic volumes and revenues are in decline. Most traffic yield is low and produces negative returns. Rail freight faces tough competition from a better road infrastructure and more efficient road vehicles and

⁸ Current exchequer railway capital spending is adequate to fund Staying in the Game.

operators. Staff morale is low, the customer base is very concentrated and most rolling stock is near life-expired. The four broad freight options proposed in the SRR are

1. Continue policy/situation ('Do Nothing').
2. Stimulate Iarnród Éireann to improve its position⁹.
3. Secure active involvement of government to grow the rail freight business, based on broad socio-economic and environmental criteria.
4. Limit Iarnród Éireann's role¹⁰.

Freight, within Iarnród Éireann¹¹ is to be operated on a separate basis within the company with clear rules on accounting separation, access to the network and charging for infrastructure and 'internal' (i.e. within IÉ) services procurement. Iarnród Éireann and the Department of Transport are to agree and implement a methodology to support the rail freight sector.

Department of Transport's Response to Strategic Rail Review

The Department broadly endorses the Strategic Rail Review and is currently participating in the preparation of Strategic Planning Guidelines by Regional Authorities. In his presentation Mr. Cullen emphasised that the SRR is not set in stone and that responses to the Review will be considered. However, specific rail projects brought forward will be subject to the usual business case analysis.

Western Rail Corridor

The Strategic Rail Review states that the total capital cost of the Western Rail Corridor (WRC) is €572 million. It also states that the WRC has a negative Net Present Value and shows weak benefit to cost. The WRC is therefore not listed as a priority under the Recommended Investment Strategy. The conclusion of the consultants', Multi-Criteria Analysis is that a more detailed investigation would be needed before the WRC could move up the 'priority' scale.

2.3 Iarnród Éireann

Mr. Myles McHugh, Business Development Manager and Mr. Michael Reidy, Manager of Programmes & Projects, from Iarnród Éireann responded to the Strategic Rail Review saying that

it is a comprehensive review of the current position and unlike other reports of the past has identified the real benefits and costs. The Review indicates a strong future for rail transport in Ireland.

They outlined Iarnród Éireann's investment in rail infrastructure for the next three years and their current and future investment strategy. This includes CTC signalling on the Dublin - Galway Route,¹² the provision of new intercity carriages (€116m) and the implementation of a Railway Safety Programme (€550m). Iarnród Éireann stated that the current growth in demand is for commuter and intercity services. Key projects on the

⁹ Selective pruning of loss-making traffics, focus on cost reductions/productivity gains etc.

¹⁰ Examples include introducing new logistics partnerships and partner with private sector in road/logistics businesses.

¹¹ Note that freight within Iarnrod Éireann includes both road and rail.

¹² CTC signalling on the Dublin - Galway Route is due to be commissioned in June 2003.

Galway/Dublin, Westport/Dublin and Sligo/Dublin Routes and timeframe are set out in Appendix IV.

2.4 James Nix

Mr. James Nix from Dublin Institute of Technology highlighted the current state of rail freight in Ireland and suggested innovative approaches for its future development. He points out that

having spent €1 billion on new track in Ireland will we still see railway lines with no more than three trains per day. Rail freight is finding it difficult to compete because of the very little use being made of the investment. Rail freight is at risk of irreversible decline if the current policy vacuum continues.

Mr. Nix presented what he considered two innovative and cost effective approaches to assisting the development of rail freight. They were the introduction of rail freight allowances. (For example, a €5.4m boost to the rail freight sector, comes at less than one-tenth the cost of transferring all existing rail freight to road through the introduction of rail freight allowances).¹³ The second was the introduction of innovative rail freight transport wagons¹⁴.

Mr. Nix pointed to the errors made by the consultants of the Strategic Rail Review on aspects of the Western Rail Corridor. He also suggested ideas to reduce the real cost of the development of rail projects including, for example, use of sleepers made from recycled plastic, the automation of all level crossings and the use of better pricing systems to encourage an even patronage on intercity trains throughout the day.

2.5 Minister Eamon Ó Cuív

Minister Ó Cuív indicated that the Minister for Transport, Minister Brennan has made a commitment that the railway network will remain in public ownership.

The Minister in his address, advised that the Regional Authorities must work with the Consultants (BAH) to progress the Western Rail Corridor. The Minister is particularly interested in the Sligo-Galway line, partly because much of this is in a Clár area, but also because this is the hardest part of the network (from a commercial point of view) to operationalise.

The Minister stated that we must be prepared to look at radical initiatives, for example identifying what the design, build and operation of the Western Rail Corridor would entail. He also argued that every section of the Western Rail Corridor which is re-opened is a section progressed, for example the Ennis to Limerick section. He pointed out that long-distance travellers are less frequent than commuters and that one of the big attractions of the Western Rail Corridor is its commuting elements.

In reference to the concept of balanced regional development, the Minister stated that there is no point in talking about balanced regional development if there is not a willingness to adjust spending and invest in the region. At the same time the Minister

¹³ Further details can be seen in Mr Nix's paper in www.wdc.ie

¹⁴ Ibid.

believes that it is worth preparing the case for investment now, so that when funding is made available to invest in the West, there will be a project available to absorb it.

2.6 Expert Panel

Mr. Frank Dawson, Director of Services, Community and Enterprise, Galway County Development Board, challenged the findings of the SSR under two main headings: Radial Routes and the Western Rail Corridor. His main criticisms of the Review in relation the Sligo–Dublin, Westport–Dublin and Galway—Dublin radial routes are summarised in Table 2 below.

Table 2. Strategic Rail Review Radial Route Flaws Identified by Frank Dawson, Galway CDB

Proposed investment of €1,149 million is high for the three radial routes. These routes have been substantially rebuilt with new track in recent years. New CTC signalling being installed at present.

No details given of what the €70m 'Galway Station development' entails.

A train every two hours, six days a week on each of the three routes is proposed. Still no indication that trains arriving from Dublin will reach Sligo, Castlebar or Galway before 9.00 am.

Review states *no additional rolling stock* and *no new stations*. Does this rule out Oranmore as a new station, for which Galway County Development Board has made a case?

Appears to be no commitment to new rolling stock for these routes.

No recommendations in respect of commuter services on the three routes. The results of the 'Halcrow Rail South Sligo Rapid Rail' proposal not assessed in the SRR. Ballinasloe not prioritised as a Galway bound commuter service.

Consultants appear to be unaware of the renewal programme nearing completion on the Ennis-Limerick section and the contribution this could make to the introduction of commuter services in the Shannon area.

SRR suggests that a key step in achieving journey time reductions will include *reducing the number of intermediate stops at smaller stations*.

There is evidence of a huge contrast in ticket prices for journeys undertaken at regional locations when compared with equidistant journeys in the Dublin region.

The SRR fails to recommend that trains servicing rural communities operate with similar priced fares to those priced for equidistant journeys in the Dublin area.

Decisions such as whether or not to serve a railway station should not be at the sole discretion of Iarnród Éireann. Public transport decisions will have to become more open to user influence.

Mr. Dawson rejects the assertion in the SRR that the *evaluation of and justification of transport schemes at the local level is not always rigorous or consistent with goals and objectives that reflect some level of national policy guidance*. The Local Government Act 2001 places a responsibility on County and City Development Boards to make recommendations to any public body as to the way in which their policies and programmes should develop and operate.

Mr. Dawson also outlined the serious flaws in the SRR in relation to the Western Rail Corridor (WRC). The most serious of these is the cost of the WRC. The Strategic Rail Review states that the WRC will cost €572 million. Mr. Dawson points out that this is in stark contrast to the Iarnród Éireann website, date 12th November 2002 which stated that the

total cost of track and other infrastructure renewal, providing rolling stock and developing station facilities along the Western Rail Corridor for a passenger service would be close to €100m.

The real capital cost of the Western Rail Corridor was outlined by Mr. Dawson as follows.

Sligo-Limerick is 145 miles. Sligo/Collooney and Ennis/Limerick are being renewed at present. Residual Collooney-Ennis section is 114 miles

114 miles @ €825,000 per mile track	€94m
Level Crossings & Signals using BAH values	€76m
10 Stations using BAH values	€15m
9 Long-Distance Diesel Multiple Units	€18m
6 Suburban DMUs	€12m
Total	€215m

The total capital cost of the Western Rail Corridor is overstated by €357million (266%), according to Mr. Dawson. Additional flaws identified by Mr. Dawson and other WRC advocates are summarised in Table 3 below.

Table 3. SRR Flaws related to Western Rail Corridor identified by WRC Advocates

Strategic Rail Review	Advocates of Western Rail Corridor
WRC is Sligo-Cork	WRC is Sligo-Limerick
Sligo to Cork is 420km	Sligo to Cork is 360km
Old alignment track cost per mile €2.4m	Iarnród Éireann figure is €825,000 per mile
72 loco-hauled carriages are required	15 DMUs are required
No time-savings on the WRC	Sligo/Cork: Bus - 7 hrs. Train 5 hrs.
No detailed catchment data available	Catchment data is available from local authorities on request
No partnership for scheme	The statutory based City & County Development Boards supporting the Western Rail Corridor represent all local authorities, local development agencies, state agencies, and social partners, including approximately 4,000 community and voluntary groups.
Galway-Cork has all the advantages of the full Western Corridor	Not for the Galway - Sligo route
No studies available	Numerous studies have been undertaken both by both individuals and by the City & County Development Boards Report (2002)
No ongoing documented formal consultation with public and statutory bodies	Published CDB Strategies

Dr. Micheál Mac Gréil, Secretary of the Western Inter-County Railway Committee, welcomed the publication of the Strategic Rail Review and complimented those who prepared it on the valuable information it provides on railways and their potential. However his view was that the SRR must be evaluated in the context of the Government's commitment to balanced regional development and in this regard it exhibits a lack of understanding of the National Spatial Strategy (NSS). The Strategic Rail Review, he stated, *seems to accept that the National Spatial Strategy idea of 'Regional Development' is limited to areas where there is established 'critical mass' (of the type and scale capable of competing with the greater Dublin Area). This means developing Cork, Limerick/Shannon, Galway and Waterford.*

Additional new schemes should support the policy approach taken by the NSS. The three new schemes named in the Strategic Rail Review are: Cork Suburban, Galway-Cork (via Limerick) and Limerick-Shannon-Ennis. Dr. Mac Gréil pointed out that Cork Suburban is the only scheme that is included in the Recommended Investment Strategy and that again *this bodes badly for the West of Ireland*¹⁵.

Dr. Mac Gréil welcomed improvements carried out on radial lines and the proposed further developments. However, *inter-regional services (not 'in and out' through Dublin)*

¹⁵ The SRR states that many of these schemes '*perform poorly when projected patronage is factored in due to current levels of development and population density along the lines in question*'.

have been neglected by Irish transport planners to date (apart from some relatively small contributions to the N17 and a few other cross-radial roads.) This Review seems weakest in this aspect of a national rail strategy.

The only presenter from the private sector, Mr. Jim Deegan of Railtours Ireland, gave an overview of his tourism business and spoke positively about his working relationship with Iarnród Éireann. Mr. Deegan described how he provides a high quality product to tourists, offering them a one-day tour of parts of Ireland via the Irish Rail Network. Like other speakers, he expressed his disappointment with the Review stating that *its findings are flawed* but highlighted again that the Review is not a blueprint. He also pointed out that the report *concentrates on Rolls-Royce solutions but, strangely, has ignored areas where vast improvements can be made with little capital expenditure. One such project is Mayolink.*¹⁶

2.7 Contributions from the Floor

Several contributors from Donegal expressed anger at the relative isolation of Donegal and the focus on the Western Rail Corridor. It was pointed out that the Dublin-Sligo line is very important for South Donegal and this line needs to be up-graded.

Dana Rosemary Scallan MEP and member of the Committee for Transport and Regional Development pointed out that there is a report due soon on the Cohesion Funds (much of which is expended on transport and the environment). She noted that the level of cohesion funding available in the future will be very limited.

Dr. Seamus Caulfield had several criticisms of the Strategic Rail Review, the most relevant of which are summarized below¹⁷.

- There is an unacceptable level of careless blatant errors in simple computations which may not be significant in themselves but which give rise to questions about the accuracy of the mathematical calculations in Cost/Benefit analyses.
- There is also a lack of geographical precision including, for example, the way that Metropolitan Dublin is defined and the accuracy of rail distances, for example the 39.5 km. Ennis to Limerick rail distance is given as 66 km.
- The timing of expenditure over the programme period is also questioned. The Review recommends that less than 8% of total programme expenditure should take place in the first phase (2002 – 2008), while just 15% is to be spent during phase 2 (2009-2014) and the bulk of this will be in 2014. Over three-quarters (77%) of the total expenditure will be in Phase 3, between 2015 and 2022. This delay of ten years is incompatible with one of the terms of reference of the Review which was

¹⁶ The Mayolink project proposes a commuter link from Ballina to Castlebar using spare carriage capacity from the Dublin - Westport line.

¹⁷ Dr. Seamus Caulfield's paper on the Strategic Rail Review is available on the WDC's website at www.wdc.ie.

*to ensure the **timely** and cost effective delivery of the accelerated investment in infrastructure and facilities necessary to ensure improved public transport provision. (Emphasis added).*

- A similar lack of priority is evident when looking at the proposal for the upgrading of services on the Galway-Dublin line. It is acknowledged that higher frequency and better timetabling is required and passing bays are recommended. However, the first investment in passing bays is proposed between Galway and Athlone sometime between 2009 and 2014. Another €3 million is proposed for a bay between Athlone and Portarlington and a further €3 million on “another passing bay” between Galway and Athlone in the period 2015 to 2022. Despite the limitations of this line, it is proposed to spend €70 million on Galway City terminal (which is the one of the best located terminals in Ireland) between 2003 and 2008. The exact nature of this investment and its need is not specified.
- On the Western Rail Corridor, Dr. Caulfield, queried the rail distances cited in the SSR between Ennis and Limerick and the consequent cost of upgrading the route. There also appear to be a lack of recognition of work done to-date on upgrading this line. He also queried the proposed operating expenditure required on the Galway to Cork segment of the route, and indicated that it appears very high, relative to other proposed improvements. Consequently, he stated that all three schemes associated with the Western Corridor appear to have had their construction costs inflated by between €60 million and €100 million for a line upgrade that is already nearing completion at this stage. He maintained that the aggregate figure of almost €2 billion estimated as the costs under New Schemes, almost €220 million is attributed in error to the upgrading of the Ennis –Limerick line.
- Dr. Caulfield concludes that the analyses in the Strategic Rail Review require the absolutely correct inputting and calculation of data, otherwise the results and all rankings are meaningless. Before the Review can be accepted as the strategic way forward for Rail for the next twenty years, it is essential that all errors are removed, all calculations are double checked and correct data are inputted in analyses of costs etc. In addition all data and mathematical procedures should be made available for independent scrutiny.

John Morgan, Galway Co. Co. pointed out that little is known of the underlying assumptions of the cost-benefit analysis of the Strategic Rail Review. For example, it is not clear as to how costs such as environmental, road safety and road maintenance costs are measured. He requested that the Department of Transport make this information available.

3. Conclusions

The general consensus emerging from the Seminar was a welcome for the Strategic Rail Review. However, there was considerable concern over the serious flaws within the document and its failure to address the concept of balanced regional development. The conclusions listed below arise not only from Seminar presentations but also from comments made by the participants who attended. The number and the various organisations they represent can therefore be taken as a good reflection of opinion in the Western Region. A list of attendees is included in Appendix V.

3.1 Balanced Regional Development

- Government commitment to balanced regional development is set out in the National Development Plan 2000-2006 and endorsed by the adoption of the National Spatial Strategy in December 2002. According to the consultants, Booz, Allen and Hamilton, the Strategic Rail Review is underpinned by the philosophy of the National Spatial Strategy. Those who attended the Seminar and several presenters strongly contested this. The Review, in the opinion of for example, Frank Dawson, Dr. Seamus Caulfield & Dr. Michael McGréil, Mr. Gerry Finn (Director BMW Regional Assembly), Denis Naughten T.D., does not address balanced regional development.
- The Review is underpinned by a development model, which prioritises infrastructure projects based on the existence of critical mass. Those concerned with a balanced approach to development advocate that public infrastructure be put in place in advance of ‘viable demand’ in the weaker parts of our country, while not denying a response to the needs of the already developed parts of the state. These sentiments were echoed by Éamonn Ó Cuiv, TD, Minister of Community, Rural and Gaeltacht Affairs, who stated that *if new infrastructure projects are not developed in the West, there is no point in having a National Spatial Strategy*. The policy on the provision of advanced infrastructure ahead of actual need is included under the ‘Strategic Infrastructure Priorities’ of the National Spatial Strategy¹⁸.
- The authors of the SSR have little concern for rural development. Reducing the number of intermediate stops at smaller rural stations seems to be a means of shortening journey times on radial routes. If implemented, this could cause a grave threat to rural towns and communities, many of which have been zoned as growth settlements by local authorities in Western Region counties. There is evidence of huge contrasts in ticket pricing for passenger services in regional areas compared to equidistant journeys in the Dublin region¹⁹. Such a system does little to encourage rail commuting in the region.

¹⁸ National Spatial Strategy, 2002 Department of the Environment & Local Government, pg. 70.

¹⁹ Athlone – Galway (21kms): €8.50 return. Bray – Dublin (22kms) €3.50 return.

- Commuter routes in the Region is not considered by Booz, Allen and Hamilton, despite their inclusion in the Terms of Reference for the Review. Submissions of viable commuting proposals from the Region have been omitted. The only new commuting scheme included in the Recommended Investment Strategy is Cork Suburban.

Although investment in radial routes is welcome, there are questions around the consultants proposed estimate of €1,149million²⁰ to develop the Sligo-Dublin, Westport/Ballina-Dublin and Galway-Dublin lines. Over the last number of years these radial routes have been substantially rebuilt with new track. Many participants believe that this money could be better spent on improved service provision on radial routes and, in line with NSS thinking, on new cross radial/interregional projects such as the Western Rail Corridor. Inter-regional services have been neglected by Irish transport planners to date. The Review seems weakest in this aspect of a national rail strategy.

3.2 The Western Rail Corridor

There are serious errors in the Strategic Rail Review in relation to the Western Rail Corridor.

- The Review states that the total capital cost of the Western Rail Corridor (WRC) is €572 million. It also states that the WRC has a negative net present value and shows a weak benefit to cost ratio. The WRC is therefore not listed as a priority under the Recommended Investment Strategy. The scheme is viewed by the consultants as requiring further detailed evaluation *using the approach in the Review in the context of securing progress in advancing and adopting complementary land and transport policy at the regional and local levels in the areas concerned*. According to the consultants multi-criteria analysis, a more detailed investigation would be needed before the WRC could move up the 'Priority' scale.
- Seminar presentations from regional experts showed that the actual cost of the WRC is estimated at €215 million and concluded that the review has overstated the cost of the WRC by 266%. A reflection of level of anger regarding flaws of this nature was reflected in one attendee's concluding remark - *decisions costing millions made on the back of documents such as this is ridiculous. Other participants stated that Civil servants and Ministers seem more interested in the Western Rail Corridor than the consultants*. Another attendee remarked that: *investing in radial routes is reinforcing the trend that the NSS was designed to counteract*. It was also noted that *this line (the Western Rail Corridor) serves two-thirds of the country (physical land mass)*.
- A number of other flaws were outlined, one of the most predominant being the misinterpretation of the distance of the WRC which, it was claimed, was overstated by 60km. Seminar attendees disliked issues raised in the document such as the alleged lack of a partnership approach in the Region to develop the WRC and the lack of

²⁰ Strategic Rail Review, pg. xii. This sum is based on both the Staying in the Game and Going for Growth elements over the entire period 2003-2022.

ongoing documented formal consultation with public and statutory bodies. A true partnership in support of the WRC does exist in the form of the statutory based City and County Development Boards which represent all local authorities, local development agencies, state agencies, and social partners, including approximately 4,000 community and voluntary groups in the Region.

- When questioned directly on the flaws contained in the SRR, representatives from the Department of Transport stated that it is willing to accept responses to the Review from the regional interests. However, any specific rail projects brought forward will be subject to *usual business case analysis*.
- When questioned by placing priority on developing current radial routes, ensuring rail safety and the replacing of carriages - *there are so many projects competing for a relatively small amount of funds*. These views were echoed by the representatives of the Department of Transport, who stated that the provision of sufficient rolling stock to replace very old infrastructure will be priority.
- When pressed by participants on its commitment to new projects, Iarnród Éireann did commit to working closely with those who would undertake a major study of the Western Rail Corridor. On the Western Rail Corridor, Iarnród Éireann, argued that planning has to be undertaken in relation to three criteria:
 1. the funding required
 2. the backlog of other demands/priorities
 3. EU rules on funding.
- In relation to Mayo Link, Iarnród Éireann *did commit to research the market this year to establish they need for Mayo Link*. They did however point out that Bus Éireann currently operate this route (between Ballina and Castlebar) and that it is not being very well supported.
- On the issue of different fares in different parts of the country for equidistant journeys, Iarnród Éireann pointed out that fares policy is decided nationally, but it will be examined. It was noted that this issue had not been brought to their attention before.
- It was also pointed out by Iarnród Éireann, that they were active in discussions on the implications of the NSS and other policies, however the economic returns of any proposal also need to be examined.
- The Minister for Transport's press release on the day of the Seminar was seen by participants as the first positive step for the future development of the Western Rail Corridor. The press release states that the Minister is *making available immediately the consultants who drew up the Strategic Rail Review to work with regional authorities and other interest groups to develop a realistic and viable plan for the proposed Western Rail Corridor. The Department of Transport would fund the*

*involvement of the consultants, Booz Allen Hamilton, in putting together in consultation with the proposers a detailed plan for the proposed rail infrastructure*²¹.

In relation to questions from political representatives regarding the SRR's failure to address balanced regional development, representatives from the Department of Transport suggested that this debate might continue in the Dáil. They did state that they will prioritise the improvement of infrastructure connections between gateways. Gateways designated in the NSS include Dublin, Waterford, Cork, Limerick/Shannon, Galway, Athlone/Mullingar/Tullamore, Sligo, Letterkenny and Dundalk.

3.3 European Transport Policy

The EU is moving towards implementing transport policy that optimises the use of existing rail infrastructure, favours environmentally sustainable uses of transport, uses fair and efficient pricing mechanisms and provides high quality and safe services to customers. Any national rail framework has no option but to include EU policy thinking in both its strategy and implementation. From a European perspective there are two main concerns with the *Strategic Rail Review*.

- Lack of reference in the report to the EU White Paper – *European Transport Policy for 2010 – Time to Decide* in general, and EU Directives on Rail in particular.
- Rail freight's share of freight traffic in Ireland is in serious decline. It is important that Government looks at this carefully. In order to encourage commercial innovation in the rail freight sector, it could be recommended to open up access to the rail freight infrastructure to private operators. The EU Commission has secured broad agreement on open access for international freight services on the whole rail network from 2006 and for national freight services from 2008²². This agreement is to be sanctioned by the European Parliament and the European Council by the end of 2003.

It must be noted that after May 2004, ten new countries will form part of the European Union. Enlargement will pose a huge challenge for the EU and its member states when preparing the 2007 - 2013 financial perspectives. Impending changes which may reduce the amount of EU funding available to Ireland for transport include

- loss of Cohesion Funding
- ending of Objective 1 status
- enlargement leading to less structural funds available to Ireland
- Ireland may soon become a net contributor to the EU.

3.4 Rail Freight

According to the Strategic Rail Review, rail freight traffic volumes and revenues are in decline in 2002. Most traffic yield is low and produces negative returns. Rail freight faces tough competition from a better road infrastructure and more efficient road vehicles and

²¹ Department of Transport 22nd April 2003

²² This agreement took place in March 2003.

operators. The Seminar however has highlighted some positive points regarding the future development of rail freight.

- The Department of Transport's presentation on Rail Freight states that freight within Iarnród Éireann is to be operated *on a separate basis within the company with clear rules on accounting separation, access to the network and charging for infrastructure and ‘internal’ (i.e. within Iarnrod Éireann) services procurement*. Iarnród Éireann and the Department of Transport are to agree and implement a methodology to support the rail freight sector.
- Representatives from the business sector who use rail freight especially appreciate the Minister for Transport's wish to add value to the delivery of the Recommended Investment Strategy by involving the private sector in both product and service delivery.
- Businesses from the region are, however, concerned that taxation policy, aimed at encouraging environmentally cleaner modes of transport such as rail freight, will involve extra costs to them. This is likely in view of current EU transport policy which favours more environmentally sustainable modes of transport such as rail, inland waterways and short sea shipping.
- Incentives must be put in place in order for Iarnród Éireann to develop the use of rail freight. If introduced, a rail freight allowance system to encourage usage could bring about significant economic and environmental benefits. The system which was outlined by a rail expert from Dublin Institute of Technology²³ could give a €5.4 million boost to the rail freight sector. This comes at less than one-tenth the cost of transferring all existing rail freight to road. Confining the allowance to newly won business means that custom which rail has already secured is not subsidised. Instead a total growth strategy, that will bring unit cost down is encouraged.
- When questioned on the potential for private sector participation in the provision of rail freight services, the Department stated that it would be willing to accept proposals from interested operators.

²³ Seminar presentation by Mr. James Nix, DIT www.wdc.ie

4. Conclusions of Seminar

- The errors in the Strategic Rail Review must be acknowledged and addressed by the consultants.
- The Review does not address balanced regional development, a central aim of the Government as outlined in the National Spatial Strategy.
- Continued investment in rail infrastructure is crucial to achieving the national goal of balanced regional development; ease of access to, and within, regions is essential to attracting investment.
- The full details of the base case used in the cost benefit analysis of the Western Rail Corridor should be made available by the consultants so that the benchmark against which it was measured can be considered by regional interests.
- Any national rail framework must take account of:
 1. National Spatial Strategy which is now Government Policy;
 2. EU Directives on Rail;
 3. the role, relevance and development of the Western Rail Corridor;
 4. the business case for freight and innovative approaches to its future development.
- The issue of privatisation of rail freight in Ireland needs to be debated at national level.
- The current public, private and voluntary partnership work that exists within the region in relation to Rail infrastructure development must be acknowledged and used to progress the WRC further.

Appendix I

Seminar on Rail Infrastructure in the Western Region

April 22, 2003
Claremorris, Co. Mayo

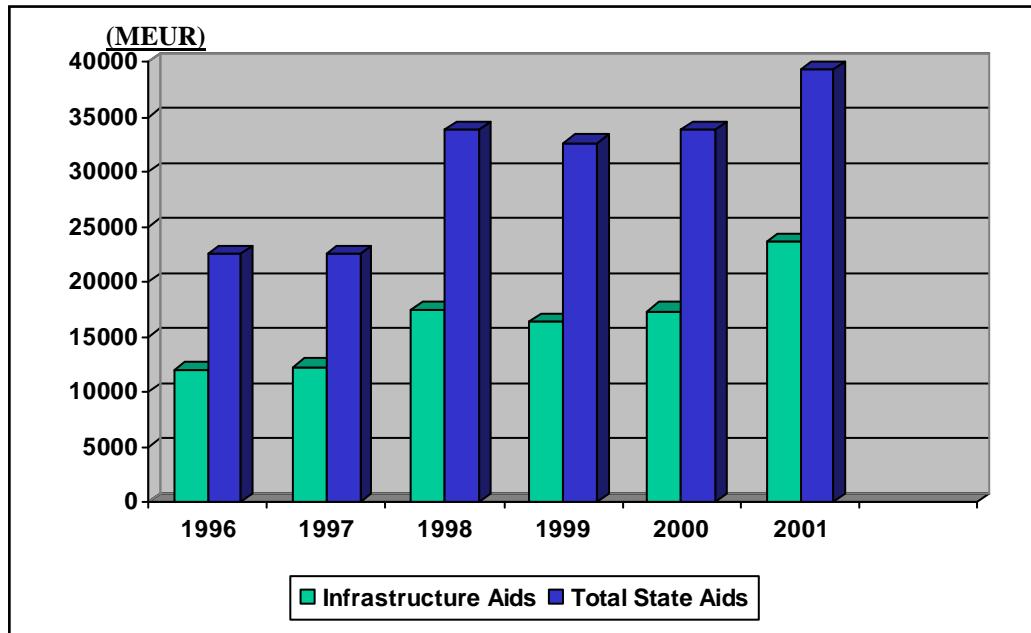
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|------------|---|
| 9.30 a.m. | EU Transportation Policy
<i>Mr J. Vinois, EU, Head of Rail Transport Brussels</i> |
| 10.15 a.m. | Rail freight & Stage 1 of the Western Rail Corridor
<i>Mr. James Nix, Transport Research, Dublin Institute of Technology</i> |
| 11.00 a.m. | Coffee Break |
| 11.30 a.m. | Response to Strategic Rail Review
<i>Mr. Myles McHugh, Business Development Manager, (West) Iarnóid Eireann</i> |
| 12.15 p.m. | Presentation on the Strategic Rail Review
<i>Mr. Andrew Cullen, Assistant Secretary, Department of Transport</i> |
| 1.15 p.m. | Lunch |

The Strategic Rail Review – A Western Perspective

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|-----------|--|
| 2.30 p.m. | Government Perspective on the Strategic Rail Review
<i>Mr. Éamon Ó Cuív, T.D., Minister for Community, Rural and Gaeltacht Affairs</i> |
| 3.00 p.m. | Response from Expert Panel
<i>Mr. Frank Dawson, Director of Community and Enterprise Galway County Development Board</i>
<i>Dr Michael McGréil, Western Inter County Rail Committee</i>
<i>Mr. Jim Deegan, Rail Tours Ireland Limited</i> |
| 3.45 p.m. | Coffee Break |
| 4.00 pm. | Plenary Session |
| 5.00 p.m. | Concluding Remarks
<i>Ms. Lisa Mc Allister, Chief Executive Officer, Western Development Commission</i> |

Appendix II

State aids awarded to the railway sector in 15 EU Member States



Appendix III

Strategic Rail Review Recommended Investment Strategy – Key Deliverables

Timeframe	Deliverables
Short	<ul style="list-style-type: none"> Increased capacity (new trains, longer suburban trains, more frequent services) Higher quality services using modern technology Removal of the infrastructure renewal backlog Investment required for significant growth and revitalisation of rail's role in the economy
Medium	<ul style="list-style-type: none"> Competitive journey times, more trains and a ‘clock-face’ timetable on intercity routes Hourly and two-hourly services across the country (hourly services: Dublin to Cork and Dublin to Belfast) Journey times reduced by 15%-25% across the intercity network
Long-term	<ul style="list-style-type: none"> New stations across the country Increased market share for rail (from 3% to 5/6%) Lower subvention per passenger journey New schemes e.g. Galway-Limerick-Cork A transparent framework for project appraisal An investment plan based on broader transport and land use planning policies Dublin suburban system becomes a ‘turn up and go’ mass transit railway

Strategic Rail Review Recommended Investment Strategy – Possible Public Private Partnership Options

Nature of Private Involvement	Nature of Contractual Relationship	Role of Iarnród Éireann	Structural Changes
Provision of rolling stock	Lease or train service provision contract	Procurer only under service contract	Outsourcing of maintenance/depot facilities
Maintenance of infrastructure	Long term outsourcing contract by asset type of activity of geographical region	Specifier & monitor or performance	Transfer out of significant maintenance activity
Major new enhancement projects	Ring fencing projects from Iarnród Éireann	Interface Management	Transfer of infrastructural role to private parties
Passenger or freight operations	Separation of train services from infrastructure	Infrastructure provider	Focus on infrastructure rather than train operation

Source: Department of Transport Presentation

Appendix IV

Key Projects on Galway/Dublin, Westport/Dublin and Sligo/Dublin Routes

Route	Goal	Timeframe
Galway/Dublin	Resignalling Project	By end of 2003
	Additional service on route	2004
	New carriages	2005
	Shorten journey time to 2h 10m	Not given
	Examine additional passing loops	Not given
	Service Frequency 9 per day	By 2010
Westport/Dublin	Reduce journey time	2003
	Increase service frequency in conjunction with Galway Dublin route to 6 per day	2006
	Introduce new regional railcars	2006
	Investigate resignalling of route	Not given
Sligo/Dublin	Reduce journey time	2004
	Resignal route	2005
	Introduce new regional rail-cars	2006
	Increase service frequency to 6 per day	2007

Source: *Iarnród Éireann*.

Appendix V

Rail Seminar 22nd April 2003 Attendance Register

Name	Organisation
Aidan Carney	IBEC
Bernard Hanrahan	Clare Co. Co.
Bill Chambers	Clare Co. Co.
Billy Lowe	Mid West Reg. Auth
Brian Guckian	Platform 11
Brian Warner	SFADCO/Shannon Rail Consortium
Cllr. Michael Connoly	Galway Co. Co.
Dana Rosemary Scanlon	MEP Independent
Deirdre Frost	WDC
Denis Naughten	TD Fine Gael
Dr. Jerry Crowley	TD Independent
Dr. Michaél McGréil	Secretary, Western Inter-County railway Committee
Eamon Haran	Sligo Co. Co
Eddie Wade	Mid West
Eimear Dolan	Galway CDB
Frank Dawson	Galway CDB
Frank Feighan	Roscommon Co. Co.
Gerry Finn	BMW Regional Assembly
Garrett Ruane	Student QUB
Hassard Stacpoole	Irish Railway News
James Nix	DIT
Jerry Martin	Donegal Co. Co.
Jim Deegan	Railtours Ireland
Joe Arkins	Mid West Regional Authority
Joe Callanan	Galway Co. Co.
John Carty T.D.	Mayo Co. Co.
John Flannery	Mayo Co. Co.
John Joe Conwell	Galway County Dev. Board
John Lawlor	Ballina Beverages
John Magee	Mayo CDB
John Morgan	Galway Co. Co.
John Mullaney	Railtours Ireland
John Murray	Roscommon Co. Co.
Kieran O'Halloran	Mid West Reg. Auth
Leonard Enright	Mid West Regional Authority
Louise Kinlan	BMW

Lynn McLoughlin	IBEC
M.Hillary	Clare Co. Co.
Mark Rahiya	Ballina Beverages
Martin Lafferty	Mid West Reg. Authority
Martina Moloney	Galway City Council
Matt Loughnane	Galway Co. Co.
Michael Brennan	Limerick County Council
Michael Kitt	Senator
Michael Mullan	Donegal Forum
Michael Reidy	Iarnród Éireann
Mihcael Leahy	Galway City Dev. Board
Myles McHugh	Iarnród Éireann
P. Carty	Clare Co. Co.
Padraig O'Caoimhainigh	WDC
Padraig Mahon	Iarnród Éireann
Pat Daly	Clare
Pat Forkan	Sligo Co. Co.
Pat Hayes	Clare Co. Co.
Pat Keane	Clare Co. Co.
Pat Keogh	Mayo Co. Co.
Pat Love	Leitrim CDB
Pat McMahon	Clare Co. Co.
Pat O'Gorman	Clare Co. Co.
Pat Sullivan	Galway Co. Co.
Patricia McCarthy	Clare CDB
Paul Caunnaughton.	T.D Fine Gael.
Peter Bowen-Walsh	Irish Railway News
Peter Considine	Mid West Regional Authority
Seamus Caulfield	
Seamus Cormack	Community Forum
Seamus MacRuari	Donegal Community Forum
Sonny Scanlon	Clare Co. Co.
Stan Johnston	GCCF
Terry Leyden	Senator Fianna Fail
Theresa Higgins	WDC
Tim Mulcahy	South Sligo Rapid Transit
Tom Carey	Clare Co. Co.
Tony McMahon	Clare Co. Co.
Tony Mulcahy	Clare Co. Co.