



The Secretary  
Senate Rural and Regional Affairs and Transport  
Parliament House  
Canberra ACT 2600

24/2/2006

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

Dear Committee members,

I wish to provide the following submission to the committee on behalf of PedBikeTrans. Our Institute is a networking and educational association for professionals involved in pedestrian and bicycle planning in Australasia, seeking to improve outcomes for cyclist and pedestrians by educating, networking and equipping those professionals who are primarily responsible for the activities that affect these modes.

We are aware of a separate submission by the Bicycle Federation of Australia and the Cycle Promotion Fund, and wish to endorse their comments and recommendations.

### ***Projections of oil demand, the limitations of a finite resource and likely fuel price rises***

- While there may be short-term fluctuations, there is a growing consensus in academia and in government that oil prices are unlikely to return to the levels experienced in the period 1985-2005 again. There is some debate as to exactly when the demand for oil will overtake the available supply of oil ('Peak Oil' or 'Hubbert's Peak') but there are very few researchers willing to suggest this is beyond 2020, with most predictions being for dates closer to the present time.
- Increases in petrol prices are already having significant impacts on urban, regional and remote populations, evidenced by increases in recent public transport patronage in Brisbane (Newman 2006). The longer-term implications are, however, difficult to predict as Western cities have not recently experienced long-term periods of high or very high petrol prices.

### ***Alternative fuels – are we looking in the wrong place?***

- There are unfortunately no immediately identifiable technological fixes that will allow Western populations to continue current rates of motor vehicle usage via the vehicle fleets that currently exist in Queensland. Significant advances are required before the production, storage and use of hydrogen from renewable sources will be feasible, with only limited trials of this technology currently underway (International Energy Agency and Organisation for Economic Cooperation and Development 2003), and there is insufficient arable land for the cultivation of ethanol or related fuels to replace oil-based fuels for the transport sector worldwide (Brown 2005).

- We are already seeing small shifts in consumer behaviour towards smaller vehicles and there is likely to be an increase in the sale and use of hybrid engine vehicles, however these are considered by most experts to be unlikely to provide more than a slowing in overall oil consumption growth globally (Heinberg 2004). This suggests that those communities with viable alternative modes of transportation (i.e. walking, cycling, public transport) are those least vulnerable to a longer-term increase in fuel prices.
- Demand management, not technology or new fuels, may be our real solution.

***Vulnerable Cities - A legacy of land use planning for automobile-oriented cities and regions***

- The impacts of late 20th century land use planning and transport investment decisions has ensured motor vehicles are now used for the majority of all trips. As a result, many of Australia's outer metropolitan and regional areas are particularly vulnerable to increases in petrol prices. The goods and services that households need are often only accessible by private motor vehicle transportation, with a small proportion of the population being within walking distance of local shopping services or quality public transport services in more recent developments. Further, there are also specific industry-occupation issues in that persons seeking employment in industrial areas are almost wholly reliant on motor vehicles.

***Alternative Fuels for Urban Transport: the potential of human energy***

- The form of energy most overlooked within discussions of oil-dependency is human energy – the key input for walking and cycling trips. We urge you not to dismiss this resource as one component of a balanced approach to reducing Australia's projected oil demand.
- Research by Queensland Transport and other agencies (Brog, Ehl and Mense 2002; Queensland Transport 2005) has shown that even in car-oriented Australian cities, around one-third of all motor vehicle trips could be made by public transport, walking or cycling, with only subjective choice factors involved in the mode decision to use a car. Therefore, the capacity to shift from energy intensive private motor vehicle travel to more sustainable modes is high.
- Further, the availability of walking and cycling as a form of transport is also high. All but the most seriously disabled are able to walk and household bicycle ownership rates are at around 50% (Australian Bureau of Statistics 2003). The most recent bicycle sales figures from the Retail Cycle Traders Association show record bicycle sales in 2005, with more than 1.1 million bicycles sold - outstripping sales of motor vehicles again.
- Walking and cycling presently provide for more than one-sixth (17%) of all trips (if measured accurately) – with every other mode of transport dependent on walking. Yet walking and cycling receive approximately 2 to 3% of current transport funding at the state level, and less at federal level.

***Federal Actions to Reduce Oil Vulnerability: recommendations***

1. Human energy should be ignored, as it is a legitimate component of a balanced approach to reducing Australia's projected oil demand, especially within the urban transport sector.
2. The Commonwealth should act to prioritise alternative modes to reduce the vulnerability of outer metropolitan and regional Australia to fuel price increases, and to do so by shifting expenditures under Auslink and other funding sources.
3. The transport investments planned under Auslink should be reassessed within the context of the new energy situation, with scenario tests used to identify the possible impacts of higher fuel prices on our transport systems.
4. The Commonwealth should further progress measures for demand management and for improving the efficiency of existing transport infrastructure, such as mass-distance pricing.
5. The Commonwealth must engage with the issue of urban congestion and consider measures such as road pricing and capacity reductions to increase the efficiencies of freight and other transport movements, where appropriate.
6. In this light, the Commonwealth should review the fringe benefits tax concessions available for company cars, which in many ways encourage profligate and unnecessary use of motor vehicles, and consider the introduction of such concessions for public transport passes, walking and cycling instead.
7. The Commonwealth should provide national leadership by examining ways to further stimulate land use planning in new developments that is conducive to transportation modes that are not reliant on cheap petrol, either by mandating guidelines for urban development, such as the Western Australian 'Liveable Neighbourhoods' design guide (Western Australian Planning Commission 2000, 2004) and/or by the adoption of a national rating scheme for sustainable urban development, such as *LEED for Neighbourhood Developments* (US Green Building Council 2005).
8. The Commonwealth must now consider the expansion of educational, informational and behaviour change programs such as *TravelSmart* to promote nonmotorised transport in a manner that emphasises personal responsibility, and decreases expectations of government to deliver fuel price cuts in an era of decreasing supply. A number of existing schemes, such as the Heart Foundation's *Just Walk It* program, are readily available and could be introduced nationally.
9. The Commonwealth should examine ways to stimulate increased cycle investment by local authorities in outer metropolitan and regional Australia, possibly through replication of the UK 'Cycling Demonstration Towns' initiative, which uses small central government grants to match funds with local governments that wish to make a significant investment in cycling.

Thank you very much for considering this submission. Should you wish to discuss the above points further, or seek further information, please do not hesitate to contact me at the details below.

Yours sincerely,



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