

Mikael Nyberg, 23.5.2017, Bern

Thanks for the invitation to come here and speak about the Swedish railways.

The subject might seem to be of lesser importance. But I can assure you, it is not.

The European Union has decided to reorganize the European railways. This affects not only members of the union, but also countries like Norway and Switzerland.

The model is Sweden.

Already in the late 19th century it became evident that railway traffic needs a lot of co-ordination and planning to work properly.

The market had ruled in the beginning, but that was in many ways a chaotic period. Soon the railways developed in new directions: railway companies became either private or public monopolies.

In the US railways were the beginning of the modern corporation, that is a private, vertically integrated organisation with a high level of coordination and planning.

In Europe public railways were more common. They introduced a measure of planned economy within the framework of capitalism.

On the railways Sweden has now, as the first country in Europe, returned to the 19th century chaos of the market. In 1988, when we started heading backwards, no one dared to follow, not even Margaret Thatcher. Today it is the model for Europe to implement.

The wheel and the rail belong together. They constitute a unified technical system that can not be separated without strong negative effects. But that was exactly what Sweden did in 1988.

The parliament decided to split the national railway company in two parts, one for the wheels, and one for the tracks.

A separate Transport Agency became responsible for the infrastructure. Statens Järnvägar, the National railways, took care of the rest, but in 2001 it lost all the freight traffic, all the workshops, all stations and terminals and a lot of the other remaining parts of the integrated railway system. The purpose was to open up for competition and privatization.

Whoever wants to, is now in principle free to compete for passengers and freight traffic on the Swedish railways.

The infrastructure is still publicly owned, but profit-seeking companies that tender for contracts are responsible for keeping it in good condition.

They do not.

The Swedish experiment might be a model for Europe, but at home it is a disaster.

I will give you a few examples.

Nowadays it is quite common that toilets on the Swedish trains are locked because of technical problems. If you have bad luck, you might even discover that all toilets on the train are locked for this reason.

How is that?

Firstly, the train operator does not have its own workshop anymore. Work is outsourced to independent companies, who have to tender for contracts. The lowest price will get you the job. To make a profit the engineering company will tend to do as little as it possibly can of what it has to do according to the contract.

Secondly, it is only rational for train companies to compete for passengers on the most profitable railway lines between Stockholm, Gothenburgh and Malmö. The public sector subsidizes local, regional and non-commercially viable traffic and sell it on offer to the lowest bidder. To win the contract and squeeze out a profit, train operators will cut down on everything that can be cut down - staff, supplies, cleaning and maintenance.

That is why trains with defective toilets sometimes are put into traffic.

It also happens, workers tell me, that operators use locomotives and wagons with more serious errors, jeopardizing safety on the tracks.

Another example:

Sometimes it snows a lot in Sweden. I guess you have experience of that in Switzerland, too. In the 60's the national railway agency ordered 30 heavy, diesel powered locomotives equipped to plow snow.

2010 and 2011 we had a couple of severe winters with a lot of snow and low temperatures. Many departures were cancelled, and some passengers got stuck on trains in the middle of nowhere for up to twelve hours.

Those locomotives would have been handy then. But there were only 10 of them left.

Why?

Most of them had been scrapped, even though they could have been fully functional with normal maintenance and some reparations.

It was even worse.

A train driver told me he was out on the tracks with a colleague during one of the worst snow storms. Suddenly they saw one of those snowplowing locomotives coming towards them on the other track, but it was not doing what it was supposed to do. It was not plowing snow. It was pulling freight wagons.

The two train drivers looked at each other:

- This is too much, they said. How can they be so stupid!

But remember, this is not a question of individual mistakes. The stupidity is systematic.

If the purpose of the railway system is functional, if the aim for everyone is to make the trains arrive on time with good comfort and safety for the passengers, then it is rational to have 30 snowplowing locomotives standing waiting for the next snowstorm.

But that is not the way it is in Sweden anymore. Our railway system is fragmented into hundreds of different companies, each one with its own yearly accounts as the sole purpose of the work.

In this context, the snowplowing locomotive becomes an expense that does not pay for itself. It is better to scrap it or lease it out to a freight company.

How did the politicians argue when they introduced this systematic stupidity?

The railways will become more efficient, they said. The bureaucracy will decrease.

What happened?

I found this graph in an official yearly report from The Swedish Transport Agency, the authority responsible for the tracks.

We do not have to care about the light blue curve. It is misleading and irrelevant in this context.

The upper, blue curve is a measure of traffic on the tracks in 2002 to 2009. Traffic grew by almost 10 percent.

The lower, dark blue curve shows the costs of maintaining the infrastructure. Despite the increased traffic, costs declined during these years, when competition was introduced.

Thus, the Transport Agency says, this reform led to a more efficient system. Sweden has increased productivity in track maintenance better than anyone else in Europe.

But take a closer look at the dark curve. It indicates "direct costs".

You might wonder how the "indirect costs" developed.

Like this!

They more than doubled during those seven years.

What are these indirect costs?

This is what the Transport Agency has to say about it:

"A significant and increasing share of total assets for maintenance and reinvestments goes to indirect operating and maintenance costs, such as maintenance management, telecommunications, power grids, and interaction with operators."

Two of these costs - maintenance management and interaction with operators - are increasing just because of the introduction of market mechanisms and the increased number of operators out on the tracks.

The graph shows us two things:

Fewer workers than before are out on the tracks doing what they can to keep the infrastructure in good condition.

At the same time, more and more white-collar workers are sitting in the offices writing contracts, checking invoices, and trying to keep track of all the operators out on the tracks.

The market reforms did not give us less but more bureaucracy.

Railway workers in Sweden really want to do a good job. But the systematic stupidity prevents them from doing it. Professional skills get devalued, cheating and sloppy work

take over.

This is also harmful for safety on the tracks. We have had several fatalities and serious incidents lately related to the new Swedish railway model.

An expert on electrical safety summarized the prevailing attitude:

- Safety first, as long as it does not interfere with the traffic.

Let me finish with a cartoon that will give you a glimpse of what will happen if you try to introduce the Swedish model.

One guy says:

- Didn't I tell you the drawing was upside down?

The other replies:

- Well, it is damn easy to be wise after the event!

Think it over first. That is my advice.

Von: Bologna Vivian

Gesendet: Montag, 15. Mai 2017 17:01

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Betreff: Redetext und Präsentation Nyberg

Et voilà le texte du journaliste suédois

Envoyé depuis mon appareil Samsung

Von: Lehmann Daniela

Gesendet: Montag, 15. Mai 2017 15:52

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Liebe Kolleginnen und Kollegen

Anbei der Redetext und die PPP von Nyberg für unseren Kongress.

Als Info, Nyberg scheint auch ein wenig französisch zu sprechen....

Liebe Grüsse

Daniela

Freundliche Grüsse

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