

INQUIRY INTO AUSTRALIA'S FUTURE OIL SUPPLY AND ALTERNATIVE TRANSPORT FUELS

A Projections of oil production and demand in Australia and globally and the implications.

Consensus is emerging that we are very close to or have passed the peak in world oil production.

The oil industry started in America, the most explored region on the planet, and oil discovery peaked in the 1930's, oil production peaked 40 years later since then the US has had to import more oil every year to meet its requirements.

This experience will be repeated in other nations. Global discovery of oil peaked in the 1960's, oil exporting countries are reaching all time peaks and becoming oil importers. Between 18 to 24 of the world's 45 most important oil producing nations are, like the US and UK, past peak. According to a growing number of oil experts, global peak will arrive between 2005 and 2010, that is 5 years before it is predicted that Australia will need to import 60 to 70% of its oil requirement.

"The resource upon which our lives have been built is running out."

Large scale reform of governments and economic systems will be required to provide the essentials to our life, food, water, shelter and warmth. The past dismantling of diverse complex local economies over the last 60 years has been disastrous, they need to be rebuilt.

B Potential new sources of oil and alternative transport fuels to meet a significant share of Australia's fuel demands .

Australia's fuel demands will have to be significantly reduced to comply with fuel availability. That availability will not be able to support the kinds of transportation, food and dwelling infrastructure that we have now, the transition requires a complete re-design of industrial societies. Systemic strategies for transforming both agriculture and transportation infrastructure need to be implemented.

Australia's natural gas should be used for Australia and all Australians to full advantage, including use of micro gas turbines, gas would be the interim until 100% renewable energy is established. Surplus gas to these requirements could be exported, using gas, solar or sail powered vessels. Renewable energy, energy efficiency and self sufficiency throughout local regions will reduce much of today's transport. Solar energy, photovoltaic electricity and wind turbines where appropriate can do for the power generation industry what laptop computers and memory sticks have done to information technology.

C Flow-on economic and social impacts in Australia from continuing rises in the price of transport fuel and potential reduction in oil supply.

Peak oil marks the end of the growth phase of global industrial society. This is a natural part of the life cycle of any dynamic system- growth phase followed by system decline when high grade resources have been used up and resource availability starts to decline.

There are sustainable systems throughout the world where people live without fossil fuel. Permaculture is about learning the principles and practices that allow us to work with natural energy flows rather than relying on fossil fuels. It is a design science that uses the patterns of nature to mimic ecological systems. Natural systems have evolved for millions of years to maximize the energy available from the sun, we have to do the same. When oil is finished,

permaculture offers some of the best strategies known for maintaining high levels of well being.

Mania for growth is structurally embedded in national monetary systems. Currently, most money is loaned into existence by banks, thus based on debt. It also implies commitment to pay interest for that debt. If the economy does not grow, new money will not be created to pay interest on existing loans, the loans will be defaulted upon and a crash occurs. It is impossible to achieve a static or controllably contracting economy with a debt based currency, the monetary system needs to be changed to one that is not based on debt and interest.

D Options for reducing Australian fuel demands.

Australia, like the rest of the world, will be forced to be sustainable. Study of countries which have made significant progress in preparation for the oil crisis, like Sweden with its plan to abolish its dependence on oil by 2020, could only be advantageous.

Investment should be made into;

- Railway transport for freight and passengers-

- Public transport, cycle ways and walkways-

- Solar energy and rainwater tanks across the continent-

- Agriculture and rural communities-

- Encouragement for 'zero waste' -

- Incentives for fuel efficient vehicles-

- Strict regulations on vehicle importation-

- Owners of non-efficient vehicles should be penalized with high registration fees and taxes .