



## The Bullroarer - Thursday 8th May 2008

Posted by [aeldric](#) on May 8, 2008 - 1:00am in [The Oil Drum: Australia/New Zealand](#)

Topic: [Miscellaneous](#)

Stuff.co.nz - [Origin Energy prepares to fight off UK bid](#)

Origin Energy has provided its first big hint that it will attempt to fight off a proposed \$A12.9 billion takeover bid from Britain's BG Group, suggesting the valuations in the bid were not "challenging".

This is not really a local story, but the notion of Daniel Yergin of CERA talking about oil at \$150/barrel, and a move to alternatives is just so staggering that I had to include a local report on the subject:

Stuff.co.nz - [High oil prices seen spurring alternative fuel shift](#)

Record US crude oil futures near \$US124 a barrel have reached a "break point" that will spur a shift away from an oil-centric transportation sector toward alternatives, energy analyst Daniel Yergin said.

Yergin, chairman of Cambridge Energy Research Associates, said that US crude oil prices – which hit a record \$US123.93 a barrel on Wednesday – will hasten the adoption of cellulosic biofuels made from switchgrass and woodchips, as well as battery-powered cars and fuels derived from coal.

ABC Radio - [Fuel price set to rise in Indonesia](#)

The government signalled early last month that it is bleeding money to fuel subsidies -- where the government off-sets the higher price of world oil to keep domestic prices down in diesel, gasoline and kerosene.

The subsidies are huge -- Indonesia nearly tripled its fuel subsidy spending in the last budget to 14-billion U-S dollars for 2008, about 12 per cent of total state expenditure.

But the world price keeps rising, and the government -- breaking an election promise -- has to act.

The Age - [Oil headed for \\$US200 - or collapse](#)

OIL prices could hit \$US200 a barrel in a final "super-spike" over coming months as producers fail to keep pace with blistering demand from China and the Middle East, says a controversial report by Goldman Sachs.

"We believe the current energy crisis may be coming to a head. A 'super-spike' end game may be in the early stages of playing out," said Arjun Murti, the bank's energy strategist.

Goldman Sachs said a chronic lack of supply would lead to a "dramatic and continuous rise in oil prices", followed at some point by a sharp fall in oil demand as businesses retrenched.

ABC - [Fuel costs hit aerial farming](#)

For property owners who rely on helimustering and aerial spraying, it's about to get a lot more expensive.

Some aviation businesses have lifted prices, and imposed fuel surcharges, and more are set to follow because of record fuel prices.

ABC - [Rising fuel prices will hurt: Transport forum](#)

The West Australian Transport Forum says the rising cost of oil could spark a crisis in the state's transport industry.

Just a reminder that Australia is not the US...

The Age - [Jobs jump fuels rate fears](#)

Australia's economy added jobs in April, extending the employment growth for an 18th consecutive month and keeping the Reserve Bank under pressure to raise interest rates to cool demand.

The country's labour force increased by 25,400 jobs last month, compared with the 10,000 new jobs expected by economists. Of those, 19,000 were full-time and the remainder part-time, the Australian Bureau of Statistics reported.

The Australian - <http://www.theaustralian.news.com.au/story/0,25197,23662284-643,00.html>

THE surge in world oil prices to more than \$US120 a barrel threatens to make the federal Treasury's budget inflation forecast obsolete before it even goes to print.

[.....]

Mr James noted that the influence of oil goes beyond the direct cost to consumers, affecting the prices of all consumer goods that need to be transported.

Although the Reserve Bank's process of filtering out extreme price movements will cut

the spiralling price of petrol from the underlying rate of inflation, it will not escape the second-round effects.

"It pushes a lot of the items within the trimmed mean towards the top of the range, and feeds through to underlying inflation as well," Mr James said.

SMH - [High oil prices stunt democracy](#)

There are two important recessions going on in the world today. One has gained enormous attention. It's the economic recession in the US. But it will eventually pass, and the world will not be much worse for wear. The other has been given no attention. It's called "the democratic recession", and if it isn't reversed, it will change the world for a long time.

[.....]

What explains this? A big part of this reversal is being driven by the rise of petro-authoritarianism. I've long argued that the price of oil and the pace of freedom operate in an inverse correlation - the First Law of Petro-Politics. As the price of oil goes up, the pace of freedom goes down. As the price of oil goes down, the pace of freedom goes up.

Radio NZ - [Emissions scheme damaging - Todd Energy](#)

New Zealand's largest privately owned energy company says the Emissions Trading Scheme has the potential to cause serious damage to New Zealand, and create social divisions

Todd Energy managing director Richard Tweedie told Parliament's Finance and Expenditure committee on Thursday the scheme was inequitable, and was being introduced in haste.

Stuff.co.nz - [Fishing industry in crisis over fuel cost](#)

A deep-sea trawler has been tied up, inshore trawlers are being fitted with energy-saving technology and a fishing company has asked the prime minister for help, as rising fuel prices threaten the future of Nelson's fishing industry.



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