



## The Bullroarer - Monday 2nd June 2008

Posted by [Phil Hart](#) on June 1, 2008 - 11:25pm in [The Oil Drum: Australia/New Zealand](#)

Topic: [Miscellaneous](#)

SMH: [Govt 'backing down on renewable energy'](#)

The Rudd government has been accused of neglecting to set aside money for renewable energy. Treasurer Wayne Swan has been criticised for a budget decision to means test the \$8,000 rebate for installing solar energy panels. But that's just one of several blows to the renewable energy sector, University of New South Wales (UNSW) senior lecturer Mark Diesendorf says.

"Even worse is the government's inexplicable refusal to allocate anything in 2008-09 from the much-vaunted Renewable Energy Fund (\$500 million over six years)," Dr Diesendorf said in a statement. "Yet the Clean Coal Fund (\$500 million over eight years) will pay out \$35 million in 2008-09. "This suggests a bias against renewable energy compared with coal."

Herald Sun: [In the grip of oil](#)

THERE may be a debate about the cause but there is no doubt about the effect: the world is on the verge of an energy crisis. The signs are everywhere.

This week, Qantas boss Geoff Dixon said the airline would ground planes, cancel routes, slash jobs and freeze senior pay packets to combat rising jet fuel prices. Mr Dixon lamented that Qantas had "no control" over rising fuel costs - sentiments echoed by other airlines such as Air France KLM, which has flagged a sharp decline in operating profits.

Motorists are also feeling unprecedented pain at the pump, with petrol prices hovering near the \$1.60 a litre mark in Melbourne this week. Elsewhere, Andrew Liveris, the Australian boss of US paint, agricultural feeds and plastics maker Dow Chemical, warned that the US is facing "a true energy crisis" as he flagged price rises for the company's products of up to 20 per cent in response.

Adelaide Now: [Peak oil protest in the city](#)

PEAK-HOUR traffic was faced with the looming reality of "peak oil" this morning. About 15 concerned demonstrators marched at the intersection of King William St and North Tce between 8am and 9am to raise awareness that petrol will eventually run out.

You can also watch ASPO's Stuart McCarthy in a presentation to Engineers Australia in Brisbane earlier in May  
(choose the presentation title from the May list):

[Peak Oil: The broader sustainability and engineering implications in South East Queensland](#)

---

From ASPO's own Elliot Fishman, in the Canberra Times: [Rising crude oil prices have the Govt over a barrel](#)

Under mounting pressure from high global oil prices, the Prime Minister, Kevin Rudd recently declared that there is no "silver bullet" to the skyrocketing cost of petrol. The blistering pace of fuel price rises has led to talk of reducing the excise on fuel. In his budget reply speech, Brendan Nelson proposed a five cent reduction in the excise, leading Joe Hockey to argue that fuel prices would always be lower under a Coalition government. "We can legitimately and will run the line that petrol will always be cheaper under the Coalition than it will be under the Labor Party," he said.

Greens NZ Blog: [Joe Bennett receives a lesson in the economics of oil this morning in the Dominion Post.](#)

Joe Bennett receives a lesson in the economics of oil this morning in the Dominion Post.

"Tell me, I shouted above the din of hooves, why the price of petrol is soaring like the lark. Why, every time I stop at the pumps, someone is up a ladder changing the price. It's killing me, Mr Economist. My car is not a luxury, but a necessity. Without a car this town is uninhabitable. The mall where I worship is too distant to walk to."

Scoop NZ: [Urgent power savings required to avert power cuts](#)

Blackouts in the North Island are very possible, the Employers & Manufacturers Association (Northern) says, and probable in the South Island if huge power savings are not made immediately.

"Where's the sense of urgency over the power blackouts we're facing?" asked Alasdair Thompson, EMA's chief executive. "We can see there's no political appetite for panic but the country needs leadership now to save power. "We are calling on all our business members to make all the workplace savings possible. "Households need to take special care with all power usage that does not jeopardize family health. "The country is in fact facing not one but three power problems.

Stuff.co.NZ: [Restart eases fears of blackouts](#)

Restarting part of the mothballed New Plymouth power station will "help a whole lot" in the power shortage, according to some analysts, but others say blackouts remain a risk

NewsTalkZB NZ: [Retailers urged to help customers save power](#)

The Australia: [Push for ethanol hits grain supplies](#)

RISING demand for ethanol in petrol, driven by the green policies of state and federal governments, threatens to cause grain shortages that will challenge the grain and grazing sectors and drive food prices higher.

Farming industry leaders and analysts say the push by governments to ensure 10 per cent of petrol is made up of biofuels such as ethanol will leave the nation critically short of grain.

They claim that despite assurances by the NSW and Queensland governments and the biofuels industry that it would use only plant waste for ethanol, tens of thousands of tonnes of animal feed-quality grain and wheat starch are being used to make the taxpayer-subsidised fuel.

Australian Lot Feeders Association director Dougal Gordon said the nation's biggest ethanol producer, Manildra, had been purchasing up to 50,000 tonnes of feedgrain-quality wheat a year for the past five years for ethanol production, taking it away from use for feeding animals.

"This is grain, not starch by-product," Mr Gordon said.

"The NSW Government says it is all by-product, so there is no fuel-versus-food issue, but that's wrong."

Courier Mail: [Sugar prices not so sweet](#)

QUEENSLAND'S sugar growers increasingly could diversify into more lucrative crops given fears global sugar prices are set to continue their slide as a prolonged supply glut is worsened by easing demand.

Sugar prices have been under pressure, largely from oversupply, for some time but prices for July delivery hit a seven-month low on Thursday and the outlook for the year looks bleak, experts say.

NZ Herald: [Tourism hit by fuel costs, economic downturn](#)

The last time the tourism industry was hit by an economic downturn was after the Asian crisis in 2000.

But that will be just a blip compared to what operators are now facing, says Paul Yeo, head of the inbound tour operators council and the travel agents' association.

Power generator and retailer Origin Energy says the company is always for sale at the right price, but the price will have to be a lot more than \$15.50 per share.

Origin managing director Grant King said its coal seam gas assets now made the company a far more valuable business.

Greens Blog NZ: [Sue Kedgley on Peak Food](#)

Sue Kedgley spoke at the Farmers Market Biennial Conference yesterday on Peak Food:

"We are in danger of becoming a cash crop nation –producing dairy and to a lesser extent meat for export –while other sectors are being eroded by cheap imports. We import 2.8 million tonnes of food each year — bananas from Equador, garlic from China, wheat from Australia—and our imports are growing every year."

ABC: [Petrol price surge feared after Qld move](#)

Petrol prices on the New South Wales north coast could be set to jump by as much as 8.5 cents a litre following a move by Queensland to protect its fuel subsidy.

The Queensland Government yesterday announced it would stop interstate drivers filling up with subsidised fuel as part of an attempt to stop fuel companies rorting the 8.345-cents-a-litre subsidy.

The Age: [Food and fuel crisis must be solved: MP](#)

Food crops must be kept separate from crops used for biofuels in order to put a stop to global food shortages, a Rudd government minister has warned.

Agriculture Minister Tony Burke says the challenge for countries around the world, as they face an increasing shortages in food, is to balance the harnessing of biofuel with global food demands.

Courier Mail: [Subsidy to push up food cost](#)

A NEW scheme to ensure only Queenslanders benefit from the state government's fuel subsidy could push up the price of food and other goods.

Under the proposal announced by Premier Anna Bligh yesterday, Queensland motorists will swipe a bar code on their drivers licence at the point of sale to receive the 8.35 cent a litre subsidy.

The subsidy is currently included in the sale price of fuel, but a government inquiry last

The Age: [You can forget the \\$49 air fare](#)

The soaring price of oil spells turbulence ahead for budget airlines.

IF THE airline industry was a child of yours, you would be at your wits' end. As it makes its way to adulthood as a corporate citizen, it constantly finds trouble. Euphoric sweet spots where all is right in the world are inevitably followed by crises of ever-growing magnitude: wars, global disease outbreaks, economic recessions and now the mother of all shocks, for the fourth time in 40 years, the oil problem.

The Age: [Virgin turbulence on fuel](#)

No need to worry:

The West: [Petrol cost due for a fall, says economist](#)

Petrol prices will tumble within months as consumption dries up and speculators move out of world markets, a senior economist predicts.

With bowser prices averaging 156.4¢ a litre in Perth today, AMP Capital chief economist Shane Oliver said at the weekend there were encouraging signs that global oil prices may be about to turn around.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).