

Roxane le Guen  
Secretary  
Senate Rural and Regional Affairs and Transport Committee  
Parliament House  
Canberra ACT 2600

Dear Roxane

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

**Submission by the WALKING WA COMMITTEE, WESTERN AUSTRALIA**

The Walking WA Committee, hosted by the Department for Planning and Infrastructure in Western Australia, is a state level committee reporting directly to the Minister for Planning and Infrastructure, WA.

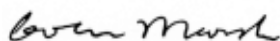
The Committee comprises representatives from across government and non-government organisations such as the Heart Foundation WA to advocate and promote strategies to increase walking in Western Australia. The Committee supports walking initiatives associated with the State Sustainability Strategy and the Premier's Physical Activity Taskforce. The Committee actively advocates the benefits of walking for transport, health and recreation.

The attached submission is a collective representation of the comments from committee members who are professionals across transport, health, recreation, education and engineering backgrounds.

The issue of Australia's future oil supply is a topic that is a significant item on the Committee's agenda. As such I would like to congratulate the Senate for initiating this inquiry.

I look forward to the opportunity of providing further evidence at the public hearings.

Yours sincerely



Dr Colin J Marsh  
Chair  
WALKING WA COMMITTEE, WESTERN AUSTRALIA

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

### **Submission by the WALKING WA COMMITTEE, WESTERN AUSTRALIA**

#### **Introduction**

The Minister for Planning and Infrastructure, WA, Hon. Alannah MacTiernan appearing in the "Oil: Living with Less" conference clearly articulated that there is an "urgent need to prepare for a future where the supply of cheap oil is coming to an end" and "our Government is very conscious of the vulnerability of Western Australia to such a change".

Western Australia is a state of growth, with the rise in population, employment, real estate development and tourism; the demands on transport, the environment and maintaining a healthy state continue to increase. <sup>1</sup> Approximately 70% of the population is concentrated in major cities and 12.4% in inner regional areas. Current trends indicate new jobs will be mostly concentrated within 10 km ring around central Perth, while most of the residents will be living in the outer areas of the city.<sup>2</sup> The city is also very car dependent and is one of the highest state in the world with high car usage. Car ownership in Perth is the highest of any city in the world with 725 cars per thousand inhabitants.<sup>3</sup>

Recent studies indicated that walking for recreation has been found to be the most popular physical activity for men and women, followed by walking for transport. Local streets and paths were also identified as the most frequently used facilities.

With higher fuel costs, walking for transport is likely to increase, in particular, for short car trips of less than 1 kilometre. Every day, residents in urban Western Australia make more than 250,000 private car trips that are less than one kilometre. Research shows that almost half of all car trips in Perth can be replaced by an alternative such as walking or public transport.

#### ***Our responses to specific terms of reference of the inquiry:***

##### **a. projections of oil production and demand in Australia and globally and the implications for availability and pricing of transport fuels in Australia**

There is a general consensus around the world and in Australia that the demand for oil in the near future will exceed the supply of oil. We will see the demise of cheap oil which will affect the pricing of fuel. In Australia, there is a growing reliance on motor vehicles for transport, with up to 40% of urban areas dedicated to infrastructure for motor vehicles including cars, car parking, service stations and auto manufacture. The increase in petrol prices and reliance on motor vehicles for transport is unsustainable and transport planning need to recognise this fact sooner than later.

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<sup>1</sup> Australian Bureau of Statistics. Australian Bureau of Statistics: *National Regional Profile, Western Australia. 2004* [cited 11 March 2005]; ABS publication 370.0.55.001.

<sup>2</sup> Western Australian Planning Commission. Network City: Community planning strategy for Perth and Peel [electronic]. 2004 [cited March 11 2005]. Available from: <http://www.wapc.wa.gov.au/cgi>

<sup>3</sup> Seaton J, Wall S. A summary of Walkers and walking in the Perth Metropolitan Region, in Walking in the 21<sup>st</sup> Century: Perth: International Walking Conference, 20-22 February 2001

**b. potential of new sources of oil and alternative transport fuels to meet a significant share of Australia's fuel demands, taking into account technological developments and environmental and economic costs**

Finding new sources of oil may address the problem of "Peak Oil" on a short-term basis but this may not be a sustainable long-term solution to meet Australia's fuel demand. The problem of oil depletion is a global issue and new sources of oil will not remain cheap, as global demand will exceed supply as in the case of natural gas.

Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) can be the alternative transport fuels but there is a cost to the individual for converting a motor vehicle to operate on natural gas. However, in 2000 the price of natural gas skyrocketed 400%.<sup>4</sup> According to the article in "The Natural Gas Primer", "this was the sharpest energy price increase the United States had ever seen, outdoing even the oil spikes of the 1970s. The price hikes hit hard, hammering homeowners, business, and industry, contributing to rolling blackouts in California, weighing on the stock market, and unleashing a frenzy of new drilling."

Oil should only be allocated to efficient industries and more sustainable and more cost effective solutions generating higher returns on transport fuel should be considered as long-term strategies to address the problem.

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

Higher fuel costs will have a greater impact on those who are financially and socially disadvantaged. The costs of rising fuel will be passed on to prices in goods and services and may cause inflation to rise and ultimately interest rates.

Those who are financially burdened often live in outer suburbs and rely heavily on public transport. However in many major cities in Australia, public transport is lacking in the outer suburbs. Work related travel in Western Australia will continue to be a key area of growth. Current trends indicate that new jobs will be mostly concentrated within a 10 km ring around central Perth. If this is the case, many West Australians will be economically disadvantaged due to rises in price of transport fuel.

It is recommended that the government play a key role in ensuring that land use planning and transport systems be better integrated so that people would live within a radius of work, shopping, recreation, education etc. to reduce the necessity to travel long distances.

**d. Options for reducing Australia's transport fuel demands**

Our research showed that walking accounts for the second highest proportion of all trips made in Western Australia, after driving. An average West Australian makes 159 walking trips per year, 32 cycling trips and 65 public transport trips compared to 803 trips by motorised private transport (either as driver or passenger).<sup>5</sup>

<sup>4</sup> <http://www.hubbertpeak.com/gas/primer>, "This Natural Gas Primer" is published by the Community Office for Resource Efficiency, US., Randy Udall, 2001.

<sup>5</sup> James B, John G, McKaskill. *Potential for Increasing Walking Trips in Walking in the 21<sup>st</sup> century*, Perth: International Walking Conference, 2001

The average distance for car trips is less than seven kilometres and one third of all car trips are less than three kilometres. Perth drivers make about 250,000 car trips of less than one kilometre everyday that can be replaced easily by walking for ten minutes.

There is potential for changing the car culture in Western Australia. It is only when we start to examine all the legs of a trip or journey that we begin to appreciate that walking is a component virtually of all journeys including public transport. However current transport policies and practice provide greater priority for vehicles than for people walking. With increase in fuel prices, we need to develop more strategic and long-term sustainable solutions of creating places for people to get to without having to drive everywhere.

### **Urban Planning**

It is the responsibility of the current government to ensure that our urban design and planning provides alternate transport choices such as walking, cycling or the use of public transport. As such, creating a supportive walking environment where people feel comfortable, safe and pleasant is very important. Generally people do not like travelling long distances to work etc., and creating activity centres where employment, schools, recreation and shopping are within a short radius would reduce car use. Government should put in more funding in the provision of a good pedestrian network system as local streets and paths have been identified as the most frequently used facilities. A similar program such as the "Black Spot" program for cars have been provided by the Federal Government, a program "Footpath black spot" program should be created to enable more footpaths to be built and maintained.

### **Tax Reform**

The issue of tax concessions for salary packages on vehicles and the fringe benefits tax legislation should also be reviewed and revised to give senior executives of companies options to use the public transport system whenever desirable. The legislation currently favours car usage.

### **Transport Planning**

The cost of public transport should also be reviewed to ensure it is not a rising cost in the context of rising petrol prices. This will discourage usage of the public transport system.

### **Congestion Fees**

A toll or congestion fee should be introduced for single occupancy vehicles that enter the central business district area (CBD). Single Occupancy Vehicles (SOV) comprises a large proportion of vehicles in the CBD area and carpooling should be encouraged instead.