

Dear Committee Secretary

The Secretary
Senate Standing Committee on Economics
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Submission

Dear Committee Secretary

The CRC for Rail Innovation has recently completed significant research in the area of climate change. In particular it has just finalised a report.

Transforming Rail: A Key Element in Australia's Low Pollution Future led by Professor Peter Sheehan, examines Rail's situation in the proposed Australian Carbon Pollution Reduction Scheme (CPRS). It determines that the current transport system is riddled with market failures and that the economic and social costs of current transport patterns are enormous. This insightful research clearly identifies that to achieve Australia's climate change goals, sharp reductions in transport emissions are necessary. This will require going beyond emissions trading to a new generation of transport policies which are outlined in the report.

The report concludes that a modal shift from road to Rail will have large environmental, economic and social benefits, as Rail is typically much more energy efficient form of transport than road, with lower energy use per passenger kilometre or per tonne kilometre. A copy of the report can also be obtained from our website:

<http://www.railcrc.net.au/publications/publicationsresearchreports/index.html>

Sincerely,
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