

# BUSINESS CONFIDENTIAL



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## Doomsday sector hits back at lazy claims

THE cigar-puffing federal Treasurer **Joe Hockey** has managed to upset yet another segment of society — doomsday economists and commentators.

"It is just an easy mantra for international commentators and for analysts based overseas to say, 'well there is a bit of a housing bubble emerging in Australia'; that is a rather lazy analysis because fundamentally we don't have enough supply to meet demand," reasoned Hockey at the Bloomberg Summit in Sydney this week.

Hockey's comments drew a quick rebuke from Australia's best-known doomsday economist, the London-based **Steve Keen**.

"He's the one being lazy. That's what every Treasurer and central bank governor of a country that's had a housing bubble has said before it caused an economic calamity," Keen told Biz Con.

The New York-based commentator **Jesse Colombo**, who has warned of a massive asset bubble building in the global economy, said Hockey's claims reminded him of comments made by the former head of the Federal Reserve before the US sub-prime housing crash.

"If you recall in 2005, **Ben Bernanke** denied that there was a US housing bubble. So I'm not surprised by these types of denials," he said.

Colombo was dismissed by New Zealand's Minister for Economic Development



**Steven Joyce** as "the bubble guy" for writing a report predicting a housing crash in New Zealand.

Meanwhile, Hockey further upset wind farmers this week by again labelling wind turbines as ugly.

"I drive from Sydney to Canberra on Sundays to go to parliament and I just look at those wind farms around Lake George and I am just appalled at the beautiful landscape that has been ruined," said Hockey.

"It is just an aesthetic view," Hockey said about the farm run by the ASX-listed Infigen.

Infigen chief executive **Miles George** told Biz Con: "Aesthetic considerations should really not be the government's policy position.

"It does concern me that aesthetic considerations are influencing the policy and Joe Hockey's comments are an example of that," said George, who has raised concerns about the government's hints about cutting the Renewable Energy Target.

## JETPACK LISTING LOOMS



IT could well be one of the most obscure listings to ever be considered for the ASX, along with the laundry powder company Big Kev's, Alan Bond's dirigible company and the Melbourne brothel the Daily Planet.

The New Zealand jetpack maker Martin Aircraft is believed to be preparing a prospectus for an initial public offering on the ASX, after already raising NZ\$6.5 million from mainly Australian investors earlier this month.

Company founder **Glenn Martin** told Biz Con that he always thought growing up in the 1960s — with the Jetsons on television — that jetpacks would become part of everyday life.

"We thought we were always going to have jetpacks but something got in the way I suppose. Reality perhaps," said Martin.

"When I was 21 at university, having a few

beers with some mates, we started to wonder, 'What ever happened to the jetpack'," he said.

Martin said he originally expected to sell three or four of his jetpacks a year. But following strong interest from potential customers since its 2008 debut at a US airshow, he said it could now be in "the thousands if we do the product right".

The company is yet to start commercially producing its \$US150,000 jetpacks which are yet to get regulatory approval from aviation safety authorities.

"It looks like we're not going to be a small company. We're going to be an international company," he said.

Martin has appointed the Sydney-based Axstra Capital as his corporate adviser.

## Syringe company in eyes of shorts

AFTER accumulating \$327 million of losses, the former Sydney-based syringe company Unilife is as upbeat as ever about its prospects.

"I'm pleased with the trajectory of our business so far and can advise that we are well positioned to continue generating significant revenue growth in fiscal year 2015 and beyond," Unilife chief executive Alan Shortall said last week after he unveiled an impressive \$US57.9 million full-year loss.

Shortall, who has headed the company for more than a decade and led its move to Pennsylvania and the Nasdaq exchange, has kept the dream alive that supply agreements with pharmaceutical companies and revenue will soon start ramping up.

Still, Unilife is having troubles quelling negative commentary about its prospects on a prominent US investor blog site where it has been identified as a prime short-selling opportunity.

In April, Unilife urged the US Securities and Exchange Commission (SEC) to investigate a "series of malicious blogs containing false and misleading information published over recent months by short-sellers on the Seeking Alpha website".

Ironically, the blogs themselves stemmed from discussions the SEC was having with Unilife.

Unilife did "not believe that there are any grounds for any action against the company". Meanwhile, the negative blogs continue. The latest questions whether Unilife will run out of cash by the end of 2014.