

Run Down on Carbon Tax

The Prime Minister the Hon Julia Gillard MP has commenced a road show around Australia and has received a hostile response from individual members of the public worried about increases to their cost of living and industry groups concerned about cost pressures for businesses.

The carbon tax blueprint includes:

- Starting price of \$23 per tonne to apply to top 500 carbon emitters from 1 July 2012 rising 2.5% each year until 2015 when the price will be market set.
- Establishment of a \$10 billion Clean Energy Regulator.
- \$15 billion in tax relief for employees including rise in tax free threshold to \$18,200 per annum.
- \$9.2 billion in industry assistance to emissions intensive businesses
- Forecast emission reduction target of 80% by 2050.
- Small Business instant write off threshold increased to \$6500 but restricted to business with an annual turnover of less than \$2 million per annum.
- Average consumer cost increases forecast at \$9.90 per week with assistance forecast at \$10.10 per week.
- Exemptions for petrol and agricultural sector.

The Hon Bob Baldwin, Shadow Minister for Tourism and Regional Development also gave a media release on the carbon tax. The Shadow Minister stated 'Labor's Carbon Tax will penalise Australians for holidaying at home' as domestic travel will be taxed under the new carbon tax. Australian tourism operators are already suffering due to the high Australian dollar. Baldwin stated: 'Tourists will pay carbon if they fly 320 kilometres from Sydney to Port Macquarie, but they won't pay carbon tax flying from Sydney to Port Vila in Vanuatu'. He also stated 'Labor's carbon tax will clean out more domestic arrival halls than it will clean up the environment'.

The Restaurant & Catering National Office plans to continue lobbying against the carbon tax which will be a financial disaster for restaurants, cafes and catering businesses already reeling with high operating costs and excessive government taxes.