

Future demand and supply for fossil fuels

Supply

Currently Australia meets around 69% of its present liquid petroleum need through local production. The remainder is met by imports. Without a fall in demand or new reserves found and developed, it is projected that local production would meet only 35% of Australia's liquid petroleum needs by 2015.

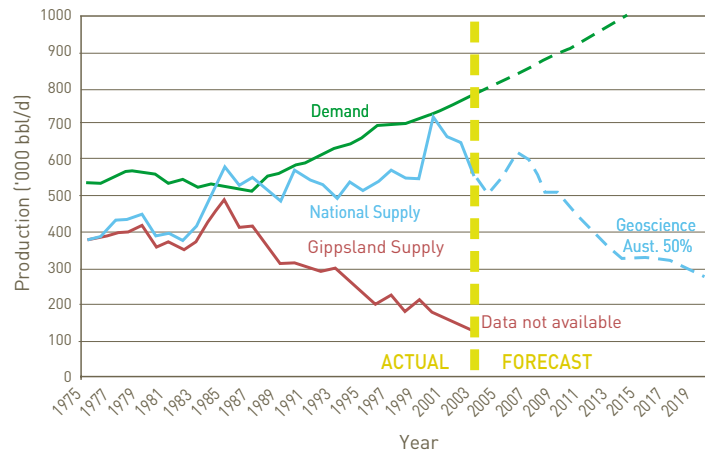
Demand

Energy forecasters expect energy demand (in Australia) to increase by an average of 2.2% per year to 2020. Energy demand growth varies between sectors. For example, in the commercial sector in Victoria, energy demand is increasing at approximately 3% per annum, while the energy consumption of the residential sector in Victoria is projected to grow at 2.2% per annum.

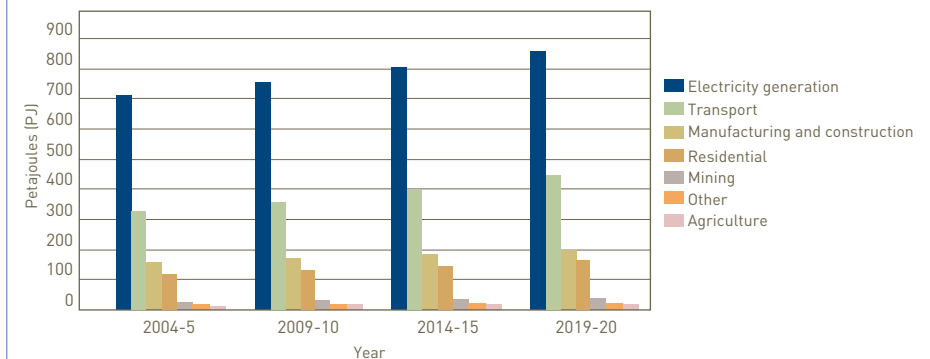
The sectors with the highest consumption of primary energy resources will be electricity production and transport. Although consumption of energy from renewable sources is forecast to increase, it remains a small proportion of total energy consumption.¹

Actual and forecast crude oil and condensate supply and demand²

Australia, 1975-2019

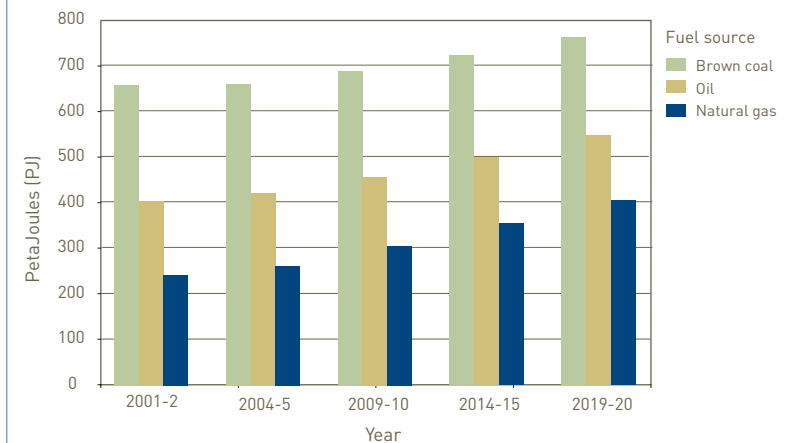


Forecast to 2020 of primary energy consumption by industry³



Forecast consumption of fossil fuels³

Victoria, 2001-2020



Water in a Dry Land "Climate change risk" p. 91

Sources ¹DPI 2004 *Minerals and Petroleum Division Statistical Review*; Geoscience Australia 2003 "Oil & Gas Reserves" ²APPEA 2005 "Industry Information - Exploration & Production"; Geoscience Australia 2003 "Oil & Gas Reserves" ³ABARE 2004 "Australian Energy National & State Projections"