

**Western Australian Sustainable Energy Association (WA SEA) Inc.  
Media Release**

**Fuel imports fuel Australia's trade deficit**

Statement from the Chair of the Western Australian Sustainable Energy Association Inc., Dr Ray Wills

Despite the resources boom, Australia has recorded its worst trade results since 1974. The current account deficit increased to a record \$15.1 billion in the December quarter, fuelled by imports and the failure of export industries to compete.

A critical component of the trade deficit is Australia's importation of fuels and lubricants, up \$543m (12%), on increased volumes.

Australia is addicted to energy and our growth in this area sets us on a trajectory to outstrip the USA as the largest per capita consumer of energy in the world, and the Howard Government must act to reduce our reliance on oil imports.

As Australia increasingly debates responses to global warming, the key to managing Australia's greenhouse gas emissions is getting practical solutions to reduce our energy consumption. Australia has failed to put in place measures to reduce our reliance on imported fossil fuels for transportation.

Climate change is a result of our use of energy, and must strive to improve our energy efficiency and reduce our reliance on fossil fuels. Such measures will add to Australia's energy independence and reduce inflationary pressures on the rising costs of fuel imports, particularly as Australia's internal reserves are rapidly depleting.

Energy, like water, has always been cheap in Australia, but with increasing reliance on imported fuels, Australians must be prepared to be more frugal with energy, just as we are now addressing a similar issue with water.

WA SEA calls on the Federal Government to take stronger measures on National Average Fuel Consumption numbers for new passenger vehicles and introduce rolling three year targets on maximum fuel consumption. The Federal Government has been dragging its feet on setting mandated energy efficiency targets for the national vehicle fleet.

Separate targets should also impact on transport/commercial vehicles. Measures such as this will reduce running costs of Australian vehicles on imported fuels and reduce inflationary pressure on transported goods.

With climate change now rightly recognised as an urgent and pressing issue that must be addressed with practical solutions, it is logical that sustainable energy will play an important role in delivering a raft of affordable and immediately accessible solutions to both reducing greenhouse emissions and providing alternative sources of energy for the world. While technologies like carbon capture and storage will also be important in the longer term, those technologies are still more than a decade away.

The time to act on reducing emissions - and Australia's reliance on inflation-driving fuel imports - is now, and renewable energy and energy efficiency solutions are immediately available.

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