

France and the SNCF

In Britain we often look with envy to the French SNCF. We should not do so. It costs the French a fortune, actually very much more than one of those.

Professor Rémy Prud'homme of University Paris XII provided a short paper dated 17.11.2000 entitled Tales from the SNCF. He pointed out that, whereas the authorities and media claimed that the SNCF was returning to profit, the hidden subsidy was at least 58 billion francs, amounting to nearly 1% of GDP. The professor is highly critical of the schemes used to hide the subsidy believing that it made sensible debate about the railways impossible.

If the UK subsidised its railway at the rate of 1% of GDP the current subsidy would amount to circa £13 billion annually, or to £520 for every household in the land.

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A second and very much more extensive paper with the title anglicised title “Motorway versus Rail”, dated November 1999, and by the same author, provides the following synopsis.

“Rather than comparing rail with road in general, this paper compares rail with autoroutes concédées (motorways). The comparisons are in terms of output, productivity, and public finance. The output of the motorways is about double that of rail, if measured in physical terms, and six times that of rail when measured in monetary values. Capital and labour inputs are roughly comparable. That means that the productivity of capital and labour when applied to motorways is 2 to 6 times greater than when applied to rail. Whereas the annual cost of rail to the taxpayer is 60 billion francs, the motorways contribute nearly 30 billion to the exchequer”.

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The papers relate to data that is a decade old. However, if the experience in France is similar to the UK it would not matter which decade were to be examined, the conclusions, in strategic terms, would be the same. Indeed in 2006 Professor Pude'homme concluded that France's rail system had cost French taxpayers 0.6% of GDP. (To view the source [CLICK HERE](#))

The same applied to the UK would yield £8 billion or £320 for every household.

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The similarity between those findings and the Transport Watch findings for UK Rail, available in this web site, is remarkable.