



## Oil and the future - the commuter shift to public transport

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Topic: [Demand/Consumption](#)

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Crikey has a series of articles on "[oil, the future and you](#)", with the first installment featuring Adam Grubb of [Energy Bulletin](#) (which has the full text for non-Crikey subscribers).

The high price of petrol today is causing discomfort among motorists. So much so that our federal politicians have spent almost a week haggling over whose scheme is best suited to knocking a few cents per litre from the pump price.

But in a world where oil is increasingly scarce, where the security of supply remains a problem, and where the environmental cost of using fossil fuels to power your car is soon to be factored into the pump price, is that the right response? What are the long term solutions to our oil dependence? And is this the beginning of a new era of high-priced oil?

Crikey asked a panel of experts to answer questions on the good old days of cheap oil, what the politicians should really be arguing about, and how our economy will look when petrol costs many dollars per litre.

Today, Adam Grubb, the Australian editor of Energy Bulletin, answers Crikey's questions.



### **Have we entered a new energy era of high-priced oil? Are the days of \$1/litre petrol gone for good?**

Yes, the fundamentals would suggest so. We appear to have reached the peak in oil production. Global conventional oil production peaked in May 2005. Australia as a net importing nation is particularly vulnerable. Our internal oil production peaked in 2000.

#### **Australian oil production**

Most of the major countries we depend on for imports are themselves past their own peaks of production: Vietnam, PNG, Malaysia, New Zealand and Indonesia. Internal affluence and oil consumption is increasing in most of these countries such that exports are falling far more rapidly than actual oil production. Of the major countries we depend on, only the UAE has not been decreasing exports in recent years. (See this article on The Oil Drum.)

This is a trend we are seeing globally. Competition for increasingly scarce oil exports will make procuring replacement oil an expensive exercise, perhaps one sometimes resulting in conflict. Only a fairly severe global recession is likely to make oil a less scarce commodity, and then only temporarily. ...

**Sketch a picture of the Australian economy when petrol is \$5/litre and rising, considering things like food, infrastructure, the family budget and inflation?**

The McMansion suburbs are likely to fall into disrepair as the price of commuting and mortgage repayments cause many houses to be completely abandoned and stripped for copper wiring and other resources. Many formally middle class people who have lost their homes will be living out of their cars, perhaps even in gated car camps as are already being set up in the US. Many adult children won't be able to afford moving out of home, and many households may take in boarders and relatives, creating larger households.

Repair and reuse industries will flourish, many based in garages and sheds. Urban and peri-urban food production will increase and vacant lots will be turned into food gardens. The streets will be more lively, with ad-hoc markets in used goods and home produce.

Use of foot transport, bicycles and public transport will increase. Street crime will not necessarily increase in direct proportion to economic hardships, as greater social use of the streets, due to less cars and the presence of walkers may provide a level of surveillance.

Some infrastructure and centralised social services may be slowly beginning to break down. Important phone lines will be left unanswered more often, unfilled potholes will be more prevalent. Many services of the welfare state may be withdrawn, depending on the political climate.

Restaurants, tourism, recreation, personal services and electronics are likely to be some of hardest hit industries. The cheap airline industry will collapse.

There may be food rationing of basic items.

Despite rapidly rising input prices, farmers, where the season is kind, will once again be making fair returns on their efforts, and will be able to employ some of those moving from the cities.

Those with strong community or family bonds will fare better than new immigrants and the otherwise socially isolated. Adaptability and resilience will be key personal strategies. Those too institutionalised by schooling and wage work, and those who consider high consumption lifestyles a birthright and the alternatives unthinkable will have a psychological struggle to adapt. Ecologically inspired strategies such as permaculture design will move from being an environmentalist hobby to a core economic strategy.

Those who are looking for solutions which simultaneously tackle environmental impacts,

build social bonds, save money and increase health and wellbeing, will find ideal solutions in local food production and a network of manufacture and repair microindustries.

At the SMH, the front page (and the business section) was filled with energy news, with the biggest splash (featuring ASPO Australia's Garry Glazebrook) reporting on the [surge of commuters](#) onto public transport.

SOME rail passengers are being left behind on platforms and bus commuters are enduring long queues as motorists balk at the soaring price of petrol and switch to public transport.

Morning peak-hour numbers on CityRail vastly exceed the State Government's "high-growth" predictions, and bus corridors are suffering a commuter crush. There has even been a surge in demand for inter-city Greyhound coach services.

The rush for public transport comes as motorists begin to ration their petrol use. Sales of unleaded petrol fell by 4.4 per cent in the first three months of the year.

Garry Glazebrook, urban planning lecturer at the University of Technology, Sydney, said traffic growth was beginning to slow because fewer people could afford petrol. "In Sydney, the price of petrol and the tolls combine with interest rates and inflation, and there is less room in the budget," he said. "Something has to give."

It is possible that a huge proportion are shifting to rail. In the 12 months to February, there were almost 1.2 million new passengers on the Bankstown line, a growth rate of 8.4 per cent.

In 2001, the Government's Transport Data Centre predicted a worst-case scenario in which the network was hit by 2 per cent yearly growth to 2021. In the year to February, that figure was more than 4.7 per cent. Patronage climbed 7.4 per cent on the Inner West Line, 6.3 per cent on the Western Line and 6.2 per cent on the East Hills Line. Trains are so full on the Bankstown and Western lines that some morning commuters are being left behind.

Meanwhile, patronage on the Hillsbus morning peak service to the city soared from 170,000-odd passengers in September 2005 to almost 300,000 in August 2007. "We had about 65 buses in 2005 operating on the M2. It is now closer to 140 buses coming out every morning," said Hillsbus's chief executive, Owen Eckford. "We have reason to believe that growth is likely to continue."



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