

To:

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

Submission for:

Inquiry into Australia's future oil supply and alternative transport fuels

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

In real terms, fuel was at its cheapest ever a couple of years ago. Many people regard that fuel prices have skyrocketed recently, and there have been reports of a retail downturn because consumers need to spend more on their essential fuel, so discretionary spending has dropped. Some people on very tight budgets are finding the increase in fuel price has made things tough for them. We are really only in the first gentle stage of fuel price rises. Media reports of "fuel running out" make good headlines, but fail to convey what is really happening - its not that fuel will just "run out", instead the most important point is that it will price itself out of the market for its current uses even while there is still oil in the ground.

The economic and social impacts will be profound. Initially most will find themselves caught in a trap between the rising cost of living (as the flow on from fuel price rises) and a chaotic but largely shrinking market as businesses fold, and industry finds itself struggling to adapt. The future is getting harder not easier to predict.

Some I know believe we will have some kind of agrarian perfect future, there will be less motor vehicles and even then they'll all not pollute as much and just maybe smell like a chip shop, we will grow our own carbon-neutral fuel and make biodiesel in our washing machines. I wish. Many people think they'll just buy a smaller car. The future we face is more difficult than that. How will employees afford to drive many km to work? How will some employers cope as they lose skilled employees who get jobs closer to home? What will happen to many rural centres as the cost of fuel makes what they produce more expensive to get to market and also pushes up the price of what they have transported in? What will happen to many of our cities outer suburbs when the only prospect of work is 20km away, theres poor public transport or no bike route and fuel costs too much? How will political and military stability in our region be affected by the rising value of oil fields? There will be more efficient motor vehicles but will many be able to afford them as the economy tightens? Where will we find jobs for those people currently in industries that can't survive?

*Options for reducing Australia's transport fuel demands.

Make it possible for people to live without using so much fuel! Make it possible for the majority of journeys to be made walking, cycling, or using public transport. That simple statement has been repeated so often, everyone knows that it should happen, it would be good for it to happen for so many reasons, not just as a way to make our communities more resilient to the effects of rising fuel prices. But what is really happening? Motor vehicle numbers and distance travelled continues to climb. People are walking less. Cycling is rising but still has a long way to go. Public transport has had some improvements but is generally getting cut back. In spite of a lot of talk suburbs continue to sprawl. Rising fuel prices will put a dent in that, but without changes car use will stay high as most people regard a car as a necessity, not a option, and a large part of the blame for this is simply the way our cities and towns have been planned. Improving mobility (more cars faster!) has been used as the solution for what we should really be trying to achieve, improving access.

Access is what really matters, can you get to work, to the shops, to school, can goods get to you? The way our cities are now, when we lose our current oil driven mobility we will not have access to what our communities need to function. In the future we will require access without high mobility. In 20 years time what use will a suburb be if little employment is nearby, the closest shop is 5km away, walking and cycling routes are cut off by motorways that only the wealthy can afford the fuel to drive, and there is poor public transport? What will be the prospects for the residents? Currently cheap oil and cars keep these suburbs going. We had better get used to the fact we are going to lose cheap oil, and the alternative fuels will never be as cheap, versatile or convenient as oil has.

A significant way we can reduce Australia's transport fuel demands is by designing our urban areas properly and giving people a real choice to reduce their personal fuel use by walking, cycling, or using public transport, instead of being locked in to relying on cars for the majority of personal transport needs. The sooner we do this the better, the less painful the transition will be. The future will undoubtedly be difficult, certainly the greatest change any of us will live through, but I don't see why we have to make things difficult for ourselves. If we fail to act, and continue to pretend nothing much is happening, it's going to hit us hard.

Sincerely, Paul Johnson

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