



The Bullroarer - Friday 16th May 2008

Posted by [aeldric](#) on May 16, 2008 - 2:38am in [The Oil Drum: Australia/New Zealand](#)

Topic: [Miscellaneous](#)

Radio Australia - ['Hot' China economy threatens Australian inflation](#)

Australia's top central banker says an overheated Chinese economy is having an impact on Australia's inflation rate. Addressing the economics faculty at Sydney University, Australia's Reserve Bank chairman, Glenn Stevens, has had to defend the central bank's recent tactic of increasing interest rates to keep inflation within a narrow target band. Audience members quizzed the chairman on why rates were being increased while inflation is being driven by soaring global oil prices, which the central bank can not control.

Stuff.co.nz - [Power companies 'passing on costs to customers'](#)

Low hydro lake levels and high wholesale electricity prices shouldn't hurt power companies' profits because they are passing costs on to customers, credit rating agency Standard & Poor's says.

Stuff.co.nz - [Dollar on brink of big fall - Bagrie](#)

ANZ chief economist Cameron Bagrie had mixed news for fishermen, painting a downcast picture of the economy at the seafood industry's annual conference.

[.....]

"The currency is on the cusp of another big move, given the deteriorating economic outlook," he said, picking the New Zealand dollar to be worth less than US70c by September.

[.....]

He blamed emerging markets for the spike in oil prices, and said the barrel price, which hit record levels near US\$127 a barrel on Tuesday, would stay up till growth in emerging economies softened.

ABC - [Drivers won't benefit from cut to fuel excise: motoring body](#)

The Motor Trades Association says the Federal Opposition's plan to reduce petrol prices will not amount to much of a saving for drivers.

[.....]

But the Association's Peter Fitzpatrick says while the cut may be welcomed by some drivers, it would not have a major impact on fuel prices in WA.

[.....]

"So the 5 cents a litre, we've already gone up on the international oil price some 23 cents a litre in the last 12 months so I think it would soon be lost."

The Australian - [Global economy risks standstill: UN](#)

THE global economy is likely to see an even deeper downturn later this year, and may screech to a virtual standstill if US efforts to kick-start its economy don't work, the United Nations has warned.

[.....]

"The recent sharp rise in commodity prices, especially relating to food and energy, seems to be the single most important factor affecting headline inflation around the world," the UN said.

Stuff.co.nz - [Air NZ raises trans-Tasman, Pacific fares](#)

Air New Zealand announced its latest price rise today, an average 3 per cent lift in trans-Tasman and Pacific Island airfares to counter rising fuel prices

Scoop.co.nz - [\\$1.75m grant for energy saving technology](#)

Minister of Research, Science and Technology Pete Hodgson is welcoming a \$1.75 million grant to the innovative Auckland electric motor company Wellington Drive to research advanced electronics for its products.

[.....]

"I recently visited Wellington Drive and I was impressed by what I saw," said Pete Hodgson. "The company's radical technology, which uses unique embedded software, results in the motors using about a third of the energy, and requiring significantly less steel and copper, than conventional motors."

NZ Herald - [Milking it? Not us, say farmers as prices soar](#)

Farmers get only the equivalent of a tiny slice of cheese for each block they sell, Federated Farmers says.

[.....]

"Transport, processing, energy, and marketing, plus normal margins, are some of the factors which have pushed prices up."

The Age - [Jakarta faces backlash over big fuel rise](#)

THE Indonesian Government is offering cash handouts of more than \$A1.6 billion to its poorest families in the hope of reducing a violent political backlash against a fuel price rise of up to 30%.

The soaring world oil price is forcing President Susilo Bambang Yudhoyono to cut large subsidies that make Indonesia's petrol and kerosene prices the region's lowest, but eat up about 12% of the budget.

[.....]

Police fired tear gas yesterday at rock-throwing students protesting against the price hikes in Makassar, the capital of South Sulawesi province, local television said.

Fuel prices have always been politically sensitive in Indonesia. Ten years ago this month an attempt to cut fuel subsidies provoked demonstrations that led to the resignation of President Suharto. President Megawati Sukarnoputri abandoned similar plans after violent protests in 1994.

ABC - [Rural crime soars as fuel and fertiliser get more expensive](#)

The cost of fuel, grain and fertiliser are on the rise, and so too is the rate of rural crime in Queensland.

Police say fuel and stock theft on farms has escalated.

Nine MSN - [Time to convene a summit on oil](#)

The inexorable rise in the oil price, from below \$20 to \$126 in less than a decade, makes governments look powerless. But governments can ease the economic harm of a high oil price – if they act together. In order to do so they should put oil at the heart of the next Group of Eight summit, or even better, organise a wider summit to bring together industrialised countries, big emerging market oil consumers and large oil producers.

The Australian - [Woodside sells hot rocks stake in Geodynamics](#)

WOODSIDE has continued to withdraw from the alternative energy sector, yesterday announcing it has sold its remaining holding in hot rocks hopeful Geodynamics.

Woodside said it had sold shares totalling 5.46 per cent of Geodynamics capital for about \$17 million.

On the market, Geodynamics dipped 4.27 per cent, or 7.5c to \$1.68.

This is well below the peak Geodynamics quote of \$2.38 seen in May 2005.

The Age - [Oil industry costs continue their steep rise as raw material prices skyrocket](#)

COSTS to tap into new oil and gas projects have escalated about 6% globally over the past six months and the climb could steepen because of soaring prices for steel and other raw materials, according to a study.

The Age - [Going green is an economic issue](#)

THREE days before the release of his review into the economics of climate change in November 2006, Sir Nicholas Stern met with Wayne Swan in the British Treasury. Swan has called that meeting "the most important public policy discussion I have had in my political life". He knew that if the science of this problem was even half right, global warming and the resulting climate change would have dire consequences for Australia.

Although climate change is undoubtedly the most fundamental environmental problem the world has yet faced, tackling the dynamics behind it is not an environmental policy problem. If any economy is going to succeed in the difficult task of maintaining economic growth and progress while limiting and reducing greenhouse emissions, the cabinet minister who has carriage of economic policy must play a key role.

If Australia is to achieve the low carbon economic transformation that this problem requires, fiscal and economic levers beyond emissions trading will need to be employed.



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