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So the Australian Conservation Foundation welcomes the opportunity to be here today and also to have been participating in the Future Fuels Forum. Of course it's tempting for people to walk away with a catchy and somewhat scary headline, report says "petrol to be \$8 a litre by 2018". And of course we've heard that a lot in the media this morning already. And while this is a potential scenario if we don't start making the right investments now, I think the real gold of this report is that it puts policy makers on notice about what the potential scenarios could be. And it also outlines that government has a clear role to play in preparing Australia for the twin realities of both climate change and also our increasingly expensive and scarce oil.

And as John Wright pointed out, Australia is very vulnerable in two areas, we are extremely car dependent and we are also very dependent on imports of oil. It's estimated that by 2015 we will be importing about 66% of our oil. So one of the clear implications of any increase in transport costs is the impact on low income and vulnerable people who generally drive less fuel efficient vehicles and they don't have reliable and adequate alternatives such as public transport. The CSIRO modelling shows that oil price increases will increase weekly fuel bills to between \$50-220 per week by 2018 if governments don't act now to reduce our oil vulnerability. So this report should prompt federal and state governments to massively invest in public transport to give people choice about their mobility and also to help out the automobile sector to become cleaner and more fuel efficient.

So how do we shift the transport sector to be cleaner and greener? Australia's transport sector emissions are 14% of Australia's total greenhouse gas emissions and have been predicted to increase to about 30% by 2020 over 2000 levels if we continue business as usual. So of course we need a price signal when considering the design of the Australian emissions trading scheme, transport must be included. And even though the CSIRO modelling shows that transport is likely to make a less than proportional contribution to emissions trading, each sector still has to do its fair share to help reduce emissions.

In terms of the future fuel mix, Australia's fuel mix is likely to be quite diverse, as we've heard. The CSIRO results show that the mix is expected to shift within the next 10 years to a mix of diesel fuels, like LPG and natural gas and of course also electric hybridisation. How fast this happens will depend on the availability of infrastructure for making it happen and as Mark mentioned, the transformational opportunities for us, the retro fitting of freight vehicles, LPG and natural gas and of course the ability of private vehicles to plug into the electricity grid. And this won't happen without the government having some kind of role to making this happen.

In terms of new technologies, the CSIRO modelling also shows that plug-in electrical vehicles could account for around two-thirds of kilometres travelled by 2050 and that's such an option provides the potential for near zero greenhouse gas emission road vehicles, provided of course that the electricity generation sector completely decarbonises. And that's very likely to meet the twin challenges around climate change.

So there is a significant role for the renewable energy industry to play in helping to shift the transport sector to be clean and opportunities that the CSIRO modelling showed was the opportunities for geothermal, solar thermal and wind. And again, the government has a role to help bring these technologies on stream.

Of course behavioural change is also important and the CSIRO report shows that it's actually just as important as technological changes. So helping Australians change their behavioural choices by giving employees incentives to catch public transport, more flexible work arrangements, removing perverse incentives for the fringe benefits tax for company car usage, designing our cities so we have better integrated, flexible transport and land use planning and housing density is also fundamentally important.

So in conclusion, we have a big challenge ahead of us to decarbonise our society and the sooner we start doing it the less it's going to cost us in the future. We hope the report is a conversation starter for sane, long term thinking for reducing our dependence on oil and dealing with the challenge of climate change.

Thank you very much.