



# Railways in public ownership

**We will create a more affordable railway in public hands.** When railway franchises, like the Scotrail franchise, are ready for renewal we will make public ownership the default option.

East Coast rail returned over £1 billion pounds to the public purse in five years of public ownership, which could be used to pay for a better, more affordable, public transport system or wider public services. Instead the railway has been privatised yet again.

Over 80 million passengers use the trains in Scotland every year, more than 2,000 passenger services run every day.

In April 2015 a new company called Abellio Scotrail took over the franchise to run the majority of trains in Scotland. Abellio is a company owned by the Dutch Government, and has stated that they will invest some of the profits from Scotrail in the Netherlands.

The Scotrail contract is worth approximately £6bn a year and runs for the next 10 years, with a 'break clause' after 5 years.

## Alternatives to private ownership?

The current laws rule out any UK public body from running the railways. Not-for-profit companies can bid for the franchise but the Government can make no efforts to assist.

Private rail companies remain dependent upon public subsidies to run their services, with Scotrail receiving £511 million in 2013/14. But these same companies can

then turn over up to an estimated 90% of their operating profits to shareholders.<sup>1</sup>

Bringing railways back into public hands could increase investment, reduce fares, improve links with other modes of transport such as cycling and ensure that the service is as accessible to all as possible.

The RMT estimates that if Scotrail did not pay dividends to shareholders, then fares would be 7% lower.

"If the government really wants to make savings and improve our transport network for everyone, it should recognise that privatisation has failed and gradually return the railways to public ownership."

Caroline Lucas MP on the Green Railway Bill



## Putting the railways in public hands

We believe that when rail franchises come up for renewal the default option should always be public.

Green MP Caroline Lucas has spearheaded this issue at Westminster. Caroline's Railways Bill would make the changes needed to improve the service.

It would:

- Bring each franchise back into public hands as it comes up for renewal.
- Allow the Scottish Government to establish its own public body to run Scotrail.

## Creating a better service

Scottish Greens will create a world class railway system in public ownership.

We will:

- Reopen railway lines like the Edinburgh Suburban Line and the Aberdeen-Elton line.
- Double-track the Highland Main Line to Inverness.
- Extend the electrification of rail lines.
- Encourage freight to move off of the roads and onto the rails.
- Make stations and services accessible to all users.
- Provide enough space for bicycles on all trains and in stations.

## Case study

### East Coast – Scotland to London

The East Coast Rail Franchise has been in public hands for the last 5 years operated by the UK Government controlled Directly Operated Railways. The franchise has been largely a success and has returned around £1bn to the UK government.

Passengers using the service are happy, East Coast posted an overall 91% customer satisfaction rate in 2014, trains are on time and fares have not gone up by drastic amounts.

However it was announced the franchise would be reprivatised and Stagecoach/Virgin are to take over the running of the line. While Stagecoach owns 90% of the new company and Virgin only 10%, they are to use the Virgin branding.



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