



National Liquid Fuels Vulnerability Assessment

Posted by [Phil Hart](#) on April 10, 2008 - 7:15pm in [The Oil Drum: Australia/New Zealand](#)

Topic: [Policy/Politics](#)

There's good news and bad news contained in Martin Ferguson's keynote address at the "Energy State of the Nation 2008" conference held in Sydney on 18th March, organised by the [Australia Energy Alliance](#).



The good news is that HON Martin Ferguson (Federal Minister for Resources, Energy and Tourism) has committed the Australian Government to undertake a **National Liquid Fuels Vulnerability Assessment** this year. It remains to be seen what answer the Government hopes to get from this inquiry, but it can't hurt to have another one can it?

The other good news is that Martin Ferguson is also well aware of our reliance on imported petroleum:

Without new oil discoveries Australia could face a trade deficit in petroleum products of more than \$25 billion by 2015 and domestic oil production could be as little as 20 per cent of our needs compared with 80 per cent in the 1990s.

He even has a plan to deal with this oil import vulnerability. The bad news is that it looks like this (hat tip to Matt in Sydney and Stuart in Brisbane):

Plan A: "Our future depends on finding Australia's next Bass Strait".

Plan B: See Plan A.

You can read his full speech [here](#), but this is the key section relating to exploration:

Australia is gas and coal rich, but oil poor with one to two decades of known oil and condensate resources.

- By contrast, we have hundreds of years' worth of remaining gas and coal

resources.

- Therefore, the need for policy settings that promote exploration is most apparent in the oil sector where our future depends on finding Australia's next Bass Strait.
- My Department is currently developing policy options to intensify mineral and petroleum exploration.
- In the latter part of 2008, I will be bringing forward for Government consideration a package of proposals to significantly enhance Australia's exploration efforts.

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- The vast majority of Australia's more than 50 sedimentary basins are largely unexplored.
- Australia's easy oil has already been won and the simple fact is our frontier basins are higher risk and higher cost locations for exploration than other options around the globe.
- One of the important jobs a national government can do is the preliminary scientific work to try to reduce risk and increase the relative prospectivity of new frontiers by providing a better information base for the industry.
- I am pleased that Geoscience Australia is doing a very good job on this front.

So rest assured everybody - the Government has a plan to deal with this challenge.



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