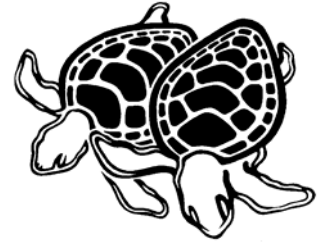


# The Environment Centre N.T. Inc

GPO Box 2120 Darwin NT 0801 98 Wood St, Darwin NT 0800  
Telephone: (08) 8981 1984 Facsimile: (08) 8941 0387  
ecnt@octa4.net.au <http://www.ecnt.org>



16 February 2006

Senate Rural and Regional Affairs and Transport References Committee  
SG 62  
Parliament House  
Canberra  
ACT 2600

Dear Committee

Last year the Federal Environment Minister saw fit to cancel Commonwealth GVEHO funding for the Environment Centre of the Northern Territory (ECNT) without any consultation and following twenty years of such funding being provided. The Minister's shortsighted, ideologically driven decision means that it is much more difficult for us to have input on behalf of the community into processes such as Commonwealth parliamentary inquiries.

Accordingly our submission on this inquiry will be brief.

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

**Comment: Rather than worrying about how much oil is left, we should be deciding now to reduce our reliance on oil and other greenhouse gas intensive fossil fuels as much as possible as quickly as possible. This means withdrawing existing subsidies, rebates, tax write-offs, hand-outs and other forms of biased assistance to the fossil fuel sector, and the imposition of a carbon tax on all fossil fuels produced or used in Australia.**

- 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.

**Comment: Trying to find "new sources of oil" should be ruled out, especially if it means even dirtier processes such as oil from shale or oil from sand (as in Canada).**

**Furthermore, alternative (non-fossil) fuels must be subjected to a full life cycle analysis before announcing whether they are 'clean', sustainable or otherwise acceptable, and subsidising them accordingly. ECNT is particularly concerned by misleading claims from industry and government that alternative fuels such as biodiesel produced from palm oil are sustainable and environmentally friendly when in fact the palm oil is coming from plantations which have been established through the destruction of tens of thousands of hectares areas of biologically rich**

**ECNT is a member of the IUCN World Conservation Union**

*The Environment Centre N.T. prints on reused or recycled paper in order to reduce waste.*

**rainforest in SE Asia. This rainforest destruction is causing many species such as the orang-utan to become locally extinct and probably eventually completely extinct. A similar situation could arise in relation to biofuel production from the construction of Ord Stage 2 in WA/NT, a project that would cause major (further) environmental degradation of the Ord River ecosystem.**

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

**Comment: Continued increases in the cost of fossil fuels, including through the imposition of a carbon tax, is/would be a very good thing for the Australian and global economy and environment. Amongst other benefits, increased prices for fossil fuels will hasten the shift to sustainable transport systems that do not rely on mass private ownership of polluting vehicles, and will increase the opportunities for (restoring) rail transport across rural and regional Australia.**

- d. options for reducing Australia's transport fuel demands.

**Comment: Necessary measures are:- removal of subsidies to fossil fuels and transfer of subsidies to genuinely sustainable energy sources and transport systems; imposition of a carbon tax.**

Yours faithfully

*Peter Robertson*

Peter Robertson

Coordinator