

RESOLUTION No 16 CONCERNING THE DEVELOPMENT OF THE CONCEPT OF PUBLIC SERVICE IN THE RAILWAYS

The Council of Ministers of Transport, meeting in Paris on 12th December 1968,

HAVING REGARD to the Report below of the Committee of Deputies on the development of the concept of public service in the railways [CM(68)24];

NOTING the changes in the position of the railways on the transport market;

REALISING that, because railways are of considerable importance to the general economy, they are a form of public service;

RECOGNISING the heavy financial burdens due to the maintenance of public service obligations;

CONSIDERING that relations between government authorities and railway enterprises should move towards greater autonomy for the latter;

UNDERLINING that the principle of equal treatment for all modes of transport should also apply to public service obligations;

CONSIDERING that, as the transport market stands at present, it is impossible to abolish certain public service obligations on railway enterprises;

RECOMMENDS the Member countries to adopt the following general guidelines:

1. to review the railways' public service functions in the light of the considerations set out in [CM(68)24] and investigate the railway administrations' proposals for the removal of obligations that are no longer justified;
2. in cases where certain public service obligations have to be maintained, to consider how they might be assumed by other means of transport at less cost for the community;
3. to provide for the award of fair compensation, if possible by means of the normalization of accounts, whenever it is necessary to maintain a public service obligation involving for the railway concerned an economic handicap unrequited by an advantage working exclusively in its favour.