

Road Hauliers Should Look at Underlying Causes of Rising Oil Prices

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(<u>PRWEB</u>) April 24, 2005 -- Road hauliers, farmers, construction workers and taxi-drivers are being called upon to look at the underlying causes of rising oil prices as the threat of a repeat of the November 2000 fuel protests, which almost brought the United Kingdom to a halt, re-emerges.

With fuel prices continuing to increase there is tremendous financial pressure on heavily oil-dependent industries such as road hauliers, farmers, construction workers and taxi-drivers, and they are calling for a drop in fuel duty, said to be the highest in the world. "We desperately need some kind of fuel stabilisation formula which would result in tax levels on fuel being reduced as world oil prices increase," said Roger King, Chief Executive of the Road Hauliers Association.

However, PowerSwitch.org.uk, a nationwide grassroots campaign dedicated to raising awareness and discussion of the imminent peak and consequent decline of global oil production, is asking those industries heavily dependent on oil to look at the underlying causes of rising oil prices. The underlying cause is the incredible surge in world demand of recent years and also the high possibility that global oil production will peak sometime between now and 2010 - with the recent Megaprojects report by Chris Skrebowski of Petroleum Review making a clear case for 2007.

As much as the levels of fuel duty hurt the industries, it is necessary as a mechanism to convince people to change their oil-dependent lifestyles. Already, the signs are there that our oil needs cannot be met, and that the shortfall can only get worse.

With the world soon facing permanent declining oil supply, it is clear that we should begin planning now how to operate a society with less oil. There are many options for this, including more efficient vehicles, efficient distribution planning and reducing the distance needed to transport products such as food by, for example, decreasing dependency on long-distance food imports.

An environmental alliance told The Chancellor in June 2004 that the Government should put the need to tackle climate change and reduce oil dependence first and go on the offensive so as to explain the role of road transport in climate change.

"In many ways, a fuel protest could be a good thing," said James Howard of PowerSwitch.org.uk. " Our dependence on fossil fuels is not being discouraged and, on the one hand, it is causing climate change and, on the other, we are ignoring the opportunity to prepare for a world with less oil and with higher oil prices. Fuel protests could spark a crisis similar to that of 2000 that would create an environment for public debate over global oil depletion, climate change and our oil dependence."

However, road hauliers are only in competition with themselves. Their competitors are not getting a better tax deal than they are. Hauliers can raise their prices and, yes, in the long run this may reduce the total amount of business available to them but, ultimately, there simply has to be less haulage. The sooner the hauliers face up to this reality, the easier it will be to cope with the change.



Notes:

(1) PowerSwitch.org.uk is a UK-wide grassroots campaign raising awareness and discussion of oil depletion and can be found at <u>www.PowerSwitch.org.uk</u>. It has a membership of over 200 with representatives in every region of Britain

(2) For further information about the global peak in oil production contact Oil Depletion Analysis Centre (<u>www.odac-info.org</u>) or The Association for the Study of Peak Oil & Gas (<u>www.peakoil.net</u>)

(3) An excellent article on oil, transport and food called $\hat{A} \square$ Why our food is so dependent on oil $\hat{A} \square$ can be found at: <u>http://www.powerswitch.org.uk/portal/index.php?option=content&task=view&id=563</u>

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