



AUSTRALASIAN RAILWAY ASSOCIATION INC

PRESS RELEASE

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The Green Paper Completely Ignores Rail

"The Carbon Pollution Reduction Scheme (CPRS) proposed by the Australian Government in the Green paper completely ignores the rail industry and the environmental benefits it offers." said Mr Bryan Nye, CEO of the Australasian Railway Association (ARA).

While the proposed CPRS claims to include transport, it provides immediate cost offset for road use.

The consequence of this is that the cost of rail passenger and freight transport will increase while the cost of road transport will remain the same upon the introduction of carbon trading.

"It is bizarre that someone catching a train to work will have to pay more under the CPRS while car users causing pollution, congestion and health impacts will be compensated. I thought we were trying to get more people to use public transport not get them back on the roads"

"The same effect will occur on the freight network. For example, currently rail carries only 7 % of freight along the Sydney -Melbourne corridor, the rest goes by road. Despite rail's acknowledged significant energy and environmental advantage over road transport where one train takes 150 trucks off the road, saves 45,000 litres of diesel and saves 44 tonnes of greenhouse gas emissions rail will pay under the CPRS, but road transport will be fully compensated."

The proposed CPRS offers a vague hope that railways will be considered as a "strongly affected industry" as it would meet all of the proposed criteria. Assistance may also be available to railways under the Climate Change Action Fund. However, there is no certainty that either of these will be applied to railways.

The result is that the Government is failing to grasp an opportunity to achieve the full environmental benefits of the CPRS and finally optimise its beleaguered rail network.

The only way that rail can compete in these circumstances is for the Government to immediately invest in a wide ranging programme to improve infrastructure and instigate incentives that encourage better use and investment in rail. Projects such as a dedicated freight line through Sydney to achieve the maximum environmental benefits, and accelerated depreciation rates to replace the aging rolling stock fleet that averages 35.8 years are just two examples that would see rail back on track to improve the environment for all Australians

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